

4th September, 2024

To,
National Stock Exchange of India Limited
Exchange Plaza, NSE Building,
Bandra Kurla Complex,
Bandra East, Mumbai-400051

Trading Symbol: SERVOTECH

Sub.- Annual Report along with Notice of 20th Annual General Meeting (AGM) of the Company for the Financial Year 2023-24

Dear Sir/Madam,

In compliance with the Regulation 30 & 34 and other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed Annual Report along with Notice convening the 20th Annual General Meeting ("AGM") of Shareholders of the Company for the financial year ended 31st March, 2024.

The 20th AGM is scheduled to be held on Friday, 27th September, 2024 at 11:00 A.M. (IST) through Video Conference ("VC") and Other Audio Visual Means ("OAVM").

The Notice and the Annual Report is also available on the Company's website at www.servotech.in/investors.

Brief information relating to the AGM is as mentioned herein below:

Sl. No.	Particulars	Details
1.	Day, Date and time of AGM	Friday, 27 th September, 2024 at 11:00 A.M. (IST)
2.	Mode	Video Conference ("VC") and Other Audio Visual Means ("OAVM")
3.	Cut-off date for e-voting	Friday, 20 th September, 2024
4.	E-voting start date and time	9:00 A.M. (IST) on Monday, 23 rd September, 2024
5.	E-voting end date and time	5:00 P.M. (IST) on Thursday, 26 th September, 2024
6.	E-voting website of NSDL	www.evoting.nsdl.com

Kindly take the above information on record and oblige.

Thanking You,

Yours Faithfully

FOR SERVOTECH POWER SYSTEMS LIMITED

RUPINDER KAUR
COMPANY SECRETARY AND COMPLIANCE OFFICER
ICSI MEM. NO.: A38697

Encl.: as above

Servotech Power Systems Limited

CIN : L31200DL2004PLC129379

REGISTERED OFFICE : 806, 8th Floor, Crown Heights, Hotel Crown Plaza, Sector-10, Rohini, New Delhi - 110085

PLANT AND R&D : 76A, Sector-57, Kundli Industrial Area, Sonapat, Haryana- 131028

Tel No : 011-41130158, ● Sales : +91 9717691800, ● Email : servotech@servotechindia.com, Website : www.servotech.in

Accelerating Global Sustainable Transformations



INSIDE THE REPORT

Corporate Information 03-26

Corporate Sustainability 27-29

Director's Report 30-51

Management Discussion and
Analysis Report 52-59

Corporate Governance Report 60-79

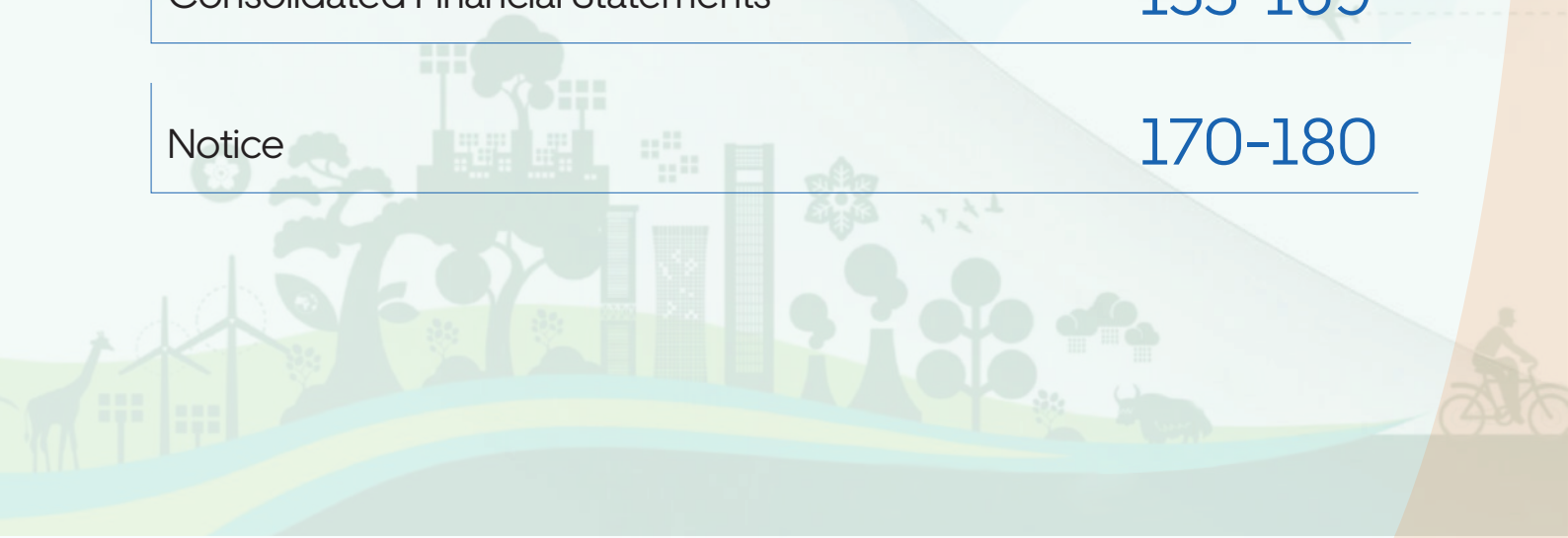
Independent Auditors Report on
Standalone Financial Statement 80-87

Standalone Financial Statements 88-124

Independent Auditors Report on
Consolidated Financial Statement 125-132

Consolidated Financial Statements 133-169

Notice 170-180



Company Overview

We, as a company, believe in creating value through transformational changes. Our motto is to drive a green future through sustainable development and relentless innovation. We create eco-friendly solutions that will lead the charge in the global transition to renewable energy and electric mobility, ensuring a sustainable planet for future generations. With an extensive presence spanning over two decades in the electrical and electronics industry, we have pioneered high value solutions. We started with the manufacturing of sine wave inverters and transitioned towards sustainable mobility domain with a motive to inculcate the formation of a green powered nation.

We have installed over 5,800 EV chargers nationwide. Our diverse product line includes AC chargers ranging from 3KW to 22KW, DC chargers from 15KW to 120KW, and ultra-fast DC chargers with power capacities of 240KW and 360KW, ensuring compatibility with all major EV brands. Our product portfolio also includes technologically advanced solar inverters, panels and batteries.

Over the years, we have built a substantial clientele including industry giants like Tata Motors, ITC Hotels, BPCL, HPCL, IOCL and many more.

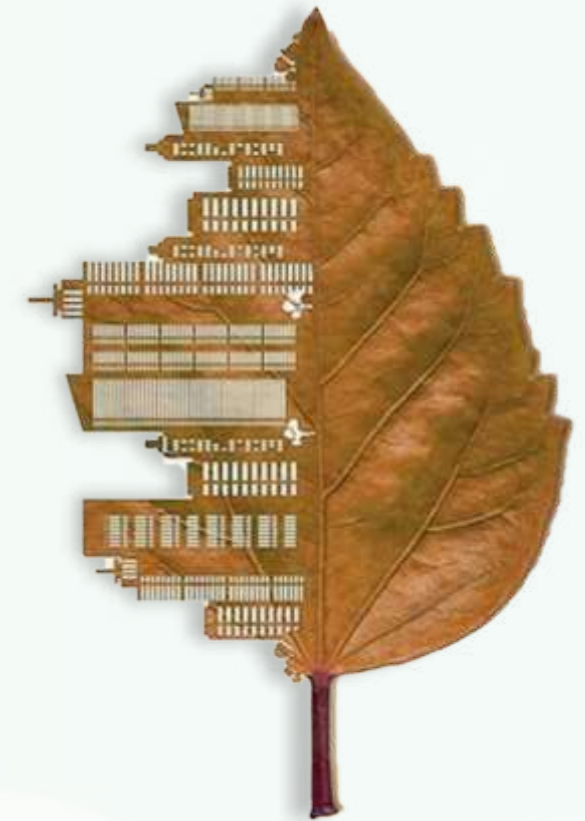
Our latest development is the construction of a new factory, with a capacity to produce 24,000 DC EV fast chargers annually.

We are also cultivating a strong dealer and distributor network expanding our market with a network of over 120 distributors and 2000 dealers pan India.



Keeping Business & Sustainability Together

At Servotech, we believe that true business success is measured not just by financial growth but by our contributions to sustainability and development. By integrating eco-friendly practices into our operations, we ensure that our growth is aligned with the health of our planet. Our innovative solutions, rooted in sustainability, drive forward the communities we serve. Green practices fuel our development while creating a culture of responsibility and progress within our industry. We consistently grow, and we do so responsibly, creating a legacy that benefits both our business and the world.



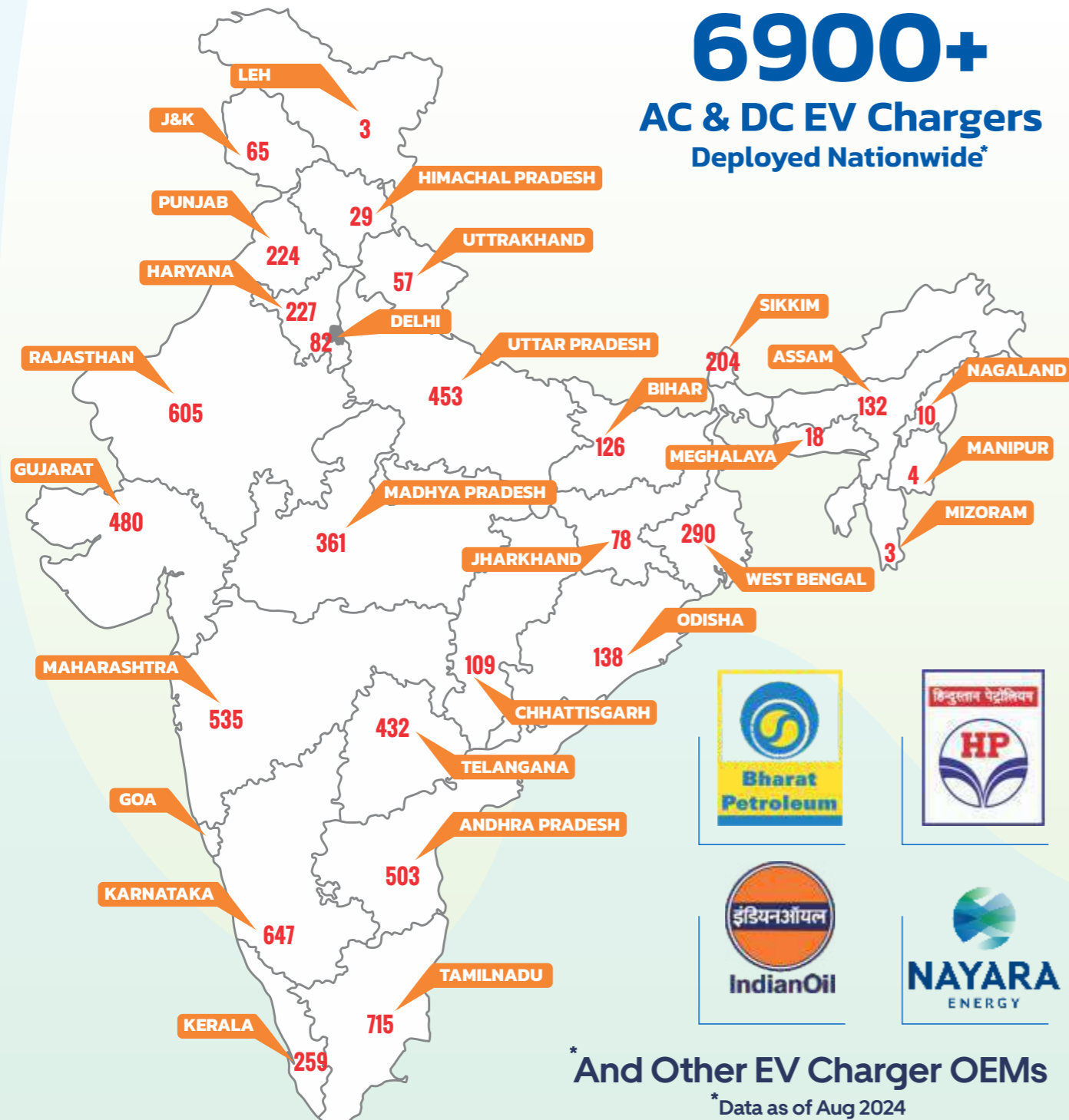
Creating Green Solutions

Our products resonate with our motto "Produce green to live green". We are in a pursuit to constantly and consistently evolve, innovate and strive to create world-leading technological solutions for our clients. When I talk about our mission, I can say that it is to design sustainable, tech-enabled solutions for optimal utility and product performance with a strong underlying vision of introducing world-class solutions to mitigate the impact of energy consumption on climate and achieve net-zero emissions. Building on Make in India and localizing the production processes, we aim to contribute to India's self-reliance and meet the growing demand for energy-efficient solutions in the market.



Creating EV Charging Network For Oil Marketing Companies

Over the course of our journey in the EV charging space, we have cultivated the trust of leading oil marketing companies like BPCL, HPCL, IOCL and Nayara in different states of India. We have deployed and are deploying AC & DC EV chargers of various capacities to them and other EV Charger OEMs, contributing our bit to the formation of an EV powered India.



Strategy for Growth

We focus on creating a strong and well-planned strategy for the growth and improvement of our company. We pioneer high-performance green energy solutions which are crafted for tomorrow's challenges and make conscious choices, accelerating the shift towards a carbon-neutral future. We prioritize customer satisfaction and invest in our people. Targeting the right markets and diversifying our activities help us build resilience, and cultivating long lasting relationships enhances our credibility. All these efforts shape our path to lasting success.



Genesis Statement



Our Vision
“Produce Green
To Live Green”



Our Mission

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

Values We Abide By

Renewability & Sustainability

Inspired to build net-zero future with innovative energy solutions, promoting sustainability

Employee Well - Being

Valuing people, hiring best, fostering growth, achieving greatness, together we succeed.

Innovation

Innovate development, approach all aspects with fresh thinking, drive success

Commitment

Honest, committed, equitable; open communication; integrity guides our actions

Customer Service & Satisfaction

Customer-centric decisions, utmost satisfaction, going above and beyond for our customers

Profitability

Long-term success enables top productivity tools, solutions, and services for all

Wall of Success



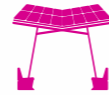
2004

- Introduced leading-edge Sine-Wave inverters for domestic use.



2017

- Went public, listing on the National Stock Exchange (NSE-SME Platform) under the symbol SERVOTECH.



2019

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



2023

- Established subsidiary Servotech EV Infra Pvt. Ltd.
- Established subsidiary Techbec Green Energy Pvt. Ltd.
- Filed 4 patents for Energy Management and EV Charger Technology
- Collaborated with IIT Roorkee to develop rectifier units and onboard chargers.
- Implemented SAP S4 HANA Grow.

2024

- Established sports arm Servotech Sports and Entertainment Pvt. Ltd.
- Initiated in-house EV charger components manufacturing.
- Introduced India's first fast charging interoperability solutions between GB/T and CCS2 protocols



2005

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



2014

- Transitioned into the LED Solar lighting segment for wider application.



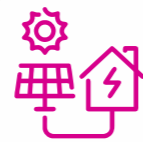
2020

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



2009

- Ventured into LED Lighting solutions for both industrial and domestic application



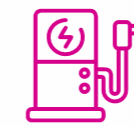
2010

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



2021

- Launched Rebreath, offering medical-grade Oxygen Concentrators and its spare parts.
- Made it to the Main Board (Capital Market Segment) of NSE.



2022

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

Founder & MD's Statement

Dear and esteemed fellow shareholders,

It is with great pride and enthusiasm that I welcome you to our 20th Annual General Meeting today. This gathering represents not only a celebration of our achievements but also a testament to the unwavering commitment of our team and the trust you've placed in Servotech Power Systems.

We stand at a pivotal moment in history, where the urgent need to address climate change and transition to sustainable energy solutions is undeniable. Servotech has been at the forefront of this movement, driven by our vision of a greener, cleaner future. Our focus on innovation, reliability, and connectivity has enabled us to develop solutions that not only meet the demands of today but also pave the way for a more sustainable tomorrow.

Electrifying the Future

As India sets its sights on achieving Net Carbon Zero by 2070 and transforming into an EV-powered nation, Servotech is playing a crucial role in realizing this ambition. We are proud to be leading the charge in the development of India's electric vehicle infrastructure.



Mr. Raman Bhatia
Founder and Managing Director

Our recent entry into the Charge Point Operator (CPO) market through Servotech EV Infra Pvt. Ltd. is a testament to our dedication to this cause. We are expanding our manufacturing capabilities to meet the growing demand for EV chargers and components, ensuring that we remain self-sufficient and reduce reliance on imports. Our strategic partnerships with international firms further strengthen our position in this rapidly evolving market.

The government's initiatives to promote electric mobility, such as the development of EV-ready highways, present exciting opportunities for Servotech. We are well-positioned to capitalize on these initiatives and contribute to the accelerated adoption of electric vehicles in India.

Harnessing Solar Power

In addition to our focus on electric mobility, Servotech remains committed to harnessing the power of the sun to provide clean, renewable energy solutions. Our solar products continue to be a cornerstone of our business, and we are constantly exploring ways to innovate and improve their efficiency and accessibility.

Financial Performance

In the Financial Year 2023-24, Servotech demonstrated robust growth and resilience. Our consolidated revenue increased by an impressive 27.50%, reaching Rs. 35,526.48 lakh. Our profit also saw a healthy growth of 6.66%, reaching Rs. 1,180.20 lakh. These figures reflect the strong demand for our products and services and our ability to execute our strategies effectively.

The Road Ahead

As we look to the future, Servotech is committed to continuing its journey of innovation and growth. We will remain focused on developing cutting-edge solutions that address the evolving needs of our customers and contribute to a more sustainable world.

We are also committed to maintaining the highest standards of corporate governance, transparency, and accountability. We value the trust you've placed in us and will continue to uphold these principles with integrity.

In closing, I want to express my deepest gratitude to our stakeholders – our shareholders, employees, customers, and partners – for your unwavering support. Together, we are building a brighter, more sustainable future for generations to come.

Thanking You
With Warm Regards,

Raman Bhatia
Founder and Managing Director

Board of Directors/KMPs



Mr. Raman Bhatia
Managing Director

A visionary business leader with a strong core belief of producing green to live green, his entrepreneurial spirit has led Servotech to new heights of success.



Ms. Sarika Bhatia
Whole-time Director

Her business acumen, intuitive nature and sales-driven approach have created Servotech as an indistinguishable name in the sustainable energy solutions space.



Mr. Vikas Bhatia
Chief Financial Officer

His extensive experience in financial management, project management, and credit control ensures effective oversight of major financial operations and project strategies.



Dr. Rajesh Mohan Rai
Non-Executive Director

Renowned HR Strategist & Business Coach. Having more than 30 years in the HR Field, he has been awarded numerous awards like John Mattone Certified Executive Coach (Initial Mastery).



Mr. Anupam Gupta
Independent Director

He holds a significant experience in international collaboration, operations, new ventures and business development which enables him to drive growth and strategic partnerships effectively.



Mr. Sampat Rai,
Independent Director

With a 40 years long career, he has helped foreign multinationals & medium-sized companies to successfully enter markets like India, Sri Lanka, Bangladesh etc leveraging his deep industry knowledge and expertise.



Mr. Meenakshisundaram Kolandaivel
Independent Director

Banking professional with over 35 years of corporate and branch banking experience. His expertise lies in managing financial risk and optimizing credit processes.



Ms. Rupinder Kaur
Company Secretary & Compliance Officer

With nine years of experience, she oversees corporate governance, regulatory compliance, and organizational management, overall, maintaining high standards of integrity.

Our Leadership



Mr. Prem Prakash
CEO - Servotech EV Infra



Mr. Arun Handa
Chief Technical Officer



Mr. Anil Kumar
Chief Operating Officer



Mr. Vipin Kaushik
Financial Controller



Mr. Digvijay Kapoor
VP - Human Resources



Mr. Ashok Abhishek
Head EMS



Mr. Kulbir Singh
VP-Channel Sales



Mr. Sumit Sharma
Head- Process Mgmt.



Mr. Prabhatva Tiwari
PR & Corp. Comm.

Our Projects

Glimpses of UPNEDA Project



Glimpses of EV Charger Project



Glimpses of UPNEDA Solar Tree Project



Glimpses of Solar Powered EV Charging Carport

Major Announcements

Servotech Power Systems Joins Bengal Pro T20 League as Franchise Team Owner



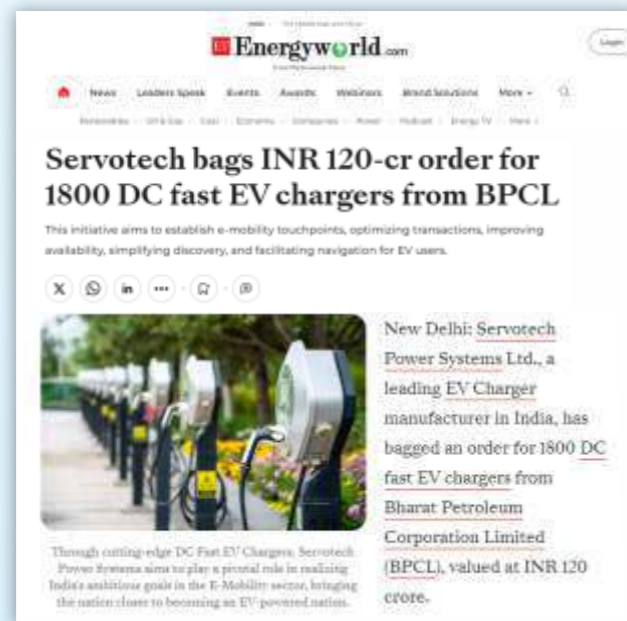
Servotech Power Systems to strengthen India's EV charging industry with in-house components manufacturing



Servotech Power files patents for energy management technologies



Servotech bags INR 120-cr order for 1800 DC fast EV chargers from BPCL



Servotech forays into EV component manufacturing, collaborates with international company



Servotech Power Systems IIT- Roorkee enter pact to develop e-chargers rectifier units



Product Categories

Solar Solutions



EV Charging Solutions



Power & Backup



EV Charger Components



Our Subsidiaries

Servotech Sports

Servotech Sports and Entertainment Pvt. Ltd.

Servotech Sports and Entertainment Pvt. Ltd. aims to empower athletes, promote inclusivity, and elevate the sporting experience, inspiring a new generation of enthusiasts. Creating a space where various sports can thrive and develop at both grassroots and professional levels.



Rebreathe Medical Devices India Pvt. Ltd.

Rebreathe is a venture brought together by a common goal of making oxygen concentrator parts available, affordable, and accessible as well as in-house so as to succeed in its aim of providing quality oxygen concentrator devices to all.



InCharZ

Servotech EV Infra Pvt. Ltd.

Servotech EV Infra that goes by the brand name Incharz's mission is to advance electric vehicle (EV) infrastructure by creating a robust EV charging infrastructure, increasing accessibility and convenience for EV users, encouraging electric vehicle adoption.



Techbec Green Energy Pvt. Ltd.

This subsidiary is engaged in the manufacturing, trading, distribution, indenting, and acting as selling and purchasing agents of EV Charger components. It is also involved in the distribution of Lithium-ion Batteries, primary cells, primary batteries, and rechargeable batteries.



Techbec Industries Ltd.

The company specializes in manufacturing, assembling, and supplying various types of batteries, including lithium, lead-acid, and solar power batteries, as well as accessories and electrical connectors. It also handles the import, export, and maintenance of generators, solar panels, and EV charging stations. Additionally, it offers fleet services and rent out spare parts and equipment.

Exhibitions



Ground Breaking Ceremony, Lucknow



National EV & Solar Expo, Lucknow



REI Expo,



Solar Expo, Hyderabad



BEE Foundation Day, Ambedkar Bhawan



EV Expo, Greater Noida

Media Coverages



Creating a Strong Digital Legacy

Embark on a visual odyssey through our year-long digital conquests. Unveil strategic mastery across Facebook, Instagram, Twitter, LinkedIn, and YouTube, as we present a tapestry of impactful campaigns, engagement, and growth. Witness the evolution of our digital footprint, sculpting a legacy of innovation and influence

20M
 FB+Insta
7.8L
 LinkedIn
3.38L
 YouTube
1.08L
 Twitter



Post Type : Video Post
 Impressions : 3.5 M
 Platform : Facebook

Post Type : Image Post
 Impressions : 1.5 M
 Platform : Facebook

Post Type : Video Post
 Impressions : 176K
 Platform : Twitter

Post Type : Video Post
 Impressions : 7891
 Platform : Twitter



Post Type : Video Post
 Impressions : 173,117 Views
 Platform : Youtube



Post Type : Video Post
 Impressions : 25,014 Views
 Platform : Youtube



Post Type : Image Post
 Impressions : 9,929 views
 Platform : LinkedIn

Our Clientele



And Many More...

Corporate Sustainability



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

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

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



A. Environment



1. Product Stewardship

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

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

2. Preserving Environment

Servotech contributes to society by providing the best Green Energy and Renewable Products which helps in reducing Global Warming. We

constantly adopt environment friendly practices and manufacture products that can help and contribute to combat the climate change by reducing carbon emissions.

3. Water and air quality

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

B. SOCIAL



1. Employee Wellbeing, Health and Safety

At Servotech, we prioritize employee engagement, learning and development, diversity and inclusion, fair treatment, leadership and succession planning, etc. in addition to ensuring employee safety by upholding workplace safety standards, offering a satisfying work environment, encouraging career advancement, and encouraging employee safety and security to strengthen our Human Capital.

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

- Work from Home refers to using one's home as a base for work instead of coming to a workplace/office, to make a better work life balance and flexible working arrangement.

Corporate Sustainability

- Employee Stock Option Plan is a benefit scheme that Company offer employees in order to retain the top talent within the firm.
- Company provides the Worker's rashan distribution every month.
- Conduct Employee training program i.e. Soft skill training, Service Training, Sales training etc.

2. Human rights and CSR

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

C. Governance



1. Governance and ethical business conduct

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

2. Brand integrity and salience

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

3. Customer and other stakeholders' delight

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

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

4. Distribution network and channels

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

DIRECTOR'S REPORT

Dear Members,

Your Directors are pleased to present to you the 20th Annual Report on the business and operations of the Company along with the Audited Financial Statements (Standalone and Consolidated) for the Financial Year ended 31st March, 2024 ("FY").

1. FINANCIAL PERFORMANCE

Highlights of the Company's financial performance for the year ended 31st March, 2024 are as under:

a) Standalone Financial Results

Particulars	(Amount in Lakhs)	
	Financial Year ended 31 st March, 2024	Financial Year ended 31 st March, 2023
Revenue from Operations	30570.06	24915.20
Other Income	150.98	40.80
Total Income	30721.04	24,956.00
Less: Depreciation	298.21	208.56
Other Financial Expenses	(28869.84)	(23,371.6)
Profit before exceptional items and tax	1552.99	1,375.84
Exceptional Items	-	-
Profit before tax	1552.99	1,375.84
Tax Expenses	420.36	318.67
Profit after tax for the year	1132.63	1057.17
Other Comprehensive Income	1.28	2.35
Net Profit for the year	1133.91	1059.53
Transfer to General Reserve	-	-
EPS (Basic)	0.52	0.50
EPS (Diluted)	0.53	0.53

Note: The face value of the Company calculated considering the sub-division held on 28th July, 2023.

b) Consolidated Financial Results

Particulars	(Amount in Lakhs)	
	Financial Year ended 31 st March, 2024	Financial Year ended 31 st March, 2023
Revenue from Operations	35368.35	27848.10
Profit after tax	1180.20	1106.51

c) Overview of Company Performance

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

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

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

2. SHARE CAPITAL

a) Authorised Share Capital:

At the beginning of the financial year, the Authorized Share Capital of the Company was Rs. 22,00,00,000/- (Rupees Twenty Two Crores only) divided into 11,00,00,000 (Eleven Crores) equity shares of face value of Rs. 2/- (Rupees Two Only) each.

Thereafter in order to ensure smooth flexibility for Shareholders, the Company did sub-divide the equity shares of the Company such that equity shares of face value of Rs. 2/- were sub-divided into 1 (One) equity shares having face value Rs. 1/- each fully paid-up ranking pari-passu with each other in all respects with effect from 28th July, 2023. The Authorized share capital of the Company post

stock split stood at Rs. 22,00,00,000/- (Rupees Twenty Two Crores only) divided into 22,00,00,000 (Twenty Two Crores) equity shares of face value of Rs. 1/- (Rupees One Only) each.

Thereafter, the Company vide its General Meeting by way of postal ballot dated 17th December, 2023 increase the authorised share capital of the company from Rs. 22,00,00,000/- (Rupees Twenty Two Crores only) divided into 22,00,00,000 (Twenty Two Crores) equity shares of face value of Rs. 1/- (Rupees One Only) each to Rs. 25,00,00,000/- (Rupees Twenty Five Crores only) divided into 25,00,00,000 (Twenty Five Crores) equity shares of face value of Rs. 1/- (Rupees One Only)

As on 31st March, 2024 Authorized Share Capital of the Company stood at Rs. 25,00,00,000/- (Rupees Twenty Five Crores only) divided into 25,00,00,000 (Twenty Five Crores) equity shares of face value of Rs. 1/- (Rupees One Only)

b) Paid-up Share Capital:

At the beginning of the financial year, the paid-up equity share capital of the Company was Rs. 21,26,54,290 (Rupees Twenty One Crore Twenty Six Lakh Fifty Four Thousand Two Hundred Ninety) to 10,63,27,145 (Ten Crore Sixty Three Lakh Twenty Seven Thousand One Hundred Forty Five) equity shares, each of Rs. 2/- (Rupees Two only) each.

Thereafter, with effect from 28th July, 2023, the shares of the Company were sub-divided such that equity shares of face value of Rs. 2/- were sub-divided into 1 (One) equity shares having face value Rs. 1/- each fully paid-up ranking pari-passu with each other in all respects with effects, resulting in change in the paid-up equity share capital from Rs. 21,26,54,290 (Rupees Twenty One Crore Twenty Six Lakh Fifty Four Thousand Two Hundred Ninety) divided to 21,26,54,290 (Rupees Twenty One Crore Twenty Six Lakh Fifty Four Thousand Two Hundred Ninety) equity shares, each of Rs. 1/- (Rupees One only) each

The Company vide Extra-ordinary General Meeting held on 1st October, 2022 had issued convertible warrants to promoter group and as on 06th January 2024 allotted 42,50,000 equity shares (Pursuant to conversion of warrants) of Rs. 1/- each on preferential basis to promoter group, Accordingly, the paid up capital was changed from Rs. 21,26,54,290 (Rupees Twenty One Crore Twenty Six Lakh Fifty Four Thousand Two Hundred Ninety) divided to 21,26,54,290 (Rupees Twenty One Crore Twenty Six Lakh Fifty Four Thousand Two Hundred Ninety) equity shares, each of Rs. 1/- (Rupees One only) each to Rs. 21,69,04,290 (Rupees Twenty One Crore Sixty Nine Lakh Four Thousand Two Hundred Ninety) divided into 21,69,04,290 (Twenty One Crore Sixty Nine Lakh Four Thousand Two Hundred Ninety) equity shares of Rs. 1/- (Rupees One only) each.

As on 31st March, 2024, the Paid up capital of the Company stood at Rs. 21,69,04,290 (Rupees Twenty One Crore Sixty Nine Lakh Four Thousand Two Hundred Ninety) divided into 21,69,04,290 (Twenty One Crore Sixty Nine Lakh Four Thousand Two Hundred Ninety) equity shares of Rs. 1/- (Rupees One only) each

3. DETAILS OF PREFERENTIAL ISSUE

During the financial year 2023-2024, the Company vide its General Meeting by way of postal ballot dated 17th December, 2023 had issued 90,00,000 warrants, convertible into equity shares on preferential basis to promoter and certain identified non-promoters and as on 06th January 2024 allotted 8900000 warrants, convertible into equity shares on preferential basis to promoter and certain identified non-promoters in accordance with Sections 23(1)(b), 42 and 62(1)(c) of the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and read with the SEBI (ICDR) Regulations and the SEBI (LODR) Regulations, 2015.

4. DETAILS OF EMPLOYEES STOCK OPTION PLAN (ESOP-2022)

In order to enable the employees of the Company to participate in its future growth and success, The Company has granted the ESOP options to its eligible employees and is in the process of implementing the said ESOP scheme by following the applicable provisions of the Companies Act, 2013 and the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

5. DIVIDEND

During the year under review, the Board of Directors recommended and shareholders approved the Final dividend of Re .0.20 per Equity Share of Face Value of 1/- (Rupees One Only)] for the Financial Year ended 31st March, 2023 AGM held on September 30, 2023.

Further, the Board of Directors have recommend the Final dividend of Re 0.05 per Equity Share of Face Value of 1 /- (Rupees One Only) for the Financial Year ended 31st March, 2024 subject to the approval of members at the ensuing Annual General Meeting upon deduction of TDS.

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

Further, pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“the IEPF Rules”), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Government of India, after completion of seven years.

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

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

During the financial year under review, the board of Directors of the Company vide its Meeting dated 25th May 2023, upon approval of the shareholders of the Company vide EGM dated 22nd June, 2023 had approved the sub-division/stock split of shares of the Company such that each equity shares of face value of Rs. 2/- were sub-divided into 2 (Two) equity shares having face value Rs. 1/- (One) each fully paid-up ranking pari-passu with each other in all respects with effect from 28th July, 2023.

In order to ensure smooth flexibility for Shareholders, the Company did sub-divide the equity shares of the Company such that each equity share of face value of Rs. 2/- were sub-divided into 2 (Two) equity shares having face value Rs. 1/- each fully paid-up ranking pari-passu with each other in all respects with effect from 28th July, 2023. The Authorized share capital of the Company post stock split stood at Rs. 22,00,00,000/- (Rupees Twenty Two Crores only) divided into 22,00,00,000 (Twenty Two Crores) equity shares of face value of Rs. 1/- (Rupees One Only) each.

Further, the issued, subscribed, and paid-up equity share capital had also changed to Rs. 21,26,54,290 divided into 21,26,54,290 equity shares, each of Rs. 1/- each from Rs. 21,26,54,290 divided into 10,63,27,145 equity shares, each of Rs. 2/- each and later as on 31.03.2024-21,69,04,290 (Rupees Twenty One Crore Sixty Nine Lakh Four Thousand Two Hundred Ninety) divided into 21,69,04,290 (Twenty One Crore Sixty Nine Lakh Four Thousand Two Hundred Ninety) equity shares of Rs. 1/- (Rupees One only) each

7. CHANGE IN THE NATURE OF BUSINESS

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

8. TRANSFER TO RESERVE

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

9. DEPOSITS

The Company has not accepted any deposits covered under Chapter V of the Companies Act, 2013 during the financial year 2023-24.

10. DETAILS OF SUBSIDIARY/JOINT VENTURE/ ASSOCIATE COMPANIES

As on 31st March, 2024, the Company has 4 (Four) subsidiaries, the details of which are as mentioned below. Further a subsidiary named Techbec Global Solutions Private Limited was sold out during the said year. After the closure of F.Y. one more subsidiary incorporated with the name of Servotech Sports and Entertainment Private limited. Detail as per section 129 is attached as AOC-1 which forms part of Financial Statement .

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

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

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

II. Techbec Industries Limited (“TIL”)

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

III. Techbec Green Energy Private Limited (“TGEPL”)

A Private Limited Company vide CIN: U27201DL2023PTC417728 incorporated as a wholly-owned subsidiary on 27th July, 2023.

IV. Servotech Ev Infra Private Limited (“SEIPL”)

A Private Limited Company vide CIN: U33200DL2023PTC422574 incorporated as a wholly-owned subsidiary on 10th November, 2023. After Dilution The Holding Company has 94.28% shareholding in the Subsidiary.

V. Servotech Sports And Entertainment Private limited (“SSEPL”)

After the close of financial year and with effect from 28th May, 2024 a subsidiary Company vide CIN: U93190DL2024PTC431924 was incorporated.

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

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

11. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the year under review, 21 (Twenty One) meetings of the Board of Directors were held. For details of the meetings of the Board, please refer to the Corporate Governance Report, which forms part of this Report.

12. DIRECTORS AND KEY MANAGERIAL PERSONNEL

As on 31st March, 2024 the Board comprised of 6 (six) Directors, 3 (three) Executive Directors and 3 (three) Independent Directors. Out of the total 6 (six) directors, 1 (one) is woman director.

1. During the Financial Year, Mr. Sahiel Khurana (DIN: 02340950) Non-executive Independent Director of the Company resigned w.e.f. 19th May, 2023 and
2. Mr. Meenakshisundaram Kolandaivel (DIN: 09854605) was appointed as Non-executive Independent Director of the Company w.e.f. 25th June, 2023.

After the closure of financial year Mr. Rajesh Mohan Rai was re-designated to Non-executive Director w.e.f. 03rd June, 2024.

Apart from above, there were no changes in the Board of Directors and Key Managerial Personnel of the Company.

13. DECLARATION BY INDEPENDENT DIRECTORS

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

14. DIRECTORS RESPONSIBILITY STATEMENT

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

- a) In the preparation of annual accounts for the financial year ended 31st March, 2024, the applicable accounting standards have been followed and there are no material departures;
- b) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2024 and of the profit of the Company for that period;
- c) They have taken proper and sufficient care for their maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) They have prepared the annual accounts on a going concern basis;
- e) They have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively; and
- f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

15. AUDITORS AND AUDITOR'S REPORT

i. STATUTORY AUDITORS

In accordance with the provisions of section 139 of the Companies Act, 2013, M/s. Rohit KC Jain and Co., Chartered Accountants (Firm Registration No. 020422N), were appointed as the Statutory Auditors for a period of 5 (five) years commencing from the conclusion of the 18th AGM till the conclusion of the 23rd AGM. M/s. Rohit KC Jain and Co., Chartered Accountants is a leading professional services firm engaged in the field of audit, taxation, risk and transaction advisory services.

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

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

In accordance with the provisions of the Companies (Amendment) Act, 2017, the requirement related to annual ratification of appointment of statutory auditors by the members has been omitted. Hence, the resolution for ratification of appointment of M/s. Rohit KC Jain and Co., Chartered Accountants as the statutory auditor, whose appointment was approved by the members in the 18th AGM for a term of five consecutive years i.e. till the conclusion of the 23rd AGM, has not been put for motion as an ordinary business in the 20th AGM.

The Auditors' Report for financial year 2023-2024 on the financial statements forms part of this Annual Report. The Auditors have also furnished a declaration confirming their independence as well as their arm's length relationship with the Company as well as declaring that they have not taken up any prohibited non-audit assignments for the Company. The Audit Committee reviews the independence of the Auditors and the effectiveness of the Audit process.

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

ii. SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors in its meeting held on 21st July, 2023 have appointed R & D Company Secretaries as Secretarial Auditor of the Company to conduct the Secretarial Audit of the Company for the financial year 2023-24.

The Secretarial Audit Report in prescribed Form MR-3 for the financial year ended 31st March, 2024 is appended as **Annexure-1** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

The Board of Directors further in its meeting dated 09th May, 2024 re-appointed R & D Company Secretaries to conduct the Secretarial Audit of the Company for the financial year 2024-25. The Secretarial Auditor have provided their consent inter alia contains their eligibility to give effect to their appointment.

iii. COST AUDITOR

As per Section 148 of the Act read with Companies (Cost Records and Audit) Rules 2014, M/s NN Sharma & Associates, Cost Accountants (Firm Registration No. 101702) as the Cost Auditors, have been re-appointed as Cost Auditors for the financial year 2024-25 to conduct cost audit of the accounts maintained by the Company in respect of the various products prescribed under the applicable Cost Audit Rules. The remuneration of Cost Auditors has been approved by the Board of Directors on the recommendation of Audit Committee. The requisite resolution for ratification of remuneration of Cost Auditors by members of the Company has been set out in the Notice of ensuing AGM. The Cost Auditors have certified that their appointment is within the limits of Section 141(3)(g) of the Act and that they are not disqualified from appointment within the meaning of the said Act.

The Cost Audit Report for the financial year 2023-24, issued by M/s NN Sharma & Associates, Cost Accountants, in respect of the various products prescribed under Cost Audit Rules.

There were no observations (including any qualification, reservation, adverse remark or disclaimer) of the Cost Auditors in the Report issued by them for the financial year 2023-24 which call for any explanation from the Board of Directors.

16. DISCLOSURE ON COST RECORDS

Pursuant to provisions of Section 134 of the Act read with Rule 8(5) of the Companies (Accounts) Rules, 2014 it is confirmed that maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Act, is required by the Company and accordingly such accounts and records are made and maintained.

17. REPORTING OF FRAUDS BY AUDITORS

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

18. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

19. CORPORATE GOVERNANCE

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

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

20. FORMAL ANNUAL EVALUATION

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

The Board evaluation exercise for financial year 2023-24 was carried out by way of internal assessments done based on a combination of detailed questionnaires and verbal discussions.

I. Performance evaluation of the Board and Committees

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

- i) Board composition and quality with emphasis on its size, skill, experience and knowledge of members;
- ii) Periodic review of Company's management and internal control system for appropriateness and relevance;
- iii) Board process and procedure with emphasis on the frequency of meetings, attendance thereof, flow of information;
- iv) Oversight of Financial Reporting process including Internal Controls and Audit Functions;
- v) Engagement in Corporate Governance, ethics and compliance with the Company's code of conduct.

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

- i) Appropriateness of size and composition;
- ii) Clarity of mandate and well-defined agenda;
- iii) Reporting to the Board on the Committee's activities;
- iv) Availability of appropriate internal and external support or resources to the Committees.

II. Performance Evaluation of Individual Directors

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

- i) Sufficient knowledge of Company strategy and objective;
- ii) Understand their role as Director, as distinct from management;
- iii) Adequate and productive use of knowledge and experience of the Independent Directors for the functioning of Board;
- iv) Efforts for professional development to enable better fulfilment of their responsibilities;
- v) Ask questions/critique proposals with confidence;
- vi) Open and effective participation in Board discussions;
- vii) Keep stakeholder interest as the touchstone in endorsing decisions.

III. Performance Evaluation of Chairman

- i) Display of effective leadership qualities and skill;
- ii) Implementation of observations/recommendations of Board Members;
- iii) Effective and timely resolution of grievances of Board Members;
- iv) Ability to bring convergence in case of divergent views and conflict of interest situation tabled at Board Meetings;

IV. Evaluation Outcome

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

21. COMMITTEES OF THE BOARD OF DIRECTORS

Your Company has following Committees of Board of Directors:

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

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

22. MATERIAL CHANGES

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

- i. A subsidiary of the Company under name and style as Servotech Sports and Entertainment Private limited ("SSEPL") vide CIN: U93190DL2024PTC431924 was incorporated on 28th May, 2024.
- ii. Mr. Rajesh Mohan Rai (DIN: 09050751), re-designated from Whole-time Director-Executive Director to Non-executive Director w.e.f. 03rd June, 2024.
- iii. Company has Allotted 3000000, 1500000, 1500000, equity shares pursuant to conversion of warrants as on 08.04.2024, 22.04.2024, 18.05.2024 respectively. After these allotments company's Paid up capital of the Company stood at Rs. 22,29,04,290 (Rupees Twenty Two Crore Twenty Nine Lakh Four Thousand Two Hundred Ninety) divided into 22,29,04,290 (Rupees Twenty Two Crore Twenty Nine Lakh Four Thousand Two Hundred Ninety) equity shares of Rs. 1/- (Rupees One only) each

23. RELATED PARTY TRANSACTIONS

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

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

The Company has formulated a policy on the materiality of Related Party Transactions and dealing with Related Party Transactions which has been uploaded on the website of the Company and can be accessed at <https://www.servotech.in/blog/wp-content/uploads/2021/12/Related-Party-Transaction-policy.pdf>.

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

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

24. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

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

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

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

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

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

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

26. CORPORATE SOCIAL RESPONSIBILITY

Company is committed towards its Corporate Social Responsibility (CSR). The Company has crossed the threshold limit provided under Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 relating to Corporate Social Responsibility (CSR) hence, CSR is applicable to the company. Details about the CSR policy and initiative taken by the company during the year are available on the website at web link: <https://www.servotech.in/investors/corporate-governance/policies>. The annual report on Our

CSR activities is appended as **Annexure-3** which forms part of this Report.

Further the board would like to highlight the unspent CSR amount of INR 21,34,000 for the financial year 2023-24 have been transferred to PM Care fund, pursuant to the companies act, 2013 and rules framed thereunder, after the closure of the financial year.

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

In accordance with the requirements of Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, a statement showing particulars with respect to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo is annexed hereto as **Annexure-4** and forms part of this report.

28. VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism for its employees and Directors to report concerns about any unethical and improper activity. No person has been denied access to the Chairman of the Audit Committee. The Whistle Blower policy is uploaded on the website of the Company at <https://www.servotech.in/blog/wp-content/uploads/2021/12/Whistle-Blower-Policy.pdf>.

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

29. EXTRACT OF ANNUAL RETURN

The Annual Return of the Company as on 31st March 2024 is available on the website of the Company and can be accessed at <https://www.servotech.in/>

30. SECRETARIAL STANDARDS

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

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

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

32. PARTICULARS OF EMPLOYEES

The details required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and

Remuneration of Managerial Personnel) Rules, 2014, in respect of Directors, KMPs and other employees of the Company, are given in **Annexure-5** of this Board's Report.

During the year ended 31st March, 2024, the Company did not have any employee, who is in receipt of remuneration of Rs. 8,50,000/- per month or Rs. 1,02,00,000 per annum and hence the Company is not required to provide information under Sub rule 2 and 3 of Rule 5 of the companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

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

33. NOMINATION AND REMUNERATION POLICY

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

- i) formulate the criteria for Board membership, including the appropriate mix of Executive & Non-Executive Directors and Board Diversity;
- ii) approve and recommend compensation packages and policies for Directors, Key Managerial Personnel and Senior Management Personnel;
- iii) lay down the effective manner of performance evaluation of the Board, its Committees and the Directors; and
- iv) such other matters as provided under section 178 of the Act and under the provisions of Listing Regulations.

The salient features of the Nomination and Remuneration Policy of the Company are outlined in the Corporate Governance Report which forms part of this Annual Report. The Policy is available on the website of the Company at: <https://www.servotech.in/blog/wp-content/uploads/2021/12/Nomination-and-Remuneration-policy.pdf>.

34. RISK MANAGEMENT POLICY

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

mitigate the various risks to our business that affects the achievement of our objectives.

More details on the Policy are given on Company's website which can be accessed through following link: <https://www.servotech.in/blog/wp-content/uploads/2021/12/Risk-Management-Policy.pdf>

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

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

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

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

36. FRAUD REPORTING

There was no fraud reported during the Financial Year ended 31st March, 2024.

37. LISTING OF EQUITY SHARES

The equity shares of your Company are listed on National Stock Exchange of India Limited ("NSE") Main Board. The Annual Listing Fees for the year 2023-24 has been duly paid to the NSE.

38. DEPOSITORY SYSTEM

The Members are requested to note that as on 31st March, 2024, 99% of the Company's total paid-up share capital

representing 21, 68, 37,280 shares are in dematerialized form. In view of the numerous advantages offered by the Depository System as well as to avoid frauds, members holding shares in physical mode are advised to avail of the facility of dematerialization from National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL").

39. HEALTH, SAFETY AND ENVIRONMENT

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

40. HUMAN RESOURCE AND INDUSTRIAL RELATIONS

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

41. ACKNOWLEDGMENTS

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

FOR AND ON BEHALF OF BOARD OF DIRECTORS

DATE: 24.08.2024
PLACE: New Delhi

RAMAN BHATIA
MANAGING DIRECTOR
DIN- 00153827

SARIKA BHATIA
WHOLE-TIME DIRECTOR
DIN- 00155602

Form No. MR-3 Secretarial Audit Report

For the financial year ended 31st March, 2024

To
The Members
Servotech Power Systems Limited

Regd. Office: 806, 8th Floor, Crown Heights, Hotel Crown Plaza,
Sector-10, Rohini, Delhi -110085

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, subject to our comments herein, the Company has, during the Audit Period, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2024, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulation, 2021;
 - e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; Not applicable for the financial year under review;
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (De-listing of Equity Shares) Regulations, 2021; Not applicable for the financial year under review;
 - h. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; Not applicable for the financial year under review;
- vi. The management has identified the following laws as specifically applicable to the Company.
 - Legal Metrology Act, 2009;
 - The Environmental (Protection) Act, 1986;
 - The Water (Prevention & Control of Pollution) Act, 1974;

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

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

- i. Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India notified by Central Government;
- ii. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above. We further report that:

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

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

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

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

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

- In the Extra ordinary general meeting held on 22nd June, 2023, Company has taken approval from shareholders for sub-division of face value of equity shares of the Company from Rs.2 to Re.1.
- In the meeting of Sub-Committee of Board of Directors held on 8th July, 2023 approved grant of 33,308 options to the eligible employees of the Company as per ESOP Scheme 2022.
- Declared final dividend of Rs.0.20 per equity share in the Annual general meeting held on 30th September, 2023.
- Authorised Share Capital of the Company increased from Rs.22,00,00,000 divided into 22,00,00,000 equity shares of Re.1 to Rs.25,00,00,000 divided into 25,00,00,000 equity shares of Re.1, through postal ballot process result of which was declared on 19th December, 2023.
- Approval for Preferential Issue of 90, 00,000 convertible warrants of Rs.83.40 each aggregating to Rs.75, 06, 00,000 through postal ballot process result of which was declared on 19th December, 2023.
- In the meeting of Sub-Committee of Board of Directors held on 2nd January, 2024 approved grant of 24,501 options to the eligible employees of the Company as per ESOP Scheme 2022.
- In the meeting of Sub-Committee of Board of Directors held on 6th January, 2024 allotted 42,50,000 equity shares on conversion of warrants issued on 15th October, 2022 and also allotted 89,00,000 convertible warrants at an issue price of Rs.83.40 each.

**For R&D
Company Secretaries**

**Debabrata Deb Nath
Partner**

FCS No.: 7775; CP No. : 8612

Peer Review Certificate No.1403/2021

UDIN: F007775F000950035

Unique Identification No. P2005DE011200

Place: Delhi

Date: 12.08.2024

Annexure-A

To
The Members

Servotech Power Systems Limited

Regd. Office: 806, 8th Floor, Crown Heights, Hotel Crown Plaza,
Sector-10, Rohini, Delhi -110085

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For R&D
Company Secretaries**

**Debabrata Deb Nath
Partner**

FCS No.: 7775; CP No. : 8612

Peer Review Certificate No.1403/2021

UDIN: F007775F000950035

Unique Identification No. P2005DE011200

Place: Delhi

Date: 12.08.2024

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

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

The Company has not entered into any contract/arrangement/transaction with its related parties, which are not in ordinary course of business or at arm's length during the year ended 31st March 2024. The Company has laid down the policies and processes/procedures so as to ensure the compliance to the subject section in the Companies Act, 2013 and the corresponding Rules:

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

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

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

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

Annexure-3

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended time to time]

Introductions

SERVOTECH POWER SYSTEMS LIMITED (“the Company”) has always been committed to the cause of Social Service and has repeatedly channelized a part of its resources and activities, such that it positively affects the society socially, ethically and also environmentally. The Company is taking up various Corporate Social Responsibility (“CSR”) initiatives and enhanced value in the society.

The social and environmental responsibility has always been at the forefront of Company’s operating philosophy and as a result, the Company consistently contributes to socially responsible activities. CSR at the Company portrays the deep symbiotic relationship that the Company enjoys with the communities it is engaged with. As a responsible corporate citizen, the Company try to contribute for social and environmental causes on a regular basis. We believe that to succeed, an organization must maintain highest standards of corporate behavior towards its employees, consumers and societies in which it operates. The Company is of the opinion that CSR underlines the objective of bringing about a difference and adding value in our stakeholder’s lives.

1. Brief outline on Corporate Social Responsibility (CSR) Policy of the Company

With the advent of the Companies Act, 2013 constitution of a Corporate Social Responsibility Committee of the Board and formulation of a Corporate Social Responsibility Policy became a mandatory requirement. Therefore, the Company has formulated a robust CSR Policy which encompasses its philosophy and guides its sustained efforts for undertaking and supporting socially useful programs for the welfare and sustainable development of the society.

The objective of the CSR Policy is to act as a guideline for the company in its endeavor to undertake socially relevant activities that will result in the overall objective of the company to create societal capital/assets for the common good and the list of activities shall be interpreted in a manner that will advance the objective.

CSR Policy and Projects:

The CSR Committee has formulated a CSR Policy which is also approved by the Board interalia indicating the CSR activities to be undertaken by your Company as per the Companies Act, 2013. The Committee reviews and recommends the amount of expenditure and CSR activities to be undertaken by your Company. Details of the Policy of your Company are available at <https://www.servotech.in/investors/corporate-governance/policies>

2. Composition of CSR Committee:

The CSR Committee comprises of the following directors of the company and several meetings were held during the year to identify and implement CSR activities:

Sr. No.	Name of Director	Designation	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Rajesh Mohan Rai	Chairman	2	2
2.	Mr. Sampat Rai	Member	2	2
3.	Ms. Sarika Bhatia	Member	2	2
4.	Mr. Anupam Gupta	Member	2	2

- Web link where composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company: <https://www.servotech.in/>
- 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 – Not applicable.
- Total CSR Obligation for the Financial Year:

Sr. No.	Particulars	Amount (in Rs.)
(a)	Average Net Profit for last three financial years as per sub-section (5) of section 135	10,66,62,000
(b)	Two percent of average net profit of the company as per sub-section (5) of section 135	21,33,240.00
(c)	Surplus arising out of the CSR Projects or programs or activities of the previous financial years	0.00
(d)	Amount required to be set-off for the financial year	0.00
(e)	The total CSR obligation for the financial year [(b)+(c)-(d)]	21,33,240.00

6. CSR Spend:

Sr. No.	Particulars	Amount (in Rs.)
a)	Amount spent on CSR Projects (other than Ongoing Project).	0.00
b)	Amount spent in Administrative Overheads	0.00
c)	Amount spent on Impact Assessment, if applicable.	0.00
d)	Total amount spent for the Financial Year [(a)+(b)+(c)].	0.00

a. CSR amount spent or unspent for the Financial Year

Total Amount Spent For the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per subsection (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the fund	Amount	Date of Transfer
0.00	0.00	-	PM Care Fund	3,00,000	20th April, 2024
0.00	0.00	-	PM Care Fund	3,50,000	28th May, 2024
0.00	0.00	-	PM Care Fund	3,50,000	20th June, 2024
0.00	0.00	-	PM Care Fund	5,00,000	25th July, 2024
0.00	0.00	-	PM Care Fund	6,34,000	30th July, 2024

b. Excess amount for set-off, if any: NA

Sr. No.	Particulars	Amount (in Rs.)
(1)	(2)	(3)
i.	Two percent of average net profit of the company as per sub-section (5) of section 135	21,33,240.00
ii.	Total amount spent during the Financial Year	0.00
iii.	Excess amount spent for the Financial Year [(ii)-(i)]	0.00
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Not applicable
v.	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	Not applicable

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1.	2.	3.	4.	5.	6.	7.	8.
Sr. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Amount Spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any	Amount remaining to be spent in succeeding Financial Years (in Rs)	Deficiency, if any
1.	FY-2020-21	Not Applicable					
2.	FY-2021-22	Not Applicable					
3.	FY-2022-23	Not Applicable					

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **No**

If Yes, enter the number of Capital assets created/ acquired: - **Not Applicable**

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Not Applicable

Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property] Year(s)	Pin code of The property or asset(s)	Date of creation	Amount of CSR Amount spent	Details of beneficiary owner	entity/ of the	Authority/ registered
1.	2.	3.	4.	5.	6.		
					CSR Registration Number, if applicable	Name	Registered address
Not Applicable							

9. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135:**

During the financial year under review, the Company was required to spend Rs. 21, 33,240 in accordance with Section 135(1) of the Companies Act, 2013. The company has not spend the said amount during the financial year, as company was unable to find appropriate CSR project which may benefit the society as whole, So as per second proviso of section 135 (5) of companies act 2013 and on recommendation of CSR committee company transferred such unspent amount to a Fund specified in Schedule VII of companies act 2013,i.e. PM care Fund.

Mr. Rajesh Mohan Rai
Chairman of CSR and Director
DIN: 09050751

Mr. Raman Bhatia
Managing Director
DIN: 00153827

Place: Delhi
Date: 24.08.2024

Place: Delhi
Date:24.08.2024

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

A. CONSERVATION OF ENERGY

i. Steps taken or impact on conservation of energy

The company has consistently strived to reduce its environmental impact and has implemented various programs to enhance energy efficiency, resulting in lower energy costs. The urgent need for sustainable development is underscored by the rapid depletion of natural resources.

The company has maintained its commitment to expanding the use of renewable energy and improving energy efficiency across all offices and facilities. Energy usage is continuously monitored to ensure alignment with the company’s overarching sustainability strategy. The company has consistently intensified its efforts to boost energy efficiency.

Energy-saving measures implemented throughout the year include:

1. Installation of 250 KW Solar Power Plant in Office & Basement Area that saves electricity Consumption upto – Rs. 3000000–3500000;
2. Converting all official & commercial vehicles in to Battery operated (EV vehicles) to save Rs. 800000- 1000000;
3. Plantation in Company premises and surrounding areas around 1000 Plants.

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

The company recognizes that renewable energy sources are among the most effective in reducing carbon emissions and have a significantly lower environmental impact compared to conventional energy technologies. Committed to harnessing renewable energy, the company has actively pursued various initiatives throughout the year to utilize alternative energy source:

1. Installation of more than 1200-1300 Nos of EV Charger 30KW & 60 KW, Installed in BPCL Petrol Pump in PAN India.
2. More than 600 Nos. of 7KW Slow Charger Installing in Nayara Petrol Pumps in PAN India.
3. Install 7MW on grid Solar Power Plant in UP under UPNEDA.
4. Installation of Off Grid 980KW Solar Power Plant with Lithium Battery in UP under UPNEDA Project

iii. Capital Investment on energy conservation equipment’s: Rs. 13.83 Crores

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

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

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

1. Development of Lithium Battery for 2 Wheeler and 4 Wheeler.
2. Development of EV DC Charger upto 360kW.
3. Development of Hybrid Solar Inverter upto 10kW for Solar Power Plant.
4. Development of Ongrid Solar Inverter upto 100kW for Solar Power Plant.

5. Development of Control Card which acts as the brain of the charger.
6. Development of upto 2,40,000 Power Modules for EV Charger BY 2027-28
7. Development of CCS2 and Type-2 connector for EV Charger.
8. Development of Energy Storage System.

Benefits Derived as a result of the above Efforts

- i. Reduced Import Dependency:** Less reliance on foreign suppliers.
- ii. Cost Savings:** Reduced energy and storage costs.
- iii. Energy Independence:** Less reliance on traditional energy sources.
- iv. Environmental Impact:** Lower carbon emissions and eco-friendliness.
- v. Technological Advancement:** Improved performance and innovation.
- vi. Market Competitiveness:** Stronger position in the clean energy market.
- vii. Customer Satisfaction:** Meeting demand for sustainable energy solutions.
- viii. Resource Efficiency:** Better use of materials and reduced waste.

C. EXPENDITURE INCURRED FOR RESEARCH & DEVELOPMENT

Capital Expenditure: NIL

Revenue Expenditure: Rs. 41, 72,092.17

D. FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars	Amount (in Lacs)
Foreign Exchange Earnings	3457.14
Foreign Exchange Outgo	6176.67

ANNEXURE-5
Statement of Disclosure of Remuneration under Section 197 of Companies Act, 2013 and
Rule 5(1) Of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- 1) Ratio of the remuneration of each Executive Director to the median remuneration of the Employees of the Company for the FY 2023-24.**

Sl. No.	Particulars	Designation	Ratio of remuneration of each Director to median remuneration of Employees	% increase in Remuneration
1.	Mr. Raman Bhatia	Managing Director	34.51	85.71
2.	Ms. Sarika Bhatia	Whole-time Director	34.51	85.71
3.	Mr. Rajesh Mohan Rai	Whole-time Director	8.74	NA

- 2) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary, if any, in the FY 2023-24.**

Sl. No.	Name of the Director/KMP	Designation	Percentage increase in Remuneration
1.	Mr. Raman Bhatia	Managing Director	85.71
2.	Ms. Sarika Bhatia	Whole-time Director	85.71
3.	Mr. Rajesh Mohan Rai	Whole-time Director	NA
4.	Mr. Anupam Gupta	Director	NA
5.	Mr. Sahiel Khurana**	Director	NA
6.	Mr. Sampat Rai	Director	NA
7.	Mr. Vikas Bhatia	Chief Financial Officer	NA
8.	Ms. Rupinder Kaur*	Company Secretary	NA
9.	Ms. Priya Pandey*	Company Secretary	NA
10.	Mr. Meenakshisundaram	Director	NA

* Priya Pandey resigned from the position of Company secretary as on 06.10.2023 and Rupinder Kaur appointed as Company Secretary on 30.10.2023

**Sahiel Khurana resigned as on 19.05.2023

- 3. The percentage increase in the median remuneration of Employees in the financial year:** The percentage increase in the median remuneration of Employees in the financial year was 28.83.
- 4. The number of permanent Employees on roll of the Company:** The Company has 291 permanent Employees on the rolls of Company as on 31st March, 2024.
- 5. Average percentile increase already made in the salaries of Employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:** During the financial year the average percentile increase made in the salary of employees was 11% as compared to increase of 25 % in the fixed remuneration of all the managerial remuneration.
- 6. Affirmation that the remuneration paid during the year is as per the Remuneration Policy of the Company-** It is hereby affirmed that the remuneration paid is as per the Policy for Remuneration of the Directors, Key Managerial Personnel and other Employees.

FOR AND ON BEHALF OF BOARD OF DIRECTORS

DATE: 24th August, 2024
PLACE: New Delhi

RAMAN BHATIA
MANAGING DIRECTOR
DIN- 00153827

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,

The Members of

M/s Servotech Power Systems Limited

Regd. Office: 806, 8th Floor, Crown Heights, Hotel Crown Plaza

Sector 10, Rohini Delhi-110085

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

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No.	DIN	Name of Director	Date of Appointment in Company
1.	00153827	Shri Raman Bhatia	24/09/2004
2.	00155602	Smt Sarika Bhatia	24/09/2004
3.	09050751	Shri Rajesh Mohan Rai	12/02/2021
4.	09050762	Shri Anupam Gupta	12/02/2021
5.	07710412	Shri Sampat Rai	09/08/2022
6.	09854605	Shri Meenakshisundaram Kolandaivel	25/06/2023

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

For R& D

Company Secretaries

Debabrata Deb Nath

Partner

FCS No.: 7775; CP No. : 8612

UDIN: F007775F000950046

Peer Review Certificate no. 1403/2021

Unique Identification No. P2005DE011200

Date: 12.08.2024

Place: Delhi

COMPLIANCE CERTIFICATE

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

To,

The Board of Directors

Servotech Power Systems Limited

I/We, Debabrata Deb Nath, Company Secretary in Practice have been appointed as the Secretarial Auditor vide a resolution passed at its meeting held on 21st July, 2023 by the Board of Directors of Servotech Power Systems Limited. (hereinafter referred to as '**the Company**'), having CIN L31200DL2004PLC129379 and having its registered office at 806, 8th Floor, Crown Heights, Hotel Crown Plaza, Sector 10, Rohini, New Delhi - 110 085. This Certificate is issued under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (hereinafter referred to as "**the Regulations**").

Management Responsibility:

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

Verification:

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

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

For the purpose of verifying

1. Scheme received from/furnished by the Company;
2. The Articles of Association of the Company;
3. Minutes of the meeting of the Board of Directors;
4. Minutes of the General Meeting held for approving the scheme;
5. Minutes of the General Meeting w.r.t variation in the Scheme;
6. Minutes of the General Meeting w.r.t approval for implementing the scheme through trust;
7. Minutes of the meetings of the Compensation Committee/Nomination and Remuneration Committee;
8. Trust Deed;
9. Detailed Terms and Conditions of the scheme as approved by Nomination and Remuneration Committee;
10. Details of trades in the securities of the company executed by the trust through which the scheme is implemented;
11. Relevant Accounting Standards as prescribed by the Central Government;
12. Bank Statements towards Application money received under the scheme(s);
13. Valuation Report;
14. Exercise Price/ Pricing formula;
15. Statement filed with recognized Stock Exchange(s) in accordance with regulation 10 of these regulation;
16. Disclosure by Board of Director;
17. Relevant provisions of the Regulations, Companies Act, 2013 and Rules made thereunder;
18. Other relevant document/ filing/ records/ information made available to us and the explanations provided by the Company.

Certification:

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

Assumption & Limitation of Scope and Review:

1. Ensuring the authenticity of documents and information furnished is the responsibility of the Board of Directors of the Company.
2. Our responsibility is to give certificate based upon our examination of relevant documents and information. It is neither an audit nor an investigation.
3. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.
4. This certificate is solely for your information and it is not to be used, circulated, quoted, or otherwise referred to for any purpose other than for the Regulation 13 of the Securities Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulation, 2021.

**For R&D
Company Secretaries**

**Debabrata Deb Nath
Partner**

FCS No.: 7775; CP No. : 8612

UDIN: F007775F000978855

Peer Review Certificate No.1403/2021

Date: 14.08.2024

Place: Delhi

MANAGEMENT DISCUSSION & ANALYSIS REPORT

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

1. OVERVIEW

MDAR (Market Demand and Risk Overview) provides a framework for assessing and managing market demand and risks. It involves analyzing current and future demand, identifying potential risks such as economic fluctuations and regulatory changes, and evaluating growth opportunities. Strategic planning and resource allocation are used to address these factors, while ongoing monitoring and stakeholder engagement ensure strategies remain effective and adaptable. This approach helps organizations align with market realities, optimize resources, and navigate both opportunities and threats effectively

2. ECONOMY OUTLOOK

The global economy is continuing growing at a modest pace. The Economic Outlook projects steady global GDP growth of 3.1% in 2024, the same as the 3.1% in 2023, followed by a slight pick-up to 3.2% in 2025. These include Real incomes are rising in many OECD countries as inflation moderates, and trade growth has turned positive. The outlook continues to differ across countries, with weaker outcomes in many advanced economies, especially in Europe, and strong growth in the United States and many emerging market economies.

• GLOBAL ECONOMY:

According to the IMF's World Economic Outlook, the baseline forecast is for the world economy to continue growing at 3.2 percent during 2024 and 2025, at the same pace as in 2023. A slight acceleration for advanced economies—where growth is expected to rise from 1.6 percent in 2023 to 1.7 percent in 2024 and 1.8 percent in 2025—will be offset by a modest slowdown in emerging market and developing economies from 4.3 percent in 2023 to 4.2 percent in both 2024 and 2025. The forecast for global growth five years from now—at 3.1 percent—is at its lowest in decades. Global inflation is forecast to decline steadily, from 6.8 percent in 2023 to 5.9 percent in 2024 and 4.5 percent in 2025, with advanced economies returning to their inflation targets sooner than emerging market and developing economies. Core inflation is generally projected to decline more gradually. They are countering rising utility bills for electricity by gravitating more towards energy-efficient and environment friendly electrical appliances. Industry peers are responding to this by inculcating greater energy efficiency features into their various products, promising significant payback periods as purchase justification in some cases.

• INDIAN ECONOMY:

According to the IMF the forecast for growth in India has also been revised upward, to 7 per cent, this year, up from 6.8 per cent for 2024-25 with the change reflecting carryover from upward revisions to growth in 2023 and improved prospects for private consumption, particularly in rural areas. The country's remarkable growth rate of 8.4% in the third quarter of the fiscal year 2024 surpassed all expectations, as market analysts had penciled in a slower growth this quarter, between 6.6% and 7.2%. With substantial revisions to the data from the past three quarters of the fiscal year, India's GDP growth already touched 8.2% year over year (YoY) in these quarters. However, we expect growth in the fourth quarter to be modest because of uncertainties related to India's 2024 general elections and modest consumption growth. Our expectations for the near-term future remain in line with previous forecasts with a slight change in the forecast range due to a higher base effect in fiscal 2024. We believe GDP growth to be around 6.6% in the next fiscal year (fiscal 2025) and 6.75% in the year after (fiscal 2026), as markets learn to factor in geopolitical uncertainties in their investment and consumption decisions.

3. INDUSTRY STRUCTURE AND DEVELOPMENTS

• INDIAN ELECTRIC VEHICLE MARKET

The global electric vehicle market size was valued at USD 437.62 Billion and in 2024, the revenue in the Electric Vehicles market is projected to reach a staggering US\$623.3bn worldwide. Looking ahead, it is expected that the market will demonstrate a steady annual growth rate (CAGR 2024-2032) of 12.5%. This growth will ultimately lead to a projected market volume of US\$906.7bn by 2028.

The India electric vehicle (EV) market size was valued at USD 8.03 billion in 2023. The market is projected to grow from USD 23.38 billion in 2024 to USD 117.78 billion by 2032, exhibiting a CAGR of 22.4% during the forecast period. The Indian automobile industry ranked fifth largest globally and is expected to become the third largest by 2030 as the demand for electric vehicles is growing tremendously due to population rise. So dependence on conventional energy resources is not suitable as India imports nearly 80% of its crude oil requirements

The electric commercial vehicle sector, though still in its early stages, is set to witness significant growth. This growth is being driven by a rising emphasis on sustainability and cost-effectiveness within the logistics and transportation sectors. Electric buses, trucks, and vans are gradually making their way into urban fleets, supported by government initiatives

aimed at reducing pollution and promoting electric mobility in public transportation and goods delivery. The operational cost benefits of electric commercial vehicles, coupled with various state and central government incentives, are encouraging fleet operators and businesses to transition toward electric options. This segment's growth is critical for achieving India's ambitious environmental targets and improving urban air quality.

• SOLAR INDUSTRY

India is shifting toward greater renewable energy generation while striving to improve energy access, affordability, and security. It's also poised to be one of the fastest-growing in coming years, which will in turn sharply boost energy demand. Whether it meets those needs with fossil fuels or green alternatives has the potential to shift the trajectory of its greenhouse gas emissions for many more years to come. As a result, solar power is a fast-developing industry in India. The Indian solar energy market generated revenue of USD 10.4 billion in 2023, which is expected to witness a CAGR of 13.4% during 2024–2030, to reach USD 24.9 billion by 2030 and is projected to reach 195.11 GW in the next five years. Over the medium term, the Indian solar energy market is growing owing to the cost of solar power technology, solar systems are becoming more flexible, and solar power is a greener way to make electricity. The market is also propelled by supportive government policies, particularly the Ministry of New and Renewable Energy (MNRE) plans to encourage renewable-based power generation. On the other hand, the solar energy market is restrained by issues like transmission and distribution losses and unpredictability in the continuity of power supply. India attracts foreign investment in solar projects. Collaborations with international players drive research and development, leading to technological breakthroughs.

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

• LIGHTING INDUSTRY

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

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

• GLOBAL UV DISINFECTION EQUIPMENT MARKET

The Global UV Disinfection Equipment Market is anticipated to grow at a CAGR of 7.61% during the forecast period 2023-2030. The market was valued at \$5775.04 million in 2022 and is expected to reach \$10356.06 million by 2030. During the historical period, growth can be attributed to heightened awareness of infections, increased adoption within the healthcare sector, adherence to regulatory standards, requirements in water and wastewater treatment, and the needs specific to the food and beverage industry.

The global UV disinfection equipment market is expected to see rapid growth in the next few years. It will grow to \$9.58 billion in 2028 at a compound annual growth rate (CAGR) of 16.0%. The anticipated growth in the upcoming forecast period is linked to factors such as a focus on food safety and advancements in agricultural practices, bolstering resilience against emerging pathogens, expanding applications of UV-C technology, government initiatives and regulatory actions, and the rising use of remote and off-grid applications. Major trends expected during this period involve the integration of UV disinfection with smart technologies, the development of portable and mobile UV solutions, advancements in UV-C LED technology, collaborations with robotics for enhanced efficiency, and the application of UV technology for air purification within HVAC systems.

• INDIAN HEALTHCARE INDUSTRY

Healthcare has become one of the largest sectors of the Indian economy, in terms of both revenue and employment. It is expected to grow at a CAGR of 11.07% during 2023-27. The healthcare sector was expected to add over 7.4 million direct jobs in India during 2022. India's competitive advantage lies in its large pool of well-trained medical professionals. India is also cost-competitive compared to its peers in Asia and Western countries. The cost of surgery in India is about one-tenth of that in the US or Western Europe. The country's status as a preferred destination for medical tourism continued to rise, drawing patients from around the world seeking cost-effective and quality healthcare services. This trend further bolstered India's reputation as a global healthcare hub. Moreover, India's healthcare industry continued to attract investment and attention in research and development (R&D) activities. Its relatively low cost of clinical research made it an attractive location for international players looking to conduct research and innovation initiatives.

4. PRODUCT-WISE PERFORMANCE

Servotech emerged as a pioneer in providing solutions by integrating technology and innovation. It is engaged in the manufacturing, procurement and distribution of a range of high-end yet advanced solar products, EV chargers as well as energy-efficient lighting solutions. Company is doing exponential growth after entering into EV charging equipment and establishing EV charging tech infrastructure pan India expeditiously and bolster the nation's progression towards the electric revolution. With a remarkable legacy of over two decades in establishing

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

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

i. ELECTRIC VEHICLE CHARGER(EV CHARGER)

The demand for electric vehicles (EVs) has increased due to the rise of ecocentrism among people. These vehicles emit fewer greenhouse gases and air pollutants compared to petrol or diesel cars. This takes into consideration not only their production but also the generation of electricity needed to power them. As a result, EVs are being seen as potential replacements for current-generation automobiles in order to combat issues such as rising pollution, global warming, and the depletion of natural resources. Electric Vehicle Chargers come equipped with various communication protocols like GSM and Wi-Fi, and they comply with authentication protocols such as RFID. **Servotech** deals in the following categories of chargers:

a) AC Charger: The AC charger functions as a regulator and controller. It delivers the charge in AC mode to the on-board charger of the EV, which then converts the AC power into DC power to charge the battery. These chargers are more widely available due to their lower installation and operational costs. Additionally, they are smaller in size easier, and less expensive to install. AC chargers are suitable for parking spots where the vehicle will remain parked for longer periods of time. These chargers are easily available and charge at a continuous rate.



b) DC Charger: DC charger has the converter inside the charger itself. That means it can power directly to the car's battery and doesn't need the on-board charger to convert it. DC chargers are bigger, faster, and an exciting breakthrough when it comes to EVs. DC Fast Charging bypasses all of the limitations of the on-board charger and required conversion, instead providing DC power directly to the battery, charging speed has the potential to be greatly increased. These are often used at midways, conventional fuel pumps & other fast charging locations.



ii. SOLAR PRODUCTS

The company is actively involved in various solar projects, including the successful installation of solar systems. Additionally, it holds a leading position in the manufacturing of solar inverters.

a) SOLAR INVERTER: A Serving as a pivotal component of solar technology, a solar inverter plays a crucial role in converting the energy generated from solar panels into usable electricity for residential or commercial use. In hybrid solar power systems, storage batteries connected to the inverter ensure an uninterrupted power supply, functioning as both an inverter and backup during power outages. Presently, the company



deals with the following types of solar inverters:

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

b) **SOLAR MANAGEMENT UNIT:** The Solar Management Unit (SMU) is a distinctive device exclusive to India, designed to transform conventional inverters into solar-powered ones. Its primary function is to prioritize the utilization of solar energy, thereby reducing dependence on the grid for electricity. Equipped with a high-speed microcontroller, the SMU enhances the performance of solar systems, ensuring greater reliability and efficiency in their operation.



c) **SOLAR BATTERIES:** Solar batteries are designed to efficiently store solar energy for optimal use in solar lighting systems. Used in off-grid and hybrid setups, they store electricity as DC power, which is later converted to AC power to supply home appliances during outages or when solar panels aren't active



d) **PV PORT:** The PV port is a solar photovoltaic system designed to increase rooftop solar adoption among residential users. It features an intelligent controller, can be customized, and supports resale



e) **POLY SOLAR PANEL:** Polycrystalline solar panels are the predominant type used in India, prized for their affordability and decent efficiency. They find application in both small and large-scale installations due to their wide range of power wattages. Given their cost-effectiveness and environmentally friendly production process, they are employed in diverse settings such as large solar farms, rooftop arrays, traffic signals, and residential buildings.



iii. POWER & BACKUP

a) **BATTERY:** Tubular batteries, larger than flat plate batteries, are a type of lead-acid battery commonly



found in UPS and inverter systems. They feature a positive plate housed within a tubular structure wrapped in cloth, enhancing electrode power. With up to 30% longer service life compared to flat plate batteries, they include features like Low Resistance Fasteners and Heavy-duty terminals for improved performance.

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

- **Air cooled servo Stabilizer:** This device regulates voltage in electrical systems and is suitable for indoor use due to its air cooling mechanism. Comprising a transformer, an air-cooled heat sink, and a control unit, it steps down voltage from the power source while dissipating heat generated by the transformer.
- **Oil Cooled Servo Stabilizer:** Deployed where voltage fluctuations are frequent, this stabilizer ensures stable power supply to electronic and electrical equipment by utilizing an oil cooling system, thereby safeguarding against the adverse effects of power surges



c) UPS:

- **Domestic Inverter & UPS:** Designed to minimize water loss and significantly extend battery life, this technology offers extended backup for computers while saving space, making it ideal for modern households.
- **Commercial Inverter & UPS:** Tailored for demanding telecom applications, these UPS units provide automatic protection against high and



low voltage, enabling safe operation of various equipment, including lights, air conditioners, lifts, and welding machines, in a cost-effective manner.

iv. LED SEGMENT

SAARA LED lights are eco-friendly and deliver aesthetically pleasing illumination. They offer numerous benefits, including bright and uniform lighting for fuel stations and surroundings, enhancing safety for customers and employees. With greater energy efficiency and durability compared to traditional bulbs, SAARA LED lights require less maintenance and lower operating costs, while also being free from harmful elements like mercury or lead.



v. OXYGEN CONCENTRATOR & UV DISINFECTANT

An oxygen concentrator extracts and concentrates oxygen from ambient air, assisting in alleviating respiratory difficulties for patients. Portable and user-friendly, it serves both patients and caregivers alike.

UV-C Disinfectant technology deactivates microorganisms by damaging their genetic material, ensuring cleaner airflow and optimal ventilation. Equipped with intelligent sensors and controls, this purifier is suitable for maintaining sanitized environments in quarantine, containment, and infection control rooms.



5. STRENGTH

We are committed to advancing a sustainable, low-carbon economy by offering solutions in energy storage, grid optimization, and electric mobility, which contribute to a reduced environmental footprint. Our focus on innovation, strategic partnerships, and unwavering dedication to sustainability positions us to seize significant growth opportunities. As

we pursue accelerated expansion, we are experiencing a remarkable shift towards sustainable and eco-friendly energy. The data we collect across our value chain not only shapes our growth strategies but also creates mutually beneficial outcomes for our organization, partners, and employees.

i. Competitive Strength

- **Skilled Management:** Our senior management and execution team is highly skilled and efficient.
- **Advanced Technology:** We use the latest, cost-effective technology, emphasizing safety and quality assurance.
- **Diverse Customer Base:** We have a broad and varied customer base.
- **Product Expansion:** We are scaling our product offerings to meet rising demand.

ii. Business Strategy

- **Supply Chain Excellence:** Building a robust supply chain and logistics network for timely delivery and project execution.
- **Industry Leadership:** Striving to be the most respected and valuable company in the industry.
- **Expansion and Diversification:** Actively pursuing growth and diversification initiatives.
- **Competitive Pricing:** Offering attractive pricing to expand and retain our customer base.
- **Technological Investment:** Investing in advanced technologies to drive innovation.

iii. Overall Business Strategy shall be to

- **Revenue Maximization:** Enhancing revenue through capacity expansion, diversification, and improved efficiency.
- **Cost Reduction:** Lowering borrowing costs.
- **Efficiency Improvement:** Boosting production efficiency and reducing process losses.
- **Operational Cost Management:** Minimizing operational costs to stay competitive.
- **Customer-Centric Approach:** Focusing on customer satisfaction and value for money.
- **Best Practices:** Implementing best practices across all functions and processes.

6. OPPORTUNITIES AND THREATS

A. OPPORTUNITIES

1. **Technological Advancements:** Innovations can enhance efficiency and performance.

2. **Growing Market Demand:** Rising interest in EVs and solar energy boosts potential growth.
3. **Government Incentives:** Financial benefits from supportive policies.
4. **Sustainability Trends:** Aligning with eco-friendly values attracts customers.
5. **Partnerships:** Strategic alliances can expand market reach and resources.

B. Threats:

1. **Regulatory Changes:** New regulations can increase costs and complexity.
2. **Market Volatility:** Fluctuating demand and pricing affect profitability.
3. **Supply Chain Disruptions:** Material shortages or delays impact production.
4. **Intense Competition:** Increased competition can lead to price pressures.
5. **Technological Risks:** Rapid changes may require costly upgrades.

7. RISKS AND CHALLENGES

The Company uses a robust risk management process to promptly analyze and address threats, allowing us to adapt to industry changes and seize new opportunities. Regular risk assessment and adherence to regulatory frameworks help us mitigate risks and maintain our reputation. Despite a positive long-term outlook, the Company faces certain risks and uncertainties, as detailed below.

- i. **Technological Integration:** Both sectors require continuous innovation and integration of new technologies. Staying current with advancements while managing integration complexities and costs is a significant challenge.
- ii. **Environmental and Social Impact:** Managing the environmental footprint and ensuring ethical practices are crucial for both industries. Addressing these concerns while maintaining operational efficiency is a key challenge.
- iii. **Competition:** Both EV chargers and solar products face intense competition. Companies must differentiate themselves and innovate to maintain market share and profitability.
- iv. **Supply Chain Disruptions:** Both industries depend on a global supply chain for critical components and materials. Disruptions can impact manufacturing and project timelines.

8. FINANCIAL ANALYSIS

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

9. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Servotech recognizes the pivotal role its employees play as the cornerstone of its success, serving as the bedrock of its competitive advantage. The company boasts a proficient cadre of trained professionals adept at steering its operations with efficiency and prudence. Prioritizing the cultivation, motivation, and retention of a diverse talent pool, Servotech endeavors to unleash the full potential of each employee within a purpose-driven, inclusive, and rewarding work environment.

Fostering a culture of continuous growth, Servotech actively seeks to expand and deepen employee relationships, constantly exploring new avenues and business domains to enhance value. Through proactive investments in developing new capabilities and reskilling the workforce, the company aims to equip its employees to tackle evolving challenges and seize emerging opportunities.

Servotech values employee participation, commitment, knowledge deployment, integrity, and confidentiality, anticipating their ongoing engagement in the company's journey ahead. With an unwavering focus on capability enhancement, the company endeavors to prepare its workforce for the future, ensuring they remain abreast of developments within their respective domains while offering ample opportunities for personal and professional growth.

10. EMPLOYEE HEALTH AND SAFETY

At Servotech, employee health and safety are top priorities, integral to maintaining a productive and secure work environment. The company is dedicated to implementing comprehensive measures to protect the well-being of its workforce and ensure a safe working environment. Servotech has established clear health and safety policies that comply with industry standards and legal requirements, providing a framework for a safe workplace. Regular risk assessments are conducted to identify and mitigate potential hazards. Employees receive ongoing training on health and safety practices, including emergency procedures, safe work practices, and the use of personal protective equipment (PPE). The company also emphasizes emergency preparedness with well-developed plans and regular drills for situations such as fires and chemical spills. Health and wellness programs support overall well-being, offering access to medical services and mental health support. Servotech encourages incident reporting and investigates all reported issues to implement corrective actions and prevent recurrence. Compliance is continually monitored through audits and reviews to maintain high safety standards. Through these measures, Servotech aims to create a safe, healthy, and supportive work environment that enhances both employee well-being and operational efficiency.

11. INTERNAL CONTROL SYSTEM

Servotech has established a robust internal control system

designed to support its operations and ensure adherence to best practices. This system is underpinned by comprehensive, well-documented policies and procedures that cover all financial and operational aspects of the business.

Key components of Servotech's internal control system include:

- 1. Financial Reporting Reliability:** Controls are meticulously crafted to ensure the accuracy and reliability of financial reporting, providing stakeholders with trustworthy information.
- 2. Operational Oversight:** The system includes measures to oversee day-to-day operations, ensuring that they align with company goals and regulatory requirements.
- 3. Asset Protection:** Safeguards are in place to protect assets from unauthorized use or potential losses, minimizing risks and securing company resources.
- 4. Regulatory Compliance:** Servotech's controls are designed to ensure compliance with relevant regulations and standards, which are continually aligned with global best practices.
- 5. Policy and Procedure Framework:** The Company has established comprehensive policies tailored to its size and growth trajectory. These guidelines are regularly reviewed to maintain relevance and effectiveness.
- 6. Employee Training:** Servotech places a strong emphasis on employee involvement in regulatory compliance and ethical conduct. Periodic training sessions are conducted to reinforce the company's code of conduct and compliance standards.

Through these measures, Servotech maintains a strong internal control environment that supports its operational efficiency and regulatory adherence.

12. CAUTIONARY STATEMENT

The statements in the 'Management Discussion and Analysis' regarding the Company's objectives, projections, estimates, and expectations may constitute 'forward-looking statements' under relevant securities laws and regulations. Actual outcomes could vary significantly from those anticipated. Key factors that could influence the Company's performance include economic and political conditions, changes in government regulations, tax policies, economic developments, and various other internal and external factors. The Company does not commit to updating any forward-looking statements to reflect future events or circumstances. Investors are encouraged to exercise caution and due diligence when interpreting these statements.

13. KEY FINANCIAL RATIOS

The Company has identified following ratios as key financial ratios:

Sl. No.	Particulars	As at 31 st March, 2024	As at 31 st March, 2023	Changes
1.	Current Ratio(times) = Current Assets / Current liabilities	1.79	1.79	0
2.	Debt-Equity Ratio (times) = Total Borrowings/Shareholder's equity	0.63	0.52	21.15%
3.	Debtor Turnover (Days) ¹	99.13	121.35	.18%
4.	Return on Equity Ratio (%) ² = Net Profit after taxes/Average Shareholder's equity	10.80%	13.0%	2.2%
5.	Inventory Turnover ratio (times) ³ = Revenue from operations/Average inventory	10.43	18.62	43.98%
6.	Net Profit ratio (%) ⁴ = Net Profit/Revenue from operations	3.69%	4.25%	13.18%
7.	Return on capital employed ⁵ (%) = EBIT/Capital employed (Average Total Equity + Debts)	8.96%	13.1%	31.60%
8.	Return on Investment (%) = EBIT/Average Total Assets	9.11%	10.52%	13.36%
9.	Operating Profit Ratio ⁶ =Operating Profit/Revenue from Operation)	6.61	10.89%	39.30%
10.	Interest Coverage Ratio ⁷ =EBIT/Finance Cost	5.82	6.78	14.16%

Note:1. Debtor Turnover Ratio decreased due to efficient credit policies and improved customer Relationship Management.

2. Return on Equity Ratio decreases due to increase in expenses and change in financial leverages.
3. Inventory Turnover ratio decreases in the previous year primarily due to higher inventories.
4. Net Profit Ratio decreases due to decrease in Profit after Tax in proportion of Total Revenue.
5. Operating Profit Ratio decreases due to decrease in increased operating expenses
6. Operating profit Ratio decreases due to increase in operating expenses.
7. Interest coverage ratio decreased due to expansion and change in capital structure.

14. DISCLOSURE OF ACCOUNTING TREATMENT

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

CORPORATE GOVERNANCE REPORT

“We cannot be mere consumers of good governance, we must be participants; we must be co-creators.” –

Rohini Nilekani

In accordance with the Regulation 34(3) read with Section C of Schedule V to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, a Report on Corporate Governance for the year ended 31st March, 2024 is presented below:

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Servotech's code of governance is built on the principles of transparency, accountability, ethical conduct, sustainability, and stakeholder engagement. The company emphasizes open and honest communication with stakeholders, ensuring clear roles and responsibilities at all organizational levels. By upholding a strong ethical framework and complying with laws, regulations, and internal policies, Servotech fosters a culture of integrity. The integration of sustainable practices into business operations is key to creating long-term value for stakeholders. Servotech actively engages with its stakeholders to understand and respond to their needs, reinforcing its commitment to corporate governance as a foundation for trust and sustainable growth.

2. BOARD OF DIRECTORS

The board sets the company's strategic goals and ensures they align with its mission, while also monitoring management performance and approving financial statements, budgets, and major expenditures. It is tasked with identifying and managing significant risks, maintaining compliance with legal and ethical standards, and engaging with stakeholders to address their concerns. Additionally, the board oversees succession planning for key executive positions and regularly evaluates its own performance and that of its committees to ensure continuous improvement.

i. Composition and Board Diversity:

- a) The Company has a balanced Board with optimum combination of Executive and Non-Executive Independent Directors, which plays a crucial role in Board processes and provides independent judgment on issues of strategy and performance.
- b) The Board currently comprise of 6 (six) Directors out of which 3 (Three) Directors are Executive Directors including 1(one) Woman Director, 3(three) are Independent Directors¹. The Independent Directors are Non-Executive Directors, as defined under Regulation 16(1) (b) of the SEBI Listing Regulations as amended from time to time.
- c) Mr. Raman Bhatia who is the Promoter Director and is designated as “Managing Director” head

the Management of the Company. As the Chairman belongs to Executive Director Group, therefore, as per SEBI (LODR) Regulations, the half of the Board of your Company comprises of Independent Directors.

- d) The maximum number of Directorships, Committee memberships/chairmanships of all Directors is within the prescribed limits as per the Act and SEBI Listing Regulations. The disclosures required regarding Board and Committee positions in other public companies as on March 31, 2024 have been made by all the Directors of the Company.
- e) During the financial year under review, none of the Non-Executive Directors had any material pecuniary relationship or transactions with the Company apart from receiving sitting fees for attending meetings of Board of Directors and Committees thereof. No Director is related to any other Director on the Board, except Mr. Raman Bhatia and Ms. Sarika Bhatia (latter is wife of Mr. Raman Bhatia).
- f) Your Company has received declarations from all its Independent Directors confirming that they meet the criteria of independence prescribed both under the Companies Act, 2013 and the SEBI Listing Regulations. In the opinion of the Board, the Independent Directors of the Company fulfills the conditions specified in SEBI Listing Regulations and are independent of the Management.
- g) Every Independent Director, at the first meeting of the Board in which he/she participates as a Director and thereafter at the first meeting of the Board in every financial year, gives declarations under Section 149(7) of the Act and Regulation 16(1) (b) of the SEBI Listing Regulations that he/she meets the criteria of independence as stated in these provisions/clauses.
- h) None of the Directors on the Board is a member of more than ten Committees or Chairman of more than five committees across the public companies in which he/she is a director.
- i) None of the Independent Directors on the Board serve as Independent Directors in more than seven listed entities. None of the Executive Directors on the Board serve as an Independent Director in more than three listed entities.
- j) The names and categories of the Directors on the Board as on 31st March, 2024 is given herein below:

Sl. No.	Name of Directors	DIN	Designation	Category	No. of Equity Shares held in the Company
1.	Mr. Raman Bhatia	00153827	Managing Director	Promoter and Executive Director	67056900
2.	Ms. Sarika Bhatia	00155602	Whole-time Director	Promoter and Executive Director	30096750*
3.	Mr. Rajesh Mohan Rai ¹	09050751	Whole-time Director	Executive Director	Nil
4.	Mr. Meenakshi sundaram kolandaivel ²	09854605	Director	Non-executive Independent Director	40766
5.	Mr. Anupam Gupta	09050762	Director	Non-executive Independent Director	Nil
6.	Mr. Sampat Rai	07710412	Director	Non-executive Independent Director	Nil

¹ Mr. Rajesh Mohan Rai who is whole Time Director till 31st March 2024. His designation was changed from Executive Director to Non-Executive, Non-Independent Director w.e.f 03.06.2024.

² Mr. Meenakshisundaram kolandaivel appointed as Non-Executive Independent Director w.e.f. 25th June, 2023 and Mr. Sahiel Khurana Non-executive Independent Director resigned w.e.f. 19th May, 2023.

* Out of 30096750 shares of Ms sarika Bhatia, 4250000 shares were allotted as on 06.01.2024 but trading approval for the same was given on May 14, 2024.

ii. Changes in Board composition during the financial year 2023-24

Name	Nature of change
1. Mr. Sahiel Khurana Non-Executive Independent Director	Mr. Sahiel Khurana, Non-Executive Independent Director resigned w.e.f. 19th May, 2023 due to his personal reasons and other occupations. Also, they had confirmed that there are no other material reason for resignation other than those provided
2. Mr. Meenakshisundaram Kolandaivel	Mr. Meenakshisundaram Kolandaivel appointed as Non-Executive Independent Director w.e.f. 25th June, 2023

iii. Directorships in other listed entities

None of the Directors hold directorship in other listed entities

iv. Board Meetings and Procedures

- The Board of Directors meet at least once in each quarter to, inter-alia, review annual operating and capital expenditure plans, compliance report(s) of all laws applicable to the Company, minutes of the Board Meetings of Subsidiary Companies, short-term borrowings, any other proposal from the management regarding any restructuring of investments etc.
- Board Meetings are governed by a structured agenda. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions. The Company Secretary in consultation with the Senior Management prepares the detailed agenda for the meetings.
- Agenda papers and Notes on Agenda are circulated to the Directors, in advance, in the defined agenda format. All material information is circulated along with agenda papers for facilitating meaningful and focused

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

- Minimum 4 (four) Board meetings are held every year (one meeting in every calendar quarter). Apart from the above, additional Board meetings are convened by giving appropriate notice to address the specific needs of the Company. In case of business emergencies or urgency of matters, resolutions may also be passed by way of circulation.
- The Board meets at least once every quarter to review the Company's operations and financial performance. The maximum time gap between any two meetings is not more than 120 days. The necessary quorum was present in all the meetings.

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

g) During the year under review, Board met 21 (Twenty One) times i.e. on 13.04.2023, 06.05.2023, 07.05.2023, 25.05.2023, 28.06.2023, 08.07.2023, 12.07.2023, 21.07.2023, 14.08.2023, 28.08.2023, 30.09.2023, 30.10.2023, 11.11.2023, 22.11.2023, 28.11.2023, 20.12.2023, 06.01.2024, 06.02.2024, 26.02.2024, 15.03.2024 and 18.03.2024. The necessary quorum was present for all the meetings.

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

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

The details of attendance of Directors at the Board Meetings and at the last Annual General Meeting held on 30th September, 2023.

Name of Director(s)	Attendance at		No. of Directorship in other Public Companies	No. of Committees Positions held in other Public Companies	
	Board Meetings	Last AGM		Chairperson	Member
Mr. Raman Bhatia	21	Yes	Nil	Nil	Nil
Ms. Sarika Bhatia	21	Yes	Nil	Nil	Nil
Mr. Sahiel Khurana ³	03	Yes	Nil	Nil	Nil
Mr. Anupam Gupta	21	Yes	Nil	Nil	Nil
Mr. Rajesh Mohan Rai	21	Yes	01	Nil	Nil
Mr. Sampat Rai	21	Yes	Nil	Nil	Nil
Mr. Meenakshisundaram Kolan-daivel ⁴	15	Yes	Nil	Nil	Nil

³ Mr. Sahiel Khurana resigned as Executive Director w.e.f. 19th May, 2023.

⁴ Mr. Meenakshisundaram koldaivel appointed as Non-Executive Independent Director w.e.f. 25th June, 2023.

Notes:

- Private Limited Companies, Foreign Companies and Companies under section 8 of the Act are excluded for the above purposes.
- Only Audit Committee and Stakeholders' Relationship Committee of Public Limited Companies are considered for the purpose of reckoning committee positions.

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

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

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

Business Leadership	Make decisions, set goals and provide direction in a professional environment along with guiding and inspiring the rest of the team.
Financial Expertise	Having expertise in Good financial planning includes details about cash flow, savings, debt, investments, insurance and any other elements of financial management.
Risk Management	Overseeing key risks, including strategic, financial, operational and assisting the Board in framing, implementing and monitoring the risk management plan for the Company and reviewing and guiding the Risk Policy.
Global Experience	Understanding, of global business dynamics, across various geographical markets, industry verticals and regulatory jurisdictions.
Strategy and Planning	Appreciation of long-term trends, strategic choices and experience in guiding and Leading management teams to make decisions in uncertain environments.
Corporate Governance	Experience in developing governance practices, serving the best interests of all Stakeholders, maintaining board and management accountability, building long – term effective stakeholder engagements and driving corporate ethics and values.
Technology & Innova-tions	Experience or knowledge of emerging areas of technology such as digital, artificial intelligence, cyber security, data center, data security etc.

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

Name of Director	Area of Skills/Expertise						
	Business Leadership	Financial Expertise	Global Experience	Analytical and Decision Making	Corporate Governance	Technology & Innovations	Core Skills
Mr. Raman Bhatia	Yes	Yes	Yes	Yes	Yes	Yes	Operations
Ms. Sarika Bhatia	Yes	Yes	Yes	Yes	Yes	Yes	Sales & Marketing
Mr. Meenakshisundaram kolandaivel ⁵	Yes	Yes	Yes	Yes	Yes	Yes	Banking sector
Mr. Anupam Gupta	Yes	Yes	Yes	Yes	Yes	Yes	Operations
Mr. Rajesh Mohan Rai	Yes	Yes	Yes	Yes	Yes	Yes	HR Strategist & Business Coach
Mr. Sampat Rai	Yes	Yes	Yes	Yes	Yes	Yes	Operations

⁵ Mr. Meenakshisundaram kolandaivel appointed as Non-Executive Independent Director w.e.f. 25th June, 2023

vii. Meeting of Independent Directors

- Company's definition of 'Independence' of Directors is derived from Section 149(6) of the Act and Regulation 16(1)(b) of SEBI (LODR) Regulations. The Independent Directors provide an annual confirmation that they meet the criteria of independence. Based on the confirmations/disclosures received from the Directors, the Board confirms that the Independent Directors fulfill the conditions as specified under SEBI (LODR) Regulations and are independent of the management.
- The Board members are provided with necessary documents/brochures and reports to enable them to familiarize with the Company's procedures and practices. Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company, business strategy and risks involved Quarterly updates on relevant statutory changes encompassing important laws are regularly circulated to the Directors.
- The Independent Directors have included their names in the databank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.
- The separate meetings of Independent Directors for the Financial Year 2023-24 as per Clause VII (1) of Schedule IV under Section 149 (8) of the Companies Act, 2013 and Regulation 25 (3) of Listing Regulations were held on 17th February, 2024 wherein the Independent Directors reviewed the performance of the Managing Director, Non-Independent Directors and other matters.

viii. Familiarization Programme

- All new Non-Executive Directors inducted to the Board are introduced to the Company's culture through an orientation programme. Managing Director, Executive Director and Senior Management provide an overview of operations and familiarize the new Non-Executive Directors with the organisation structure, Board procedures, operations of the Company, etc.
- Pursuant to Regulation 25(7) of the Listing Regulations, the Company conducted various familiarization programs for its Directors including review of Industry Outlook at the Board Meetings, regulatory updates at Board and Audit Committee Meetings, presentations on Internal Control over Financial Reporting, Statutory Compliance, HR, IT, investor grievances, Prevention of Insider Trading Regulations, Listing Regulations, framework for Related Party Transactions, etc.
- The Independent Directors immediately on appointment are issued a formal letter of appointment and a welcome docket outlining their rights, roles and responsibilities, and the Business overview of the Company, policies and procedures, code of conduct, board charter etc. The Chairman as well as the Managing Director of the Company, brief the Director(s) individually on the industry and businesses of the Company, prior to their appointment.
- Familiarization Programme along with the details of the training imparted to Independent Directors during the year are available on the website of the Company and the web-link thereto is <https://www.servotech.in/investors/corporate-governance/policies/familiarization-programme-for-independent-directors>

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

3. GOVERNANCE BY THE COMMITTEES

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

As on 31st March, 2024, the Board has constituted the following mandatory and non-mandatory Committees:-

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

I. AUDIT COMMITTEE

The primary objective of the Audit Committee is to ensure the integrity and reliability of the company's financial reporting and internal controls. This involves reviewing and approving financial statements to guarantee their accuracy and compliance with accounting standards and regulatory requirements. The committee assesses the effectiveness of internal control systems to prevent and detect fraud and ensure reliable financial reporting. It also oversees the selection and performance of external auditors, ensuring their independence and effectiveness. Additionally, the Audit Committee evaluates risk management processes to address significant risks and ensures compliance with legal, regulatory, and internal policy requirements related to financial practices. By promoting ethical conduct and addressing concerns related to financial practices, the Audit Committee plays a crucial role in maintaining transparency, accountability, and financial integrity within the company. A detailed composition of the Audit Committee is

also available on the website of the Company at <https://www.servotech.in/investors/corporate-governance/board-and-committees>

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

i. Terms of Reference

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

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

1. To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. To recommend the appointment, remuneration and terms of appointment of auditors of the Company;
3. To approve the payment to Statutory Auditors for any other services rendered by Statutory Auditors;
4. To review with the management, the annual financial statements and auditors' report thereon before submission to the board for approval, with particular reference to:
 - a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - b) changes, if any, in accounting policies and practices and reasons for the same;
 - c) major accounting entries involving estimates based on the exercise of judgment by management;
 - d) significant adjustments made in the financial statements arising out of audit findings;
 - e) compliance with listing and other legal requirements relating to financial statements;
 - f) disclosure of any related party transactions;
 - g) modified opinion(s) in the draft audit report
5. To review with the management, the quarterly financial statements before submission to the Board for approval;
6. To review, with the management, the statement of uses/application of funds raised through an issue (public issue, right issue, preferential issue, etc.) the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and making appropriate recommendations to the board to take up steps in this matter;

7. To review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. To approve or any subsequent modification of transactions of the Company with related parties;
9. Valuation of undertakings or assets of the Company, wherever it is necessary;
10. To evaluate the internal financial controls and risk management systems;
11. To discuss with internal auditors of any significant findings and follow up thereon;
12. To scrutinize the inter-corporate loans and investments;
13. To review with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
14. To review the functioning of the Whistle Blower Mechanism;
15. To approve the appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate.
16. To discuss with Statutory Auditors before audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

ii. Composition, Meeting And Attendance

During the financial year under review, the committee met 4 (Four) times, on 06.05.2023, 21.07.2023, 30.10.2023 and 06.02.2024 respectively. The composition and attendance of the Members at the meetings are as follows:

Name of Directors	Designation	Category of Director	No. of meetings held	No. of meetings attended
Mr. Sahiel Khurana ⁶	Member	Independent Director	4	1
Mr. Anupam Gupta	Member	Independent Director	4	0
Mr. Raman Bhatia	Member	Executive Director	4	4
Mr. Sampat Rai	Member	Independent Director	4	4
Mr. Meenakshisundaram Kolandaivel ⁷	Chairperson	Independent Director	4	3

⁶ Mr. Sahiel Khurana Non-executive Independent Director resigned w.e.f. 19th May, 2023 and stepped down from the Audit Committee w.e.f. 19th May, 2023. Upon Resignation of Mr. Sahiel Khurana from the Audit Committee Mr. Anupam Gupta Appointed in the Audit Committee w.e.f. 25th May, 2023

⁷ Upon appointment of Mr. Meenakshisundaram Kolandaivel in the Audit Committee, Mr. Anupam Gupta stepped down from the Audit Committee w.e.f. 8th July, 2023.

Requisite quorum was present in all the meetings.

Ms. Priya Pandey, (Resigned w.e.f 06.10.2023) and Ms. Rupinder Kaur (Appointed w.e.f. 30.10.2023) Company Secretary of the Company and acts as Secretary to the Committee. The Chairman

of the Audit Committee was present at the last AGM held on 30th September, 2023 to answer the shareholders' queries.

II. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee (NRC) is responsible for guiding the company's nomination and compensation policies. It identifies and recommends candidates for the Board and senior management, develops remuneration policies, and oversees performance evaluations and succession planning. The NRC ensures that practices comply with legal requirements and best governance practices, aiming to secure effective leadership and fair compensation aligned with the company's goals.

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

i. Terms of Reference

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

- a) To recommend to the Board the setup and composition of the Board and its Committees
- b) To Recommend to the Board the appointment/re-appointment of Directors and Key Managerial Personnel;
- c) To lay out remuneration principles for Directors, Key Managerial Personnel and Senior Management Personnel linked to their effort, performance and achievement relating to the Company's goals trends and practices that prevail in peer companies across the industry;
- d) Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors; and
- e) To ensure the Board Diversity by constituting the structure of Board of Directors.

ii. Composition, Meeting and Attendance

The Committee met 4 (Four) times during the period under review on 25.05.2023, 08.07.2023, 02.01.2024, and 14.03.2024 respectively.

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

Name of Directors	Designation	Category of Director	No. of meetings held	No. of meetings attended
Mr. Sampat Rai	Chairperson	Independent Director	4	4
Mr. Anupam Gupta	Member	Independent Director	4	4

Mr. Sahiel Khurana ⁸	Member	Independent Director	4	1
Mr. Meenakshisundaram Kolandaivel ⁹	Member	Independent Director	4	3

⁸ Mr. Sahiel Khurana Non-executive Independent Director resigned w.e.f. 19th May, 2023 and stepped down from the Committee w.e.f. 19th May, 2023. Upon Resignation of Mr. Sahiel Khurana from the Committee.

⁹ Mr. Meenaksahisundaram Kolandaivel Appointed in the Committee w.e.f. 08th July, 2023.

iii. Remuneration Policy

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

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

- Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- Motivate KMP and Senior Management to achieve excellence in their performance;
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- Ensuring that the remuneration of Directors, KMP and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

The Company's remuneration policy is directed towards rewarding performance based on review of achievements periodically. The remuneration policy is in consonance with the existing industry practice. This policy is uploaded on the website of the company i.e. at <https://www.servotech.in/blog/wp-content/uploads/2021/12/Nomination-and-Remuneration-policy.pdf>

iv. Details of Remuneration

1. Executive Directors

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

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

2. Non-Executive Directors

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

During the financial year 2023-24, the Company paid sitting fees to its Non-Executive Directors for attending meetings of the Board of Directors of the Company. The Company also reimburses the out-of pocket expenses incurred by the Directors for attending the meetings.

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

3. Senior Management Employees

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

III. STAKEHOLDERS' RELATIONSHIP COMMITTEE

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

i. Terms of Reference

The terms of reference of the Committee include following:

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

ii. Composition, Meeting and Attendance

The Committee met 1 (One) time during the period under review on 06.12.2023.

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

Name of Directors	Designation	Category of Director	No. of meetings held	No. of meetings attended
Mr. Sahiel Khurana ¹⁰	Member	Independent Director	1	0
Mr. Meenakshisundaram Kolandaivel ¹¹	Chairperson	Independent Director	1	1
Mr. Rajesh Mohan Rai ¹²	Member	Whole-time Director	1	1
Mr. Sampat Rai	Member	Independent Director	1	1
Mr. Anupam Gupta	Member	Whole-time Director	1	0

¹⁰ Mr. Sahiel Khurana Non-executive Independent Director resigned w.e.f. 19th May, 2023 and stepped down from the Committee w.e.f. 19th May, 2023. Upon Resignation of Mr. Sahiel Khurana from the Audit Committee Mr. Anupam Gupta Appointed in the Audit Committee w.e.f. 25th May, 2023.

¹¹ Upon appointment of Mr. Meenakshisundaram Kolandaivel in the Audit Committee Mr. Anupam Gupta stepped down from the Audit Committee w.e.f. 8th July, 2023.

¹² Mr. Rajesh Mohan Rai who is whole Time Director till 31st March 2024. His designation was changed from Executive Director to Non-Executive, Non-Independent Director w.e.f 03.06.2024.

Requisite quorum was present in all the meetings.

Ms. Priya Pandey, (Resigned w.e.f 06.10.2023) and Ms. Rupinder Kaur (Appointed w.e.f. 30.10.2023) Company Secretary of the Company being the Compliance Officer takes all necessary and immediate steps for investors' grievances.

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

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

iii. Senior Management

Particulars of Senior Management of the Company for the year ended 31st March, 2024:-

Sl. No.	Received During the year	Closing Balance
1.	Mr. Raman Bhatia	Managing Director
2.	Ms. Sarika Bhatia	Whole-time Director
3.	Mr. Rajesh Mohan Rai	Whole-time Director ¹³
4.	Mr. Vikas Bhatia	Chief Financial Officer
5.	Ms. Rupinder Kaur	Company Secretary and Compliance Officer
6.	Mr. Arun Handa	Chief Technical Officer
7.	Mr. Kulbir Singh	Vice President- Sales
8.	Mr. Vipin Kaushik	Financial Controller
9.	Mr. Anil Kumar Yadav	Chief Operating officer

¹³ Mr. Rajesh Mohan Rai who is whole Time Director till 31st March 2024. His designation was changed from Executive Director to Non-Executive, Non-Independent Director w.e.f 03.06.2024.

IV. COMMITTEE OF BOARD OF DIRECTORS

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

i. Terms of reference of the Committee

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

ii. Composition, Meeting and Attendance

The Committee met 1 (One) times during the period under review on 06.01.2024.

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

Name of Directors	Designation	Category of Director	No. of meetings held	No. of meetings attended
Ms. Sarika Bhatia	Chairperson	Executive Director	1	1
Mr. Sahiel Khurana ¹⁴	Member	Independent Director	1	0

Mr. Raman Bhatia	Member	Executive Director	1	1
Mr. Meenakshisundaram Kolandaivel ¹⁵	Member	Independent Director	1	1

Note:¹⁴ Mr. Sahiel Khurana Non-executive Independent Director resigned w.e.f. 19th May, 2023 and stepped down from the Committee w.e.f. 19th May, 2023.

¹⁵ Mr. Meenakshisundaram kolandaivel appointed as Non-Executive Independent Director w.e.f. 25th June, 2023 and Upon Resignation of Mr. Sahiel Khurana from the Committee Mr. Meenakshisundaram kolandaivel Appointed in the Audit Committee w.e.f. 8th July, 2023

V. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

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

i. Terms of reference of the Committee

- Formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company in compliance with the Act and rules framed thereunder;
- Recommend the amount of expenditure to be incurred on the activities as above; and
- Monitor the CSR Policy of the Company from time to time.

ii. Composition, Meeting and Attendance

The Committee met 2 (Two) time during the period under review on 16.08.2023 and 29.03.2024 respectively.

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

Name of Directors	Designation	Category of Director	No. of meetings held	No. of meetings attended
Mr. Rajesh Mohan Rai	Chairperson	ED	2	2
Mr. Anupam Gupta	Member	Independent Director	2	2
Mr. Sampat Rai	Member	Independent Director	2	2
Ms. Sarika Bhatia	Member	ED	2	2

VI. GENERAL BODY MEETINGS

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

Financial Year	Location(s)	Meeting Date	Time
2022-23	Video Conferencing ("VC")/ Other Audio Visual Means deemed to be conducted at the Registered Office of the Company	30 th September, 2023	11.00 A.M.
2021-22	Video Conferencing ("VC")/ Other Audio Visual Means deemed to be conducted at the Registered Office of the Company	30 th September, 2022	11.00 A.M.
2020-21	Video Conferencing ("VC")/ Other Audio Visual Means deemed to be conducted at the Registered Office of the Company	30 th September, 2021	11:00 A.M.

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

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

a) ANNUAL GENERAL MEETING- 30th SEPTEMBER, 2023

RESOLUTION NO. 5: To re-appointment of Ms. Sarika Bhatia (DIN: 00155602), as the Whole-time Director of the Company for a period of 5 (five) years and approve payment of remuneration.

Category	No. of shares held	No. of Votes polled	% of votes Polled on outstanding shares	No. of votes in favour	No. of votes against	% of votes in favour on votes polled	% of votes in against on votes polled
Promoter and Promoter Group	128872700	128872700	100	128872700	0	100	0
Public – Institutions	0	0	0	0	0	0	0
Public-Non Institutions	83781590	15385853	18.36	15344903	40950	99.73	0.27
Total	212654290	44258553	67.84	144217603	40950	99.97	0.03

RESOLUTION NO. 6: To approve the re-appointment of Mr. Anupam Gupta, (DIN: 09050762) as the Non-Executive Independent Director of the Company for a second term of 3 consecutive years.

Category	No. of shares held	No. of Votes polled	% of votes Polled on outstanding shares	No. of votes in favour	No. of votes against	% of votes in favour on votes polled	% of votes in against on votes polled
Promoter and Promoter Group	128872700	128872700	100	128872700	0	100	0
Public - Institutions	0	0	0	0	0	0	0
Public -Non Institutions	83781590	15385853	18.36	15344903	40950	99.73	0.27
Total	212654290	144258553	67.84	144217603	40950	99.97	0.03

RESOLUTION NO. 7: To approve payment of remuneration to Mr. Raman Bhatia (DIN: 00153827), Managing Director of the Company.

Category	No. of shares held	No. of Votes polled	% of votes Polled on outstanding shares	No. of votes in favour	No. of votes against	% of votes in favour on votes polled	% of votes in against on votes polled
Promoter and Promoter Group	128872700	128872700	100	128872700	0	100	0
Public - Institutions	0	0	0	0	0	0	0
Public -Non Institutions	83781590	15385853	18.36	15384598	1255	99.99	0.01
Total	212654290	144258553	67.84	144257298	1255	100	0

b) ANNUAL GENERAL MEETING- 30TH SEPTEMBER, 2022

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

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

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

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

c) ANNUAL GENERAL MEETING- 30th DECEMBER, 2021

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

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

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

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

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

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

III. DETAILS OF THE SPECIAL RESOLUTIONS PASSED DURING THE FINANCIAL YEAR 2023-2024 THROUGH POSTAL BALLOT

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

1) POSTAL BALLOT PROCESS- 19th DECEMBER, 2023

The Company had sought the approval of the shareholders by way of a Special Resolution through notice of postal ballot dated 11th November, 2023 for the following special businesses, which was duly passed and the results of which were announced on 19th December, 2023 and the same were duly filed on NEAPS Portal.

The Board of Directors of the Company in its Meeting held on 11th November, 2023 had appointed Mr. Debabrata Deb Nath, (FCS No.: 7775; CP No.: 8612) Partner, R&D Company Secretaries, Practicing Company Secretaries as the Scrutinizer for conducting the Postal Ballot by way of remote e-voting process in accordance with the Act and in a fair and transparent manner.

RESOLUTION NO. 2: Issuance of Warrants convertible into Equity Shares to Promoter and Non Promoter of the Company on a Preferential Basis.

Category	No. of shares held	No. of Votes polled	% of votes Polled on outstanding shares	No. of votes in favour	No. of votes against	% of votes in favour on votes polled	% of votes in against on votes polled
Promoter and Promoter Group	128872700	128872700	100	128872700	0	100	0
Public – Institutions	18135748	18132554	99.98	18132554	0	100	0
Public -Non Institutions	65645842	20830874	31.73	20824830	6044	99.97	0.03
Total	212654290	167836128	78.92	167830084	6044	99.99	0.03

2) PROCEDURE FOR POSTAL BALLOT

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

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

The Postal Ballot Notice dated 11th November, 2023 was sent electronically in accordance with MCA Circulars to Members whose names appeared in the Register of Members/List of Beneficial Owners as of Friday, 10th November, 2023 (“Cut-Off Date”) received from the Depositories and whose e-mail addresses were registered with the Company/Registrar and Transfer Agent/Depository Participant/Depositories. The guidelines provided in the postal ballot notice clarified the process for e-voting by (i) individual shareholders holding shares of the company in demat mode, (ii) shareholders other than individuals holding shares of the company in demat mode, (iii) shareholders holding shares of the company in physical mode, and (iv) shareholders who have not registered their e-mail address. Members exercised their vote(s) by e-voting during the period starting from 09:00 A.M. (IST) on Saturday, 18th November, 2023 till 05:00 P.M. (IST) on Sunday, 17th December, 2023.

VI. MEANS OF COMMUNICATION

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

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

V. DISCLOSURES

1. Code of Conduct

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

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

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

2. Role of the Company Secretary In Governance Process

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

3. Related Party Transactions

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

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

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

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

5. Whistle Blower Policy/Vigil Mechanism

The Company has this Policy and has established the necessary vigil mechanism for directors and employees to report concerns about unethical behavior. No person has been denied access to the Chairman of the Audit Committee. The said policy has been uploaded on the website of the Company.

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

6. Accounting Standards

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

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

During the year under review, On 06th January, 2024, the Company has allotted 89,00,000 warrants convertible into equivalent number of equity shares of the Company having a face value of Rs 1/- at a price of Rs. 83.40/- each to promoters and non-promoter group upon receipt of upfront amount of Rs. 18,55,65,000/-, which is equivalent to 25% of total consideration as per the terms of preferential issue and balance 75% of the issue price will be received upon exercise of the option of conversion of warrants into equity shares which would become due on or before 18 months from the date of allotment of Warrants. Further, Company has fully utilized the amount raised for the objects or purposes for which the funds have been raised. Further, the Company has no qualified institutions placement as specified under Regulation 32(7A) of SEBI Listing Regulations.

8. Reconciliation of share capital audit

Mr. Debabrata Deb Nath, qualified Practicing Company Secretary, for the financial year 2023-24, had carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (“NSDL”) and the Central Depository Services (India) Limited (“CDSL”) and the total issued and listed equity share capital. The audit report confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

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

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

Payment to Statutory Auditors	FY 2023-2024
Audit Fees	6,25,000
Out of Pocket Expenses	-
Other Matters	-
Total	6,25,000

(All Amounts excluding GST)

10. Recommendation of the Board Committees

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

11. CEO/CFO Certification

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

12. Subsidiary Companies

The Company have 4(Four) Subsidiaries. The Company monitors performance of subsidiary companies, inter-alia, by the following means:

- i. The Audit Committee reviews the financial statements, in particular, the investments made by the unlisted subsidiary companies.
- ii. The minutes of the meetings of the Board of directors of the unlisted subsidiary Companies were placed at the meetings of the Board of Directors of the Company.

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

13. Code of Conduct for Prohibition of Insider Trading

Your Company has adopted a Code of Conduct as per Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended. All Designated Persons who could have access to the Unpublished Price Sensitive Information of the Company are governed by the Code. During the year under review, there has been due compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015. On a quarterly basis, the Audit Committee reviews the compliance with these Regulations. Your Company has also formulated a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. The Codes have been hosted the Company’s website at <https://www.servotech.in/blog/wp-content/uploads/2023/03/Code-of-Conduct-for-Insider-Trading.pdf>.

14. Board Diversity

The Company has adopted the Policy on Board Diversity as required under Regulation 19 read with Part D of Schedule II of SEBI (LODR) Regulations. The policy is available at Company’s website at <https://www.servotech.in/blog/wp-content/uploads/2022/12/Board-Diversity-Policy.pdf>.

15. Succession Planning

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

16. Your Company has obtained a certificate from a Company secretary in practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority. The same is attached as an Annexure to this report.
17. During the year under review, the Company had not granted any loans/advances in the nature of loans to firms/companies in which Directors are interested.
18. There are no pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company which has potential conflict with the interests of the Company at large.
19. The Company has complied with and disclosed all the mandatory corporate governance requirements

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

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

VI. DISCRETIONARY REQUIREMENTS

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

1. The Board

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

2. Shareholders' Rights

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

3. Modified Opinion in Auditors Report

The Company's financial statements for the year 2023-2024 do not contain any modified audit opinion.

4. Separate posts of Chairman and CEO

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

5. Reporting of Internal Auditor

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

VII. GENERAL SHAREHOLDER INFORMATION

20 th Annual General Meeting		
1.	Day and Date	Friday, 27 th September, 2024
	Time	11:00 A.M.
	Venue	Video Conferencing ("VC")/Other Audio Visual Means ("OAVM")
2.	Financial Year	1 st April, 2023 to 31 st March, 2024
3.	Date of Book Closure	Saturday, 21 st September, 2024 to Friday, 27 th September, 2024
4.	Dividend payment date	The Board in the meeting held on 03rd June, 2024 proposed the final dividend of Rs. 0.05 per equity share of the Company subject to the approval of shareholders in the ensuing AGM.
5.	Name and address of Stock Exchanges at which Company's securities are listed;	National Stock Exchange of India Limited ("NSE") Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai 400051
6.	Stock Symbol	NSE Symbol: SERVOTECH ISIN: INE782X01033
7.	Listing Fees to Stock Exchanges	The Company has paid the annual listing fees for the financial year 2024-25 to the above Stock Exchanges.
8.	Custodial Fees to Depositories	The Company has paid custodial fees for the financial year 2024-2025 to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

VIII. SHARE TRANSFER SYSTEM

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

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

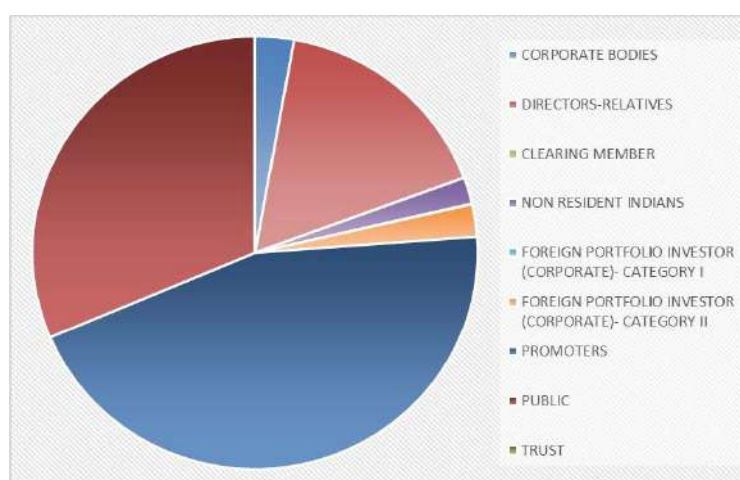
1. Certificate confirming due compliance of share transfer formalities by the Company pursuant to Regulation 40(9) of the SEBI Listing Regulations for financial year ended 31st March, 2024 with the Stock Exchange and
2. Certificate regarding reconciliation of the share capital audit of the Company on quarterly basis. All share transfer and other communication regarding share certificates, change of address, dividend etc. should be addressed to R & T Agents of the Company.

IX. DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2024

Sl. No.	No. of equity Shares held	No. of Shareholders	% of total Shareholders	No. of total Shares held	Shareholding in % age
1	1-5000	150181	99.04	29078407	13.41
2	5001-10000	452	0.30	3353047	1.54
3	10001-20000	189	0.12	2682610	1.24
4	20001-30000	61	0.04	1540123	0.71
5	30001-40000	43	0.03	1568410	0.72
6	40001-50000	22	0.01	1033027	0.48
7	50001-100000	46	0.03	3359957	1.55
8	100001 & above	79	0.05	174288709	80.35
TOTAL		151073	100	21,69,04,290	100

X. CATEGORIES OF SHAREHOLDERS AS ON 31ST MARCH, 2024

Sl. No.	Category	Share	Percentage (%)
1	CORPORATE BODIES	61,01,009	2.81
2	DIRECTORS-RELATIVES(Promoter Group)	3,59,19,050	16.56
3	CLEARING MEMBER	21,881	0.01
4	NON RESIDENT INDIANS	43,05,215	1.98
5	FOREIGN PORTFOLIO INVESTOR (COR-PORATE)- CATEGORY I	83,602	0.04
6	FOREIGN PORTFOLIO INVESTOR (COR-PORATE)- CATEGORY II	52,36,070	2.4140
7	PROMOTERS	9,71,53,650	44.79
8	PUBLIC	6,80,82,543	31.39
9	TRUST	1,270	0.00
	Total	21,69,04,290	100

**XI. DEMATERIALIZATION OF SHARES AND LIQUIDITY**

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

The Company has established connectivity with both the depositories viz. NSDL and CDSL through the Registrar & Share Transfer Agent- Bigshare Services Private Limited. This has facilitated the shareholders to hold and trade their shares in 'electronic form'. As on 31st March, 2024, 216837280 equity shares of the Company, forming 99% of the shareholding stand dematerialized.

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

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

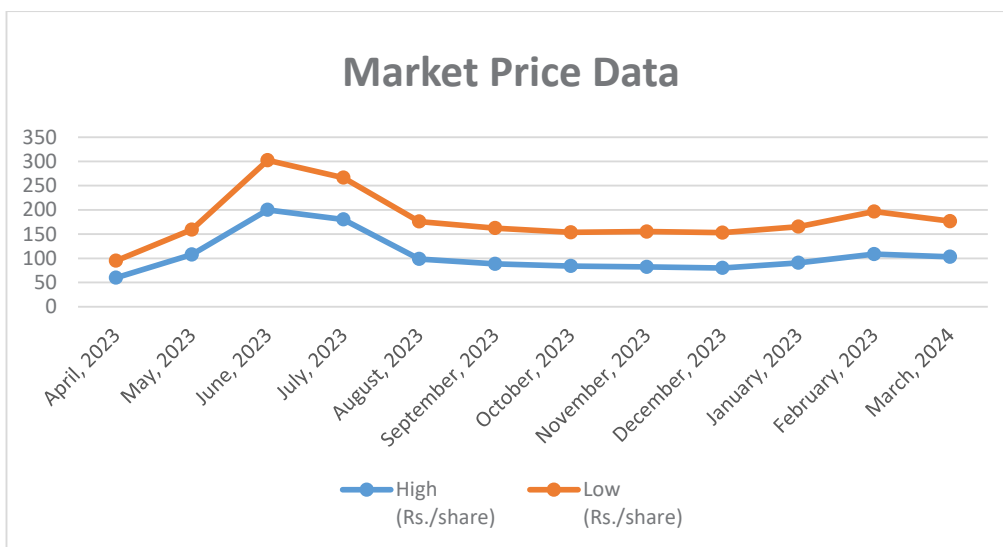
XIII. GREEN INITIATIVE IN CORPORATE GOVERNANCE

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

XIV. MARKET PRICE DATA

Monthly high and low of the Equity Shares of the Company at NSE during the year ended 31st March, 2024 are as follows:

Months during the financial year ended 31 st March, 2024	NSE	
	High (Rs./share)	Low (Rs./share)
April, 2023	59.90	35.05
May, 2023	107.65	51.50
June, 2023	200.00	102.30
July, 2023	180.20	86.35
August, 2023	98.75	77.00
September, 2023	88.60	73.75
October, 2023	84.10	69.50
November, 2023	82.30	72.75
December, 2023	80.00	73.00
January, 2023	90.60	74.55
February, 2023	108.70	87.80
March, 2024	103.00	73.50



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

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

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

XVI. PLANT LOCATIONS**1. Kundli, Sonapat, Haryana:**

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

2. Bawana, New Delhi:

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

XVII. ADDRESS FOR CORRESPONDENCE

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

COMPLIANCE OFFICER

Ms. Rupinder Kaur
Company Secretary
ICSI Membership No.: A38697

DECLARATION REGARDING CODE OF CONDUCT

I hereby declare that all Directors and Senior Management Personnel have confirmed compliance with the Code of Conduct as adopted by the Company during the year 2024.

Raman Bhatia
Managing Director

Place: Delhi
Date: 24.08.2024

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of **Servotech Power Systems Limited**

We have examined the compliance of conditions of Corporate Governance by Servotech Power Systems Limited, for the year ended on 31st March 2024, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and Paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations").

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI LODR Regulations during the year ended on 31st March 2024.

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

**For R&D
Company Secretaries**

**Debabrata Deb Nath
Partner**

FCS No.: 7775; CP No. : 8612

UDIN: F007775F000949971

Peer Review Certificate no. 1403/2021

Unique Identification No. P2005DE011200

Place: Delhi

Date: 12.08.2024

COMPLIANCE CERTIFICATE

To,

The Board of Directors

Servotech Power Systems Limited

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

Dear Sirs,

We have reviewed the financial statements together with the cash flow statement of Servotech Power Systems Limited for the quarter ended 31st March, 2024 and that to the best of our knowledge and belief, we state that;

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year ended 31st March, 2024 which is fraudulent, illegal or violative of the Company's code of conduct.
4. We accept the responsibility for establishing and maintaining internal controls for financial accounting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and there had been no deficiency in design or operation of such internal controls during the period under review.

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

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

Yours Sincerely

Date: 09.05.2024

Place: New Delhi

Vikas Bhatia

Chief Financial Officer

Raman Bhatia

Managing Director

INDEPENDENT AUDITOR’S REPORT

To the Members of SERVOTECH POWER SYSTEMS LIMITED

Report on the Audit of Standalone Financial Statements

OPINION

We have audited the accompanying standalone financial statements of **SERVOTECH POWER SYSTEMS LIMITED** (“the Company”), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and Notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the standalone financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the Profit, total comprehensive Income, changes in Equity and cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (“SAs”) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (“ICAI”) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the Key Audit Matter
<p>Revenue from sale of products (as described in note 16 of the standalone financial statements).</p> <p>The Company’s revenue principally comprises sale of goods. The revenue from sale of goods is recognised in accordance with the accounting principles prescribed under Ind AS 115, “Revenue from contracts with customers” and is measured at the transaction price net of trade discounts and volume rebates as per trade schemes, refund liabilities and taxes or duties collected on behalf of government authorities and is recognised at a point in time when the entity satisfies the performance obligation by transferring control of promised goods to customers.</p> <p>The control in respect of sale of goods is generally transferred when the products are delivered to customers in accordance with the terms of contract with customers.</p>	<p>Our audit procedures on revenue recognition included the following:</p> <ul style="list-style-type: none"> Understanding and evaluating the design and testing the operating effectiveness of Company’s controls around revenue recognition including accounting for trade discounts and volume rebates. Assessing the Company’s accounting policy for revenue recognition including the policy for recording trade discounts and volume rebates in accordance with Ind AS 115 “Revenue from Contracts with Customers” Selecting samples of revenue transactions during the year and inspecting underlying documents which included invoices, shipping documents/ customers’ acceptance, as applicable, to determine that the revenue is recognised in accordance with the agreed terms. Testing selected samples of revenue transactions recorded before and after the financial year end date to determine whether the revenue has been recognised in accordance with agreed terms, in the appropriate financial period Testing on a sample basis the calculation of the provisions for trade discounts and volume rebates at year end with approved trade schemes and underlying sales data, including testing of completeness and arithmetical accuracy of the data used by the Company’s Management. Testing on a sample basis credit notes issued to customers/ payments made for incentives as per the approved trade schemes. <p>Based on the above procedures performed, we did not identify any material exceptions in revenue recognition of sale of goods.</p>

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

The Company's Board of Directors is responsible for other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements, and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Management's Responsibility for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and

whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with rule 7 of the companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors as on March 31st, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31st, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Amended Rules, 2021, in our opinion and to the best of our information and according to the explanations given to us: -
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts; and
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. a) The management has represented that, to the best of the knowledge and belief, as disclosed 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 persons or entities, 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.
b) The management has represented that, to the best of its knowledge and belief, as disclosed in the financial statements no funds have been received by the Company from any persons or entities, 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

- c) Based on such audit procedure 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 (a) and (b) contain any material misstatement.
- v. The 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.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023. Based on our examination, which included test checks,

the company, have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.

The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

**For M/S. Rohit KC Jain & CO,
CHARTERED ACCOUNTANTS
(FRN: 020422N)**

**ROHIT JAIN
(PARTNER)
M. No. 099444**

**Place: New Delhi
Date: 09.05.2024**

UDIN: 24099444BKGYZZ4519

ANNEXURE "A" "TO THE AUDITORS' REPORT"

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **SERVOTECH POWER SYSTEM LIMITED** of even date)

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

We have audited the internal financial statements of **SERVOTECH POWER SYSTEM Limited** ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- 1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- 3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

**For M/S. Rohit KC Jain & CO,
CHARTERED ACCOUNTANTS
(FRN: 020422N)**

**ROHIT JAIN
(PARTNER)**

**Place: New Delhi
Date: 09.05.2024**

**M. No. 099444
UDIN: 24099444BKGYZZ4519**

“ANNEXURE B” TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in our Independent Auditors' Report in Paragraph 1 under 'Report on Other Legal and Regulatory Requirements to the members of **SERVOTECH POWER SYSTEM LIMITED** on the standalone financial statements for the year ended March 31, 2024)

To the best of our information and according to explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i In respect of the Company's Property, Plant & Equipment and Intangible Assets:
 - a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of -use assets.
 - (B) The Company has maintained proper records showing full particulars of intangible assets.
 - b) As explained to us, Property, Plant and Equipment and right-of -use assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
 - c) According to the information and explanations given to us and based on the examination of the registered sale deed / transfer deed / conveyance deed (state any other relevant document which evidences title) provided to us, we report that, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
 - d) The Company has assessed that the market value is same as previous year during the year.
 - e) There are no proceedings which have been initiated or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and rules made thereunder. Accordingly, the provisions of clause 3(i)(e) of the Order are not applicable.
- ii. a) The physical verification of inventory (excluding goods-in-transit and stocks with third parties) has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
 - b) During the year, the Company has been sanctioned working capital limits is Rs 171 CR from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks.
- iii. In our opinion and according to the information and explanations given to us, the Company has not made investments in/, provided any guarantee/ security/ granted loans/ advances in the nature of loans, secured or unsecured, to companies/, firms/, Limited Liability Partnerships/ other parties, Accordingly, the provisions of clause 3(iii)(a) - (f) of the Order are not applicable.
- iv. In our opinion and according to information and explanation given to us, the company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees, and securities provided, as applicable.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. In respect of Statutory Dues:
 - (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - (b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) that have not been deposited with the appropriate authorities on account of any dispute except for the following cases:

Name of the statute	Nature of dues	Amount (₹)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	Rs 252.12 Lacs	AY 2017-18	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	Rs 143.36 Lacs	AY 2016-17	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	Rs 275.23 Lacs	AY 2017-18	Commissioner of Income Tax (Appeals)
H VAT Act, 2003	VAT	Rs. 6.52 Lacs	AY 2017-18	H VAT Authority (Appeals)

viii. There are no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. In respect to repayment of dues:

- a. In our opinion and according to the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank, Government, or debenture holder, as applicable to the company.
 - b. The company has not been declared wilful defaulter by any bank or financial institution or any government authority.
 - c. As per the information provided to us and as per our analysis the loan has been used only for the purpose for which it was taken.
 - d. On an overall examination of the financial statements of the company, funds raised on short term basis have, prima facie, not been used during the year for long term purpose of the company.
 - e. On an overall examination of the financial statements of the company, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
 - f. According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries. The Company did not have any joint ventures or associate companies during the year.
- x. a) The company has not raised any money by way of initial public offer or further public Offer (including debt instruments), hence reporting on Clause 3(x)(a) of the order is not applicable.
- b) According to the information and explanations given to us, during the year, the Company has made preferential allotment of shares and Share Warrants. In respect of the same, in our opinion, the Company has complied

with the requirement of Section 42 and Section 62 of the Act and the Rules framed there under.

- xi. a) According to the information and explanations given to us and Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given to us by the management, we report that we have neither come across any instance of fraud by the company or on the company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.
- b) No report under sub section (12) of section 143 of the Companies Act has been filed in from ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors), 2014 with the central government, during the year and up to the date of this report.
- xii. The company is not a Nidhi Company as specified in the Nidhi Rules, 2014 therefore the provisions of Clause 3 (xiii) of the Companies (Auditor's Report) Order, 2020 are not applicable to the Company.
- xiii. According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Standalone Financial Statements etc. as required by under Indian accounting standard 24 "Related Party Disclosures" specified under Section 133 of the Act.
- xiv. a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv. According to the information and explanations given to us, the company has not entered any non-cash transactions with directors or persons connected with him therefore the provisions of Clause 3(xv) of the Companies (Auditor's Report) Order, 2020 are not applicable to the Company.

- xvi. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi) (a), (b) and (c) of the Order is not applicable. In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi) (d) of the Order is not applicable.
- xvii. The company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year and accordingly the reporting under clause 3(xviii) is not applicable.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. In respect of other than ongoing projects, the company will transfer unspent amount to a Fund specified in Schedule VII to the Companies Act within a 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; Company has transferred Rs 3,00,000 to the said Fund as on date of this report out of Rs 21,33,248.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

**For M/S. Rohit KC Jain & CO,
CHARTERED ACCOUNTANTS
(FRN: 020422N)**

**ROHIT JAIN
(PARTNER)**

M. No. 099444

UDIN: 24099444BKGYZZ4519

Place: New Delhi

Date: 09.05.2024

STANDALONE BALANCE SHEET

AS AT 31ST MARCH 2024

(Rs. in Lacs)

Particulars	Note	As at	
		31 st March 2024	31 st March 2023
ASSETS			
(1) Non-Current Assets			
a) Property, Plant and Equipment	3	2,896.59	1,867.49
b) Other Intangible Assets	3	42.21	15.63
c) Assets under Development	3	1,446.86	49.00
d) Investment Property	4	218.93	218.93
e) Financial Assets			
i) Investments	4	130.60	26.95
ii) Loans		-	-
iii) Other Financial Assets		-	-
f) Deferred Tax Assets (net)	5	16.35	22.12
g) Other-Non Current Assets	6	1,238.67	1,462.48
h) Trade Receivables	8	327.32	440.92
		6,317.52	4,103.53
(2) Current Assets			
a) Inventories	7	3,369.98	1,457.91
b) Financial Assets			
i) Trade Receivables	8	8,062.65	7,856.28
ii) Cash and Cash Equivalents	9	2,737.97	1,176.94
iii) Other Bank Balances	9	3,266.59	322.31
iv) Loans		-	-
v) Other Financial Assets		-	-
c) Other Current Assets	6	2,054.18	426.45
		19,491.38	11,239.89
		25,808.90	15,343.42
TOTAL ASSETS			
EQUITY AND LIABILITIES			
Equity			
a) Equity Share Capital	10.1	2,169.04	2,126.54
b) Other Equity	10.2	10,689.29	5,994.73
		12,858.33	8,121.27
(1) Liabilities			
Non-Current Liabilities			
a) Financial liabilities			
i) Borrowings	11	1,310.22	750.79
b) Other Non-Current Liabilities	12	321.42	126.90
c) Deferred Tax Liabilities (net)	5	-	-
d) Provisions	13	395.35	46.50
f) Trade Payables	14	41.56	7.38
		2,068.55	931.56
(2) Current liabilities			
a) Financial Liabilities			
i) Borrowings	11	6,771.05	3,477.47
ii) Trade Payables	14	2,894.17	1,639.18
iii) Other Financial Liabilities		-	-
b) Other Current Liabilities	15	672.82	810.85
c) Provisions	13	543.98	363.09
		10,882.02	6,290.59
		25,808.90	15,343.42
TOTAL EQUITY AND LIABILITIES			

Summary of significant Accounting Policies

1&2

The accompanying notes are an integral part of standalone financial statements

As per our report of even date

For Rohit KC Jain & Co.

Chartered Accountants

FRN: 020422N

CA Rohit Jain

(Partner)

M.No.- 099444

Place: Delhi

Date : 09.05.2024

UDIN : 24099444BKGXZZ4519

For and on behalf of the Board of Directors of

Servotech Power Systems Limited
Raman Bhatia

(Managing Director)

DIN-00153827

Rupinder Kaur

(Company Secretary)

M.No.- A38697

Sarika Bhatia

(Whole-time Director)

DIN-00155602

Vikas Bhatia

(Chief Financial Officer)

PAN- AJNPB0303P

STATEMENT OF PROFIT & LOSS

FOR THE YEAR ENDED 31ST MARCH 2024

(Rs. in Lacs)

Particulars	Note	For the year ended 31 st March 2024	For the year ended 31 st March 2023
Total Income			
Revenue from operations	16	30,570.06	24,915.20
Other income	17	150.98	40.81
Total Revenue		30,721.04	24,956.00
Expenses			
Cost of materials consumed	18	25,708.42	20,443.41
Change in Inventories	19	(535.42)	(159.05)
Employee benefits expense	20	1,349.44	948.20
Finance costs	21	322.22	238.17
Depreciation, amortisation and impairment expense	22	298.21	208.56
Other expenses	23	2,025.17	1,900.87
Total expenses		29,168.05	23,580.16
Profit before exceptional and tax (1 - 2)		1,552.99	1,375.84
Exceptional items		-	-
Profit before tax (3-4)		1,552.99	1,375.84
Tax expense:		420.36	318.67
(1) Current tax		386.73	340.00
(2) Deferred tax		5.77	(21.33)
(3) CSR Expenses		-	-
(4) Income Tax of Earlier Years		27.86	-
Profit (Loss) for the period (5-6)		1,132.63	1,057.17
Other Comprehensive Income		1.28	2.35
Items that will not be reclassified to profit or loss		1.71	3.15
Income tax relating to items that will not be reclassified to profit or loss		0.43	0.79
Total Comprehensive Income for the period (7+8)		1,133.91	1,059.53
Paid-Up Equity Share Capital (Face Value of Share Rs.1/-)		2,169.04	2,126.54
Other Equity		-	-
Earnings per equity share:			
(1) Basic (@)		0.52	0.50
(2) Diluted (@)		0.53	0.53
Summary of Significant accounting policies	1&2		

The accompanying notes are an integral part of standalone financial statements

As per our report of even date

For Rohit KC Jain & Co.

Chartered Accountants

FRN: 020422N

CA Rohit Jain

(Partner)

M.No.- 099444

Place: Delhi

Date : 09.05.2024

UDIN : 24099444BKGXZZ4519

For and on behalf of the Board of Directors of

Servotech Power Systems Limited

Raman Bhatia

(Managing Director)

DIN-00153827

Rupinder Kaur

(Company Secretary)

M.No.- A38697

Sarika Bhatia

(Whole-time Director)

DIN-00155602

Vikas Bhatia

(Chief Financial Officer)

PAN- AJNPB0303P

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH 2024

(Rs. in Lacs)

Particulars	For the year ended 31 st March 2024	For the year ended 31 st March 2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	1,552.99	1,375.84
Adjustments For :		
Depreciation and amortization expenses	298.21	169.28
Gain on Sale of Investment in Share	(57.15)	-
Unrealised Gain/Loss Foreign Exchange	(2.79)	-
Other Comprehensive Income	1.28	2.35
Profit/(loss) on sale of fixed asset	(6.02)	0.68
Finance Costs	322.22	238.17
Interest received	(63.90)	(10.64)
Operating Profit before Working Capital Changes	2,044.83	1,775.69
Taxes paid (Net)	(414.59)	(340.00)
	1,630.24	1,435.69
Adjustments For Working Capital :		
Inventories	(1,912.07)	(239.30)
Trade Receivables & Others	(92.76)	(4,756.93)
Other Financial , Provisions & Others	(876.40)	286.49
Trade Payable & Others	1,289.17	450.30
Increase/ (Decrease) in Other liabilities	(138.02)	142.43
Cash generated From Operating Activities	(99.84)	(2,681.32)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(2,493.55)	(1,142.68)
Sale of fixed Assets	40.01	0.51
Interest/Other Income	63.90	10.64
Lease Adjustment	(92.78)	-
Investment in Subsidiary Company	(110.00)	(12.70)
Proceeds from Sale of Shares in Subsidiary Company	63.50	-
Net Cash Generated from (used in) Investing Activities	(2,528.91)	(1,144.22)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds for Issue of Shares Capital	42.50	358.81
Share Premium Account including Reserves	352.75	2,158.00
Share Application Money Received	3,633.34	-
Dividend Paid	(425.31)	(42.53)
Other Adjustment	-	(0.17)
Repayment/Proceeds for Loan	3,853.01	2,308.76
Finance Cost	(322.22)	(238.17)
Net Cash Generated from (used in) Financing Activities	7,134.07	4,544.70
I Total increase (decrease) in cash and cash equivalents during the year (A+B+C)	4,505.31	719.16
II Cash and cash equivalents at beginning of year	1,499.25	780.09
III Cash and cash equivalents as at end of the year (I+II)	6,004.56	1,499.25

Summary of Significant accounting policies

The accompanying notes are an integral part of standalone financial statements

As per our report of even date

For Rohit KC Jain & Co.

Chartered Accountants

FRN: 020422N

CA Rohit Jain

(Partner)

M.No.- 099444

Place: Delhi

Date : 09.05.2024

UDIN : 24099444BKGXZZ4519

For and on behalf of the Board of Directors of

Servotech Power Systems Limited
Raman Bhatia

(Managing Director)

DIN-00153827

Rupinder Kaur

(Company Secretary)

M.No.- A38697

Sarika Bhatia

(Whole-time Director)

DIN-00155602

Vikas Bhatia

(Chief Financial Officer)

PAN- AJNPB0303P

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH 2024

A. Equity Share Capital

(1) Current Reporting Period

	(₹ in Lakhs)		
	Balance at the beginning of the current reporting period	Changes in Equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period
	2,126.54	-	-
		42.50	Changes in equity share capital during th current year
			Balance at the end of the current reporting period
			2,169.04

(2) Previous Reporting Period

	(₹ in Lakhs)		
	Balance at the beginning of the current reporting period	Changes in Equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period
	1,866.54		
		260.00	Changes in equity share capital during th current year
			Balance at the end of the current reporting period
			2,126.54

B. Other Equity

(1) Current Reporting Period

	Share application money pending allotment	Equity component of compound financial instruments	Capital Reserve	Securities Premium	Other Reserves (specify nature)	Retained Earnings	Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (specify nature)	Money received against share warrants	Total
Balance at the beginning of the current reporting period				3,503.96		2,391.95							98.81	5,994.73
Changes in accounting policy or prior period error						(0.14)								(0.14)
Restated balance at the beginning of the current reporting period														-
Total						1,133.91								1,133.91
Comprehensive Income for the current year														
Dividends						(425.31)								(425.31)
Share warrants During the year													3,732.15	3,732.15

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH 2024

Warrant converted into Equity Shares	(98.81)	98.81
Security Premium during the year	352.75	352.75
Balance at the end of the current reporting period	3,732.15	10,689.29

1) Current Reporting Period

	Share application money pending allotment	Equity component of compound financial instruments	Capital Reserve	Securities Premium	Other Reserves (specify nature)	Retained Earnings	Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other Items of Other Comprehensive Income (specify nature)	Money received against share warrants	Total
Balance at the beginning of the current reporting period				1,345.96		1,375.13								2,721.09
Changes in accounting policy or prior period error	Summary of Significant accounting policies					-0.17								-0.17
Restated balance at the beginning of the current reporting period	The accompanying notes are an integral part of standalone financial statements					-								-
Total Comprehensive Income for the current year						1,059.53								1,059.53
Dividends						-42.53							98.81	-42.53
Share warrants During the year														98.81
Security Premium during the year				2,158.00										2,158.00
Balance at the end of the current reporting period	-	-	-	3,503.96	-	2,391.95	-	-	-	-	-	-	98.81	5,994.73

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

1 Corporate Information

The standalone financial statements were authorized by the Board of Directors for issue in accordance with resolution passed on 9th May 2024.

The significant accounting policies applied by the Company in the preparation of its standalone Ind AS financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements, unless otherwise stated.

2.1 Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of, unless otherwise stated.

A) Statement of compliance

These financial statements of the Company are prepared and presented in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provision of the Act as amended from time to time and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the financial statements.

B) Functional and presentation currency

The financial statements are presented in Indian Rupees ('INR') and all values are rounded to nearest lakhs upto two decimal places (INR 00,000), except when otherwise indicated.

C) Basis of measurement

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

- (i) Derivative Instruments
- (ii) Certain financial assets and liabilities that are measured at fair value

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services as at the date of respective transactions.

2.2 Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the year. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note 2.3. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

2.3 Critical accounting estimates, assumptions and judgements

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Significant judgements and estimates relating to the carrying values of assets and liabilities include, determination of estimated projected cost and revenue in long term contracts, determination of term of lease contracts, fair value measurement, impairment of goodwill, provision for employee benefits and other provisions, recoverability of deferred tax assets and commitments and contingencies.

2.3.1 Estimates and assumptions

A) Property, Plant and Equipment

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

B). Provision for employee benefits

The cost of the defined benefit gratuity & leave encashment plan and the present value of the gratuity & leave encashment obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post employment benefit obligation. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rate and past trends.

C). Provision for litigations and contingencies

The provision for litigations and contingencies are determined based on evaluation made by the management of the present obligation arising from past events the settlement of which is expected to result in outflow of resources embodying economic benefits, which involves judgements around estimating the ultimate outcome of such past events and measurement of the obligation amount. Due to the judgements involved in such estimations the provisions are sensitive to the actual outcome in future periods.

D). Provision

Significant estimates are involved in the determination of provisions related to liquidated damages, onerous contracts and warranty provision. The Company records a provision for onerous sales contracts when current estimates of total contract costs exceed expected contract revenue. Warranty provision is determined based on the historical trend of warranty expense for the same types of goods for which the warranty is currently being determined, after adjusting for unusual factors related to the goods that were sold or based on specific warranty clause in an agreement. Such estimates are reviewed annually for any material changes in assumptions and likelihood of occurrence. The provision for warranty, liquidated damages and onerous contracts is based on the best estimate required to settle the present obligation at the end of reporting period.

E). Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash Flow (DCF) model. The cash flows are derived from the budget and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

F). Taxes

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. Uncertainties exist with respect to the interpretation of tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous assessments and interpretations of tax regulations by the Company.

G). Leases: whether an arrangement contains a lease

The Company determines the lease term as the agreed tenure of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset)

2.4 Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities, except for long-term contracts. The projects business comprises long-term contracts which have an operating cycle exceeding one year. For classification of current assets and liabilities related to projects business, the Company uses the duration of the individual life cycle of the contract as its operating cycle.

The accompanying notes are an integral part of standalone financial statements

Advance tax paid is classified as current assets

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.5 Foreign Currency

Functional currency

The functional currency of the Company is the Indian Rupee.

Transactions and translations Initial recognition transactions in foreign currencies are recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. The gains or losses resulting from such translations are recognised in the statement of profit and loss.

Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was measured. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

2.6 Revenue Recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated if any. In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

Revenue is stated exclusive of goods and service tax and net of trade and quantity discount.

Liquidated damages / penalties are provided for as per the contract terms wherever there is a delayed delivery attributable to the Company.

A) Revenue from the sale of goods

Revenues are recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

B) Revenue from sale of services

Revenue from services rendered over a period of time, such as annual maintenance contracts, are recognised on straight line basis over the period of the performance obligation.

C) Income from development services

Revenue from the development services is recognised as per the contract terms and when accrued. When the contract outcome cannot be measured reliably, revenue is recognised only to the extent that the expenses incurred are eligible to be recovered.

D) Export benefits

Export incentives receivable are accrued for, when the right to receive the credit is established and there is no significant uncertainty regarding the realisability of the incentive.

E) Other income

Interest income is recognised on time proportion basis.

Fair value gain on financial instruments is recognized using the effective interest method.

2.7 Income tax

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the statement of profit and loss.

A) Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

The Company offsets tax assets and tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

B) Deferred tax

Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date.

A deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

2.8 Property, plant and equipment

Recognition and measurement

All other repair and maintenance costs are recognised in statement of profit or loss as incurred. The Company identifies and determines cost of each component/ part of property, plant and equipment separately, if the component/ part has a cost which is significant to the total cost of the property, plant and equipment and has useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances and cost of assets not ready for use at the balance sheet date are disclosed under capital work- in- progress is stated at cost less accumulated impairment loss.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset are derecognised when replaced. All other repairs and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.

A) Depreciation

The Company depreciates property, plant and equipment over their estimated useful lives using the Written Down method. Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed of).

The estimated useful lives of assets are as follows:

Particulars	Years
Leasehold land	60
Building other than factory	
Computers	3
- Computers and other peripherals	3
-Software	10
Furniture & Fixtures	8
Vehicles	5
Office equipment	15
Plant & Machinery	

The useful lives have been determined based on technical evaluation done by the management's expert which are in line those specified by Schedule II to the Companies Act 2013. The residual values are not more than 5% of the original cost of the asset. The depreciation methods, assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under Other Non-Current Assets and the cost of assets not put to use before such date is disclosed under 'Capital work-in-progress'.

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

2.9 Intangible Assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a written down basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Amortization methods and useful lives are reviewed periodically including at each financial year end. The estimated useful lives for intangible assets are 3 years.

2.10 Inventories

Inventories consist of raw materials, work-in-progress, finished goods, stock-in-trade and stores and spares. Inventories are measured at the lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost.

The cost of various categories of inventories is arrived at as follows:

Stores, spares, raw materials, components and stock-in-trade - at rates determined on the moving weighted average method.

Goods in Transit - at actual cost. Work-in-progress and finished goods - at full absorption cost method which includes direct materials, direct labour and manufacturing overheads. Cost is determined on weighted average method.

Cost includes expenditures incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition.

Provision for obsolescence is made wherever necessary. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

The factors that the Company considers in determining the provision for slow moving, obsolete and other non-saleable inventory include estimated shelf life, planned product discontinuances, price changes, ageing of inventory and introduction of competitive new products, to the extent each of these factors impact the Company's business and markets. The Company considers all these factors and adjusts the inventory provision to reflect its actual experience on a periodic basis.

2.11 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

2.11.1 Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition.

2.11.2 Subsequent measurement

A). Non-derivative financial instruments

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business where the objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business where the objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Financial liabilities

Financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant. Interest bearing bank loans, overdrafts are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Financial liabilities are subsequently carried at amortized cost using the effective interest method, For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Off-setting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

B). Derivative financial instruments

This category has derivative financial assets or liabilities which are not designated as hedges.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in the statement of profit and loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income / expenses. Assets/ liabilities in this category are presented as current assets/current liabilities if they are either held for trading or are expected to be realized within 12 months after the balance sheet date.

2.11.3 Impairment of Financial Assets

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

2.11.4 Derecognition of Financial Assets

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset ; or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset

2.12 Fair value measurement

The Company measures financial instruments at fair value at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non- financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to fair value measurement as a whole) at the end of each reporting period.

The Company has a team comprising of members of senior management that determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for nonrecurring measurement, such as assets held for distribution in discontinued operations.

External valuers are involved for valuation of significant assets, such as properties and unquoted investments and financial assets, and significant liabilities, such as contingent consideration. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

2.13 Investment Properties

Property that is held for long term rental yields or for capital appreciation or for both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction cost and where applicable, borrowing costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any

Investment properties are de-recognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in Statement of Profit and Loss in the period of de-recognition.

2.14 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.15 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

2.15.1 Company as a lessee

The Company's lease asset classes primarily comprise of lease for land, buildings and vehicles. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets in the nature of buildings are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying asset. The right-of-use assets comprising of land is depreciated based on the lease term.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment.

ii) **Lease Liabilities**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable.

2.15.2 Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

2.16 Provisions

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

A) Warranty Provisions

Provision for assurance type warranty-related costs are recognised when the product is sold or service is provided to customer. Initial recognition is based on historical experience. The Company periodically reviews the adequacy of product warranties and adjust warranty percentage and warranty provisions for actual experience, if necessary. The timing of outflow is expected to be with in one to five years.

B) Decommissioning Liability

Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset.

C) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements unless the probability of outflow of resources is remote. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each Balance Sheet date.

2.17 Retirement and other employee benefits

A) Defined benefit Plan

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

B) Defined Contribution Plan

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

C) Short-term Obligations

Liabilities for wages, salaries and bonus, including non-monetary benefits that are expected to be settled wholly within 3 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

D) Post-Employment Obligations

The Company operates the following post-employment schemes:

- defined benefit plans for gratuity, and
- defined contribution plans for provident fund.

2.18 Investment in Subsidiaries

The investment in subsidiaries, associate and Joint venture are carried at cost as per Ind AS 27.

2.19 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the management. The Management monitors the operating results of all strategic business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit and loss in the financial statements.

2.20 Cash and cash equivalent

Cash and cash equivalents in the Balance Sheet comprise cash at banks and on hand and shortterm deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value.

2.21 Cash flow statement

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

2.22 Finance costs

Borrowing costs are recognised in the statement of profit and loss using the effective interest method. The associated cash flows are classified as financing activities in the statement of cash flows.

2.23 Rounding of amounts

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

2.24 Earning Per share

A) Basic EPS

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders of the Company (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

B) Diluted EPS

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

2.25 Approval of Financial Statements

The financial statements were approved for issue by the board of directors on May 9, 2024.

NOTE 3. Property, plant and equipment

Particulars	Property plant and equipment								Intangible Assets		Total	
	Leasehold Property	Freehold land	Building	Machinery	Computer & Printers	Furniture & Fixtures	Vehicles	Electric Vehicle Equipments	Other Equipments	Total		Computer Software
Deemed cost- as on 1 April 2021	304.52	5.21	699.01	196.55	83.41	70.65	197.25	-	67.21	1,623.80	52.56	1,676.37
Additions	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
At 31st March 2023	304.52	474.51	1,086.21	269.37	104.32	72.80	296.32	3.19	71.12	2,682.35	52.56	2,734.91
Additions	329.08	-	569.72	418.10	26.68	0.50	35.56	-	3.82	1,383.46	50.50	1,433.95
Disposals	-304.52	-	-	-40.01	-	-	-	-	-	-344.53	-	-344.53
As at 31st March 2024	329.08	474.51	1,655.93	647.45	131.00	73.29	331.88	3.19	74.94	3,721.27	103.06	3,824.33
Accumulated Depreciation												
As At 31 March 2023	191.87	-	215.79	118.86	79.63	61.98	83.02	1.60	62.11	814.86	36.93	851.79
For the year	77.04	-	52.13	43.55	24.90	2.75	69.07	0.36	4.51	274.30	23.92	298.22
Disposals	-257.94	-	-	-6.53	-	-	-	-	-	-264.47	-	-264.47
As At 31st March 2024	10.97	-	267.91	155.88	104.53	64.73	152.09	1.96	66.62	824.68	60.85	885.54
Net Carrying value as at 31st March 2024	318.11	474.51	1,388.01	491.58	26.47	8.57	179.79	1.24	8.32	2,896.59	42.21	2,938.79
Net Carrying value as at 31 March 2023	112.65	474.51	870.42	150.50	24.69	10.82	213.30	1.59	9.01	1,867.49	15.63	1,883.12
Intangible Assets under Development										-	1,446.86	1,446.86

NOTE 4 : INVESTMENTS

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Investments in subsidiaries (unquoted) (Carried at cost)		
Rebreathe Medical Devices India Private Limited (1,42,500 Equity Shares of Rs 10 each fully paid)	14.25	14.25
Techbec Industries Limited (63,500 Equity Shares of Rs 10 each fully paid)	6.35	6.35
Techbec Global Solutions Pvt. Ltd.-Investment (63,500 Equity Shares of Rs 10 each fully paid)	-	6.35
Techbec Green Energy Private Limited (1,00,000 Equity Shares of Rs 10 each fully paid)	10.00	-
Servotech EV Infra Private Limited (10,00,000 Equity Shares of Rs 10 each fully paid)	100.00	-
Total Non-Current Investments in Shares	130.60	26.95
Other Investments		
<i>Investment In Properties</i>	218.93	218.93
Total Non- Current Investments in Properties	218.93	218.93
Total Investments	349.53	245.88

Investments are Unquoted , At Cost , Fully Paid up . Investments are measured at Cost as Per IND AS 27 "Separate Financial Statement" .

NOTE 5 : DEFERRED TAX ASSETS (NET)

The balance comprises temporary differences attributable to:

Particulars	As at March 31, 2024	As at March 31, 2023
Property, plant and equipment, capital work in progress and intangible assets	7.50	(4.04)
Leased Laibility	(5.07)	(4.24)
Employee benefits	(21.32)	(16.29)
Interest/Loan Equilisation	1.80	1.71
Others	0.75	0.74
Total Deferred Tax Assets (Net)	(16.35)	(22.12)

NOTE 6 : OTHERS CURRENT/NON-CURRENT ASSETS

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
Security Deposits	48.67	51.62
Loans & Advances	-	322.88
Retention and Performance Gurantee	1,190.00	1,087.98
Total other non-current assets	1,238.67	1,462.48

- (i) There are no loan as at 31st March 2024 and 31st March 2023 which have significant increase in credit risk which are credit impaired.
- (ii) Loans are non-derivative financial instruments which generate a fixed & variable interest income for the company. The carrying value may be affected by the changes in the credit risk of the counter parties.

(₹ in Lakhs)

Current	As at March 31, 2024	As at March 31, 2023
Advance to suppliers, staff and Others	917.40	130.56
Prepaid Expenses	307.87	48.49
Advance Taxes/TDS/TCS/GST	828.91	247.40
Total other current assets	2,054.18	426.45
Total others	3,292.85	1,888.93

NOTE 7 : INVENTORIES*(valued at lower of cost and net realisable value)*

Particulars	As at March 31, 2024	As at March 31, 2023
Additional Information		
<i>(As taken, valued and certified by the management)</i>		
Stock-in-Trade		
Raw Materials	2,081.12	704.47
Work-in-Process	435.71	114.94
Finished Goods / Trading Goods	853.15	638.50
Total inventories	3,369.98	1,457.91

Note:

- (a) During the year ended March 31, 2024 Rs 3369.98lakhs (March 31, 2023 Rs 1457.91Lakhs) was recognised at cost or net realisable value whichever is lower.
- (b) Inventories are hypothecated with the banks against working capital limits and non fund facilities availed from lenders.

NOTE 8 : TRADE RECEIVABLE

Particulars	As at March 31, 2024	As at March 31, 2023
Secured, considered good	-	-
Unsecured, considered good	8,260.25	8,149.14
Doubtful	129.72	148.07
	8,389.97	8,297.21
Total Receivable		
The following are the contract balances:		
Current portion	8,062.65	7,856.28
Non-Current portion	327.32	440.92
Total	8,389.97	8,297.21

Trade receivables are generally on terms of 15 to 90 days and are non interest bearing except in case of overdue payments.

Particulars	Outstanding for following periods from due date of payment (as at March 31, 2024)					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	7,208.33	854.32	136.82	60.51	0.27	8,260.25
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired						-
Disputed Trade Receivables– considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	3.47	2.88	123.38	129.72
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	7,208.33	854.32	140.28	63.39	123.65	8,389.97

Particulars	Outstanding for following periods from due date of payment (as at March 31, 2023)					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	7,583.76	272.53	169.77	2.61	120.48	8,149.14
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired						-
Disputed Trade Receivables– considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	148.07	148.07
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	7,583.76	272.53	169.77	2.61	268.55	8,297.21

NOTE 9 : CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks		
on current accounts	2,702.50	1,175.98
Cash on hand	35.46	0.96
Total Cash and Cash Equivalents	2,737.97	1,176.94

OTHER BANK BALANCES

Particulars	As at March 31, 2024	As at March 31, 2023
Deposits	3,266.59	322.31
Total Other Bank Balances	3,266.59	322.31

* Deposits are with Schdeule Banks including Interest Accrued on such Deposits .

**Fixed Deposits amounting to Rs.1106.27 Lacs are under lien with Punjab National bank, HDFC Bank & ICICI Bank as margin money against issuance of bank guarantees to various customers & colletral Security.

***Fixed deposit amounting to Rs. 2,160.32 Lacs are lein free.

NOTE -10 : EQUITY SHARE CAPITAL AND OTHER EQUITY**Share Capital****Authorised Share Capital**

(Rs. in lacs)

Particulars	As at 31 March 2024		As at 31 March 2023	
	No. of Shares	Amount	No. of Shares	Amount
Authorised				
Equity Shares of Rs.1/- each (25,00,00,000 Equity shares of Rs. 1/- each) (Previously @ ₹ 2 each)	25,00,00,000	2,500.00	22,00,00,000	2,200.00
Issued, Subscribed & paid-up Capital				
Equity shares of Rs. 1/- each fully paid-up (21,69,04,290 Equity shares of Rs. 1/- each) (Previously @ ₹ 2 each)	21,69,04,290	2,169.04	21,26,54,290	2,126.54
Total	21,69,04,290	2,169.04	21,26,54,290	2,126.54

A) Reconciliation of number of Ordinary Shares outstanding:

Particulars	As at 31 March 2024		As at 31 March 2023	
	No. of Shares	Amount	No. of Shares	Amount
As at beginning of the year	21,26,54,290	2,126.54	18,66,54,290	1,866.54
Investments are Unquoted , At Cost , Fully Paid up . Investments are measured at Cost as Per IND AS 27 Separate Financial Statement" .	42,50,000	42.50	2,60,00,000	260.00
As at end of the year	21,69,04,290	2,169.04	21,26,54,290	2,126.54

Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of ` 1/-. (previously 2 each) Each holder of equity shares is entitled to one vote per share and is entitled to dividend declared, if any. In the event of liquidation, the equity shareholders are entitled to receive remaining assets of the company after distribution of all preferential amounts in proportion of equity shares held by the shareholders.

Details of shareholders holding more than 5% shares in the Company

Name of Shareholders	As at 31 March 2024		As at 31 March 2023	
	Number of shares	Percentage holding	Number of shares	Percentage holding
Mr. Raman Bhatia	6,70,56,900	30.92%	6,70,06,900	31.51%
M/s Raman Bhatia HUF	3,11,10,550	14.34%	3,11,10,550	14.63%
Ms. Sarika Bhatia	3,00,96,750	13.88%	2,57,96,750	12.13%

The Company has split its share face value from Rs 2/- to Rs 1/- during the year vide resolution dated 22nd June 2023.

Equity Shares held by promoters at the end of the year

Name of Promoter	As at 31 March 2024		As at 31 March 2023	
	Number of shares	% of Total Shares	Number of shares	% of Total Shares
Promoter				
Mr. Raman Bhatia	6,70,56,900	30.92%	6,70,06,900	31.51%
(i) There are no loan as at 31st March 2024 and 31st March 2023 which have significant increase in credit risk which are credit impaired.	3,00,96,750	13.88%	2,57,96,750	12.13%
Promoter Group				
(iii) Loans are non-derivative financial instruments which generate a fixed & variable interest income for the company. The carrying value may be affected by the changes in the credit risk of the counter parties.	3,11,10,550	14.34%	3,11,10,550	14.63%
Mr. Manohar Lal Bhatia	25,03,750	1.15%	28,03,750	1.32%
Mr. Vikas Bhatia	1,00,000	0.05%	53,000	0.02%
Ms. Sudesh Bhatia	18,750	0.01%	18,750	0.01%
Mr. Rishabh Bhatia	10,68,000	0.49%	10,18,000	0.48%
Mr. Kanav Bhatia	11,18,000	0.52%	10,68,000	0.50%

Other Equity

Particulars	As at 31 March 2024	As at 31 March 2023
Securities premium	3,856.71	3,503.96
Retained earnings	3,100.43	2,391.96
Share warrant	3,732.15	98.81
Total reserve and surplus	10,689.29	5,994.73

Securities Premium

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	3,503.96	1,345.96
Received/Utilized during the Year	352.75	2,158.00
Closing balance	3,856.71	3,503.96

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

Retained Earnings

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	2,391.96	1,375.13
Net profit for the period	1,132.63	1,057.17
Less :-		
Dividend Paid	(425.31)	(42.53)
INDAS/Other Adjustment	(0.14)	(0.17)
OCI Income Adjustment	1.28	2.35
Closing balance	3,100.43	2,391.96

Share Warrant

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	98.81	-
Addition	3,732.15	98.81
Conversion into Equity Share	(98.81)	-
Closing balance	3,732.15	98.81

Distribution Made and Proposed

Particulars	As at 31 March 2024	As at 31 March 2023
Dividend on equity shares proposed and paid:		
Final dividend during the 2023-24 0.20 per share of face of Rs 1 each	425.31	-
Interim dividend during the 2022-23 0.20 per share of face of Rs 10 each	-	42.53
	425.31	42.53

Note:

During the year the Board of the Directors of the company has recommend the payment of interim dividend of Re 0.20 per equity shares of face value of Rs 1 each , on 28th August 2023. The Dividend was paid to those members whose name was appears in the register of members as on Record date 22nd September 2023. Such final dividend was paid out of General Reserve.

Financial Liabilities**NOTE 11 : NON-CURRENT BORROWINGS**

Particulars	(₹ in Lakhs)	
	As at 31 March 2024	As at 31 March 2023
Secured from banks		
i) From Bank	1,310.22	749.20
ii) From Non Banking Companies	-	1.59
Unsecured from banks		
i) From Bank	-	-
ii) From Non Banking Companies	-	-
Total Non current borrowings	1,310.22	750.79

Secured borrowings and assets pledged as security

- 1) ICICI Bank had sanctioned Term loan of Rs. 600.00 Lacs on 01.12.2022, 360.50 Lacs on 13.04.2023, 185.30 Lacs on 26.04.2023, 154.20 Lacs on 14.06.2023 & 300 Lacs on 30.11.2023. Out of above Rs 600 Lacs against Property and 1000 Lacs towards Machineries. Such loan is secured against equitable mortgaged of commercial property situated (Killa No-14/6/1/2(0-3), Village- Safiabab, Tehsil-Rai, Sonapat-231029) and personal guarantees of directors. The said loan is repayable in upto 84 equal monthly installments. Outstanding balance as on 31.03.2024 was Rs. 1363.25 Lacs (Previous year 571.71 Lacs) , Payable within one year Rs 227.29 Lacs (Previous year 85.71 Lacs) .
- 2) Punjab National Bank had sanctioned working capital term loan of Rs. 247 Lacs on 18.07.2020 under GECL Scheme to meet operational liabilities and restart the business effected due to COVID-19. The loan is repayable in 36 installments after one year moratorium period. Outstanding as on 31.03.2024 was Rs. 20.58 Lacs (Previous year Rs. 102.13 Lacs) payable within one year Rs. 20.58 Lacs (Previous year Rs. 78.00 Lacs)
- 3) Punjab National Bank had sanctioned working capital term loan of Rs. 172.96 Lacs on 15.12.2021 under GECL Scheme to meet operational liabilities. The loan is repayable in 36 installments after 2 years moratorium period. Outstanding as on 31.03.2024 was Rs. 153.74 Lacs (Previous year Rs. 173.94 Lacs) payable within one year Rs. 57.65 Lacs (Previous year Rs. 14.41Lacs)

- 4) Various banks had sanctioned vehicle loans on different dates of Rs. 231.79 Lacs (Previous year Rs. 112.34 Lacs) secured against hypothecation of vehicles and personal guarantees of directors. The said loans are repayable upto 63 installments of different amounts and payable on different dates. Outstanding balance as on 31.03.2024 was Rs. 111.50 Lacs (Previous year Rs. 147.00 Lacs) , Payable within one year Rs. 33.33 Lacs (Previous year Rs. 19.35 Lacs) .

CURRENT BORROWINGS

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Secured from banks		
i) From Bank	5,625.84	3,254.81
ii) From Non Banking Companies	-	99.87
iii) Current Maturity of Long Term Debt	338.87	122.79
Unsecured Loans		
i) From Bank	-	-
ii) From Non Banking Companies	-	-
iii) From Subsidiary Company	806.33	
Total Non current borrowings	6,771.05	3,477.47

*Punjab National Bank had renewed fund based limit of Cash Credit Rs 4600 Lacs & Term Loan Rs 1000 Lacs (Previous year Rs 626 Lacs towards Cash Credit) and non fund based limit of Rs.1500 Lacs (Previous year Rs 1150 Lacs) towards Bank Guarantee/Letter of Credit on 10.08.2023. These limit are secured against hypothecation of inventories, books debts, other current assets, fixed deposits of Rs. 200 Lacs, Plant and machineries and all other fixed assets of the company, besides equitable mortgage of properties of company and its directors along with their personal guarantees. Current assets are having pari passu charge with HDFC Bank and ICICI Bank. Property is having pari passu charge with ICICI bank.

*HDFC Bank had renewed Fund Based Limit of Cash Credit Rs.2000 Lacs including WCDL of Rs. 1800 Lacs being sublimit of Cash Credit facility(Previous year Cash Credit Limit of Rs 400 Lacs and WCDL of Rs 500 Lacs) and Non Fund Based Limit of Rs 2000 Lacs towards Bank Guarantee/Letter of Credit on 22.03.2024. These limits are secured by exchange of Pari passu charge on current assets with ICICI Bank, Punjab National Bank for working capital limits & pari passu Charge for Hypothecation & equitable Mortgage of properties at Village Safiyabad, Industrial Area, Sector-43, Narela Road, Tehsil Rai, District Sonipat, Haryana - 131029 and fixed deposits of Rs 305 Lacs as Colletral Security.

*ICICI Bank had renewed Fund Based Limit of Rs.1400 Lacs including WCDL of Rs. 800 Lacs being sublimit of Cash Credit (Cash Credit Limit of Rs 1400 Lacs and Working Capital Demand Loan of Rs 800 Lacs which is sublimit of Cash Credit), Non Fund Based Limit of Rs 1000 Lacs towards Bank Guarantee/Letter of Credit being sublimit of Cash Credit and Rs 1600 Lacs towards Term Loan of on 22.11.2023. These limit are secured by Exchange of Pari passu charge on current assets with Punjab National Bank & HDFC Bank.

*CITI Bank had sanctioned Fund Based Limit of Rs.2000 Lacs (Cash Credit Limit of Rs 1000 Lacs and WCDL and bill discounting of Rs 1000 Lacs) on 28.03.2023.

*Company has taken unsecured loan from its subsidiary Servotech EV Infra Pvt. Ltd.of Rs. 806.33 Lacs on 26.02.2024 and interest rate on the same is @8.50% P.A.

NOTE 12 : OTHER NON CURRENT LIABILITIES

Particulars	As at 31 March 2024	As at 31 March 2023
Lease Liability	321.42	126.90
Total other Non current liabilities	321.42	126.90

NOTE 13 : PROVISIONS

Particulars	As at	As at
	31 March 2024	31 March 2023
Non Current		
Provisions for Gratuity & Leave Encashment	55.92	46.50
Provision for Warranty	339.42	-
Total	395.35	46.50
Current		
Provisions for Gratuity & Leave Encashment	32.12	21.54
Provision for Taxation	386.73	340.79
Others	125.12	0.76
Total	543.98	363.09

NOTE 14 : TRADE PAYABLES

(carried at amortised cost)

(₹ in Lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
(a) Total outstanding dues of micro enterprises and small enterprises	186.01	0.03
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	2,749.72	1,645.51
(c) Disputed (Others)	-	1.03
Total	2,935.73	1,646.56
Current portion	2,894.17	1,639.18
Non-Current portion	41.56	7.38

Particulars	Outstanding for following periods from due date of payment				Total
	(as at March 31, 2024)				
	Less than 1 years	1-2 years	2-3 years	More than 3 years	
i) MSME	186.01	-	-	-	186.01
ii) Others	2,708.16	36.43	5.13	-	2,749.72
iii) Disputed Dues - MSME	-	-	-	-	-
iv) Disputed Dues - Others	-	-	-	-	-
Total	2,894.17	36.43	5.13	-	2,935.73

Particulars	Outstanding for following periods from due date of payment				Total
	(as at March 31, 2023)				
	Less than 1 years	1-2 years	2-3 years	More than 3 years	
i) MSME	-	0.03	-	-	0.03
ii) Others	1,639.18	-	6.32	-	1,645.51
iii) Disputed Dues - MSME	-	-	-	-	-
iv) Disputed Dues - Others	-	-	-	1.03	1.03
Total	1,639.18	0.03	6.32	1.03	1,646.56

- (i) Trade payables are non interest bearing and are normally settled in 7 days to 120 days. For explanations on the Company's risk management process.
- (ii) Trade payables are unsecured .
- (iii) Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 no disclosure need due to nominal value of transaction during the year.

NOTE 15 : OTHER CURRENT LIABILITIES

Particulars	As at	As at
	31 March 2024	31 March 2023
Security Received	-	10.50
Advance From Customer	96.53	50.35
Expenses Payable	142.10	108.26
Contract Liability Against Sales	392.98	609.59
Other Current liabilities	1.20	1.20
Statutory Liabilities Payable	40.02	30.95
Total other current liabilities	672.82	810.85

NOTE 16 : REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
A) Manufactured & Trading Sales (Domestic)		
Domestic	26,061.11	24,024.09
Export Sale	3,457.14	-
B) Sale of Service	1,051.81	891.11
Total revenue from operations	30,570.06	24,915.20

Performance obligation

The performance obligation for sale of products and scrap are satisfied upon delivery/dispatch of goods depending upon terms with customers and payment is generally due within 15 to 90 days from delivery. Some contracts provide customers with a right of return, volume discount, rebates and other promotion incentive schemes, which gives rise to variable consideration subject to constraint. The contracts do not have a significant financing component. The company offers standard warranty on selected products. The company makes provisions for same as per principles laid down under Ind AS-37. The performance obligation for the product repair services is satisfied over the period of time and payment is generally due upon completion of service and acceptance of the customer. There are no unsatisfied or partially satisfied performance obligation as at March 31, 2024 and March 31, 2023. During the year ended March 31, 2024, revenue recognised from amount included in contract liability at the beginning of the year.

NOTE 17 : OTHER INCOME

Particulars	As at	As at
	31 March 2024	31 March 2023
Interest Income & Others Non-operating income		
Duty Draw Back Receivable (Income)	-	(0.11)
Interest received	63.90	10.64
Miscellaneous Income	3.55	4.30
Rebate & discount	0.35	2.25
Rent Received	20.00	23.72
Gain asset transactn	6.02	-
Gain on Sale of Shares	57.15	-
Total Other income	150.98	40.81

NOTE 18 : COST OF MATERIAL CONSUMED

Particulars	As at	As at
	31 March 2024	31 March 2023
Opening Stock	704.47	624.21
Add : Purchases	27,085.08	20,523.66
	27,789.54	21,147.87
Less : Closing Stock	2,081.12	704.47
Total Cost of Material Consumed	25,708.42	20,443.41

NOTE 19 : CHANGES IN INVENTORIES

Particulars	As at	As at
	31 March 2024	31 March 2023
Closing Balance		
Traded goods	853.15	638.50
WIP	435.71	114.94
Total Closing balance	1,288.86	753.44
Opening Balance		
Traded goods	638.50	490.77
WIP	114.94	103.63
Total Opening Balance	753.44	594.40
Total changes in inventories of stock-in-trade	(535.42)	(159.05)

NOTE 20 : EMPLOYEE BENEFIT EXPENSE

(₹ in Lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
Salaries, wages and bonus	1,169.58	831.13
Director Remuneration	154.95	81.33
Gratuity	7.85	3.72
Staff welfare expenses	17.06	32.02
Total employee benefit expense	1,349.44	948.20

Notes:

(i) The code of Social Security, 2020 (Code) relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the code becomes effective.

NOTE 21 : FINANCE COSTS

Particulars	As at	As at
	31 March 2024	31 March 2023
Interest and finance charges	294.39	252.73
Bank Charges and Other Interest Charges	30.62	29.72
Difference in Currency Fluctuation	(2.79)	(44.28)
Total Finance costs expense	322.22	238.17

Note: The amount capitalised represents finance cost on specific borrowings relating to advances given against Machinery.

NOTE 22 : DEPRECIATION AND AMORTISATION EXPENSE

Particulars	As at	As at
	31 March 2024	31 March 2023
Depreciation of property, plant and equipment & Impairment	298.21	208.56
Total depreciation and amortisation expense	298.21	208.56

NOTE 23 : OTHER EXPENSES

Particulars	As at	
	31 March 2024	31 March 2023
Operational Expenses		
Freight , forwarding & others	35.15	14.69
Job Work Charges	4.37	0.05
Power & Fuel	29.04	10.01
	68.55	24.75
Administrative Expenses		
Printing and stationery	4.74	5.47
Cloud Storage Rent	1.40	0.86
Postage, telegram and telephone expenses	12.80	7.51
Computer and IT Expenses	6.63	21.85
Office Maintenance Expenses	25.41	31.05
Travelling and conveyance (Including Directors Tour & Travelling)	184.92	145.30
Repairs & Installation Charges	503.71	126.28
Legal and professional and consultancy charges	106.69	178.72
Fees and subscription	13.96	21.90
Insurance expenses	9.31	7.21
Repairs and maintenance	9.49	6.39
Vehicle maintenance	4.83	7.14
General expenses	39.78	81.91
Audit Fees	6.25	4.30
Bad Debts	83.26	930.59
	1,013.19	1,576.49
Selling & Distribution Expenses		
Freight & labour charges	174.86	163.95
Commission paid	5.62	2.37
Liquidation damage	2.97	11.50
Research & Development Expenses	41.72	22.49
Tender Fees	47.22	0.09
Business promotion	101.96	69.79
Advertisement	30.61	25.13
Software & SAP Implementation Cost	105.64	-
Discount on sale	44.94	0.69
Warranty expenses	387.90	3.63
	943.43	299.63
Total other expenses	2,025.17	1,900.87

NOTE 24 : FAIR VALUE MEASUREMENTS
NOTE -24.1 : FINANCIAL INSTRUMENT BY CATEGORY & FAIR VALUE HIERARCHY

Particulars	FVPL/ FVOCI/ Amortised cost	31st March 2024					
		Level 1		Level 2		Level 3	
		Carrying cost	fair value	Carrying cost	fair value	Carrying cost	fair value
Financial assets							
Trade receivables	Amortised cost	-	-	-	-	8,389.97	8,389.97
Cash and cash equivalents	Amortised cost	-	-	-	-	2,737.97	2,737.97
Other Bank Balances	Amortised cost	-	-	-	-	3,266.59	3,266.59
Other financial assets	Amortised cost	-	-	-	-	2,054.18	2,054.18
Total financial assets		-	-	-	-	16,448.71	16,448.71

Particulars	FVPL/	31st March 2024					
	FVOCI/	Level 1		Level 2		Level 3	
	Amortised cost	Carrying cost	fair value	Carrying cost	fair value	Carrying cost	fair value
Financial liability							
Borrowings	Amortised cost					8,081.27	8,081.27
Trade and other payables	Amortised cost					2,935.73	2,935.73
Total financial liability		-			-	11,017.00	11,017.00

Particulars	FVPL/	31st March 2023					
	FVOCI/	Level 1		Level 2		Level 3	
	Amortised cost	Carrying cost	fair value	Carrying cost	fair value	Carrying cost	fair value
Financial assets							
Trade receivables	Amortised cost	-	-	-	-	8,297.21	8,297.21
Cash and cash equivalents	Amortised cost	-	-	-	-	1,176.94	1,176.94
Other Bank Balances	Amortised cost	-	-	-	-	322.31	322.31
Other financial assets	Amortised cost	-	-	-	-	453.40	697.17
Total financial assets		-	-	-	-	10,249.86	10,493.63
Financial liability							
Borrowings	Amortised cost					4,228.26	2,506.14
Trade and other payables	Amortised cost					2,866.99	1,088.57
Total financial liability		-			-	7,095.25	3,594.71

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes mutual funds that have quoted price and are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

NOTE 24.2 : VALUATION TECHNIQUE USED TO DETERMINE FAIR VALUE

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices

NOTE 24.3 : FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES MEASURED AT AMORTISED COST

The carrying amounts of financial assets comprising trade receivables, cash and cash equivalents, fixed deposits with banks, security and other deposits and carrying value of financial liabilities comprising borrowings and trade payables and other payables are considered to be the same as their fair values, due to their short-term nature and covered under level 3 category.

NOTE 25 : FINANCIAL RISK MANAGEMENT

The Company's activities expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance, derivative financial instruments, such as foreign exchange forward contracts and commodity forward contracts, are entered to hedge certain foreign currency risk exposures and commodity price risk exposures.

This note explains the sources of risk which the Company is exposed to and how such risk were managed.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Aging analysis Credit ratings	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk – foreign exchange	Future commercial transactions Recognised financial assets and liabilities not denominated in Indian rupee	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts
Market risk – commodity price	Future commercial transactions	Cash flow forecasting Sensitivity analysis	Forward commodity contracts

The Company's risk management is carried out by a central treasury department under policies approved by the board of directors. The Company treasury identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, commodity price risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

NOTE 25.1 CREDIT RISK MANAGEMENT

The risk of financial loss due to counterparty's failure to honour its obligations arises principally in relation to transactions where the Company provides goods on deferred terms.

The Company's policies are aimed at minimising such losses, and require that deferred terms are granted only to customers who demonstrate an appropriate payment history and satisfy creditworthiness procedures. Individual exposures are monitored with customers subject to credit limits to ensure that the Company's exposure to bad debts is not significant. The maximum exposure to credit risk regarding financial assets is the carrying amount as disclosed in the balance sheet. With respect to credit risk arising from all other financial assets of the Company, the Company's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the corresponding carrying amount of these instruments.

On account of the adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors such as historical experience for customers. The Company's receivable are high quality with negligible credit risk and the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil. Accordingly, no provision for expected credit loss is recognised.

The following table provides information about the exposure to credit risk for trade receivables from individual customers.

31st March 2024

(Unsecured, considered good unless otherwise specified)

Particulars	Outstanding for following periods					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	7,208.33	854.32	136.82	60.51	0.27	8,260.25
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
Disputed Trade Receivables– considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	3.47	2.88	123.38	129.72
Total	7,208.33	854.32	140.28	63.39	123.65	8,389.97

31st March 2023

(Unsecured, considered good unless otherwise specified)

Particulars	Outstanding for following periods					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
i) Undisputed Trade Receivables						
Considered good	7,583.76	272.53	169.77	2.61	120.48	8,149.14
ii) Undisputed Trade Receivables -						
Considered doubtful	-	-	-	-	-	-
ii) Disputed Trade Receivables -						
Considered good	-	-	-	-	-	-
iv) Disputed Trade Receivables -						
Considered doubtful	-	-	-	-	148.07	148.07
Total	7,583.76	272.53	169.77	2.61	268.55	8,297.21

NOTE 25.2 LIQUIDITY RISK MANAGEMENT

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. In addition, the Company's liquidity management policy involves monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at	As at
	31 March 2024	31 March 2023
Working capital – fund based	12,600	3,255
Working capital – Non fund based	4,500	2,476
Total borrowing facilities	17,100	5,731

Maturities of financial liabilities

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

- all non-derivative financial liabilities, and
- net settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

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

As at 31st March 2024	Less than 12 months	More than 12 months
Non- derivative		
Borrowings	6,771.05	1,310.22
Trade payable	2,894.17	41.56
Total non-derivative liabilities	9,665.22	1,351.78

As at 31st March 2023	Less than 12 months	More than 12 months
Non- derivative		
Borrowings	3,477.47	750.79
Trade payable	1,639.18	7.38
Total non-derivative liabilities	5,116.65	758.16

NOTE 25.3 MARKET RISK MANAGEMENT

INTEREST RATE RISK

The Company's main interest rate risk arises from borrowings with variable rates, which expose the Company to cash flow interest rate risk. During 31 March 2024 and 31 March 2023, the Company's borrowings at variable rate were mainly denominated in INR.

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The long term variable interest rate borrowings are not significant and accordingly, no such sensitivity for interest rate cash flow has been disclosed.

PRICE RISK

The Company's significant exposure for price risk is relating to commodity forward contracts. However, no open commodity forward contract is outstanding as on the reporting date and accordingly, doesn't have related price risk.

NOTE 26 : CAPITAL MANAGEMENT

NOTE 26.1

RISK MANAGEMENT

The Company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company issue new shares. Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio: Net debt (total borrowings net of cash and cash equivalents) divided by Total 'equity' (as shown in the balance sheet).

The gearing ratios were as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Net debt	8081.27	4228.26
Total equity	12858.33	8121.27
Net debt to equity ratio	0.63	0.52

NOTE 26 : 2 LOAN COVENANTS

The Company has complied with all loan covenants required under borrowing facilities.

NOTE : 27 RELATED PARTY TRANSACTIONS

NOTE : 27.1 CONTROLLING SHAREHOLDERS

Mr. Raman Bhatia

M/s Raman Bhatia HUF

Ms. Sarika Bhatia

NOTE : 27.2 FELLOW SUBSIDIARIES

Rebreathe Medical Devices India Private Limited

Techbec Industries Limited

Techbec Green Energy Private Limited

Servotech EV Infra Private Limited

Associate Company

NIL

NOTE 27.3 KEY MANAGEMENT PERSONNEL AND THEIR RELATIVE

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over those entities. A number of these personnel transacted with the Company during the reporting period. The terms and conditions of the transactions with key management personnel and their related parties were no more favourable than those available, or those which might reasonably be expected to be available, in respect of similar transactions with non-key management personnel related entities on an arm's length basis.

Name of key management personnel, their relatives and entities over which they have control or significant influence with whom transaction were entered during the year or balance was outstanding at the balance sheet date are as follows:

Key management personnel and relatives:

Mr. Raman Bhatia

Ms. Sarika Bhatia

*Punjab National Bank had renewed fund based limit of Cash Credit Rs 4600 Lacs & Term Loan Rs 1000 Lacs (Previous year Rs 626 Lacs towards Cash Credit) and non fund based limit of Rs.1500 Lacs (Previous year Rs 1150 Lacs) towards Bank Guarantee/Letter of Credit on 10.08.2023. These limit are secured against hypothecation of inventories, books debts, other current assets, fixed deposits of Rs. 200 Lacs, Plant and machineries and all other fixed assets of the company, besides equitable mortgage of properties of company and its directors along with their personal guarantees. Current assets are having pari passu charge with HDFC Bank and ICICI Bank. Property is having pari passu charge with ICICI bank.

*HDFC Bank had renewed Fund Based Limit of Cash Credit Rs.2000 Lacs including WCDL of Rs. 1800 Lacs being sublimit of Cash Credit facility(Previous year Cash Credit Limit of Rs 400 Lacs and WCDL of Rs 500 Lacs) and Non Fund Based Limit of Rs 2000 Lacs towards Bank Guarantee/Letter of Credit on 22.03.2024. These limits are secured by exchange of Pari passu charge on current assets with ICICI Bank, Punjab National Bank for working capital limits & pari passu Charge for Hypothecation & equitable Mortgage of properties at Village Safiyabad, Industrial Area, Sector-43, Narela Road, Tehsil Rai, District Sonipat, Haryana - 131029 and fixed deposits of Rs 305 Lacs as Colletral Security.

*ICICI Bank had renewed Fund Based Limit of Rs.1400 Lacs including WCDL of Rs. 800 Lacs being sublimit of Cash Credit (Cash Credit Limit of Rs 1400 Lacs and Working Capital Demand Loan of Rs 800 Lacs which is sublimit of Cash Credit), Non Fund Based Limit of Rs 1000 Lacs towards Bank Guarantee/Letter of Credit being sublimit of Cash Credit and Rs 1600 Lacs towards Term Loan of on 22.11.2023. These limit are secured by Exchange of Pari passu charge on current assets with Punjab National Bank & HDFC Bank.

*CITI Bank had sanctioned Fund Based Limit of Rs.2000 Lacs (Cash Credit Limit of Rs 1000 Lacs and WCDL and bill discounting of Rs 1000 Lacs) on 28.03.2023.

*Company has taken unsecured loan from its subsidiary Servotech EV Infra Pvt. Ltd.of Rs. 806.33 Lacs on 26.02.2024 and interest rate on the same is @8.50% P.A.

NOTE 27.4 TRANSACTION WITH RELATED PARTIES

The details of the related-party transactions entered into by the Company for the years ended 31st March 2024 and 31st March 2023 are as follows:

Name of Related Party	Relationship	Nature of Transaction	Opening	Debit	Credit	Balance
Raman Bhatia	Managing Director	Remuneration	3.50	84.00	77.50	10.00
		Tour Advance	4.02	13.58	10.18	7.42
		Other Advances Paid	(0.25)	8.88	8.63	-
		Sales (incl. Taxes)	-	8.14	6.68	1.46
Sarika Bhatia	Whole Time Director	Remuneration	3.50	84.00	77.50	10.00
		Tour Advance	1.34	-	1.06	0.28
		Other Advances Paid	-	2.73	2.73	-
Rajesh Mohan Rai	Director	Remuneration	1.80	21.63	21.62	1.80
		Imprest	-	0.32	0.32	-
Vikash Bhatia	Chief Financial Officer	Salary	0.96	11.52	11.52	0.96
		Sales (incl. Taxes)	-	0.15	0.15	-
		Tour Advance	0.11	0.56	0.67	-
		Other Advances Paid	-	-	-	-
Rupinder Kaur	Company Secretary	Imprest	0.68	154.82	154.81	0.68
		Salary	-	3.00	2.40	0.60
Service Solution	Entity in which director(s) or their relatives are interested	Sales (incl. Taxes)	301.17	382.18	681.64	1.71
		Purchases (incl. Taxes)	0.02	399.38	397.75	1.65
Bhatia Electronics	Entity in which director(s) or their relatives are interested	Sales (incl. Taxes)	902.83	2,917.22	3,148.96	671.08
		Purchases (incl. Taxes)	0.00	733.75	1,058.89	(325.14)
Bab Louie India LLP	Entity in which director(s) or their relatives are interested	Sales (incl. Taxes)	0.07	-	-	0.07
Rebreathe Medical Devices India Private Limited	Subsidiary	Investment	14.25	-	-	14.25
		Purchases (incl. Taxes)	-	28.86	28.76	0.10
		Sales (incl. Taxes)	197.77	45.64	243.41	-
Techbec Industries Limited	Subsidiary	Investment	6.35	-	-	6.35
			0.20	-	0.20	-
Techbec Green Energy Pvt. Ltd.	Subsidiary	Investment	0.00	10.00	0.00	10.00
Servotech Ev Infra Pvt. Ltd	Subsidiary	Investment	-	100.00	-	100.00
		Loan & Borrowing	-	-	806.33	(806.33)

NOTE : 28 SEGMENT INFORMATION
Description of segments and principal activities

The Company's operations primarily comprise of Dealing in Commodities, Commodity Derivatives broadly falling in one segment as such there is no other reportable business segment as specified by Ind AS 109 issued by The Institute of Chartered Accountants of India.

The Geographical Segments considered for disclosure are Sales within India Sales outside India

Geographical Segment (based on Location of Customers)

Particulars	2023-24	2022-23
	₹ in Lacs	₹ in Lacs
Segment Assets		
- within India	25,808.90	15,343.42
- outside India	-	-
	25,808.90	15,343.42
Segment Revenue		
- within India	27,263.90	24,956.00
- outside India	3,457.14	-
	30,721.04	24,956.00

NOTE : 29 EARNINGS PER SHARE

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic earnings per share as well as diluted earnings per share calculation are as follows:

Particulars	(₹ in Lakhs)	
	As at 31 March 2024	As at 31 March 2023
Profit (loss) attributable to equity shareholders	1,133.91	1,059.53
Paid-Up Equity Share Capital (Face Value of Share Rs.1/-)	2,169.04	2,126.54
Basic earnings per share	0.52	0.50
Diluted Earning Per Share	0.53	0.53

NOTE : 30 CONTINGENT LIABILITIES

Particulars	(₹ in Lakhs)	
	As at 31 March 2024	As at 31 March 2023
Claims against the Company not acknowledged as debts	63.39	132.38
Outstanding Letter of Credit	-	419.15
Guarantees		
Guarantees issued by banks on behalf of the Company	3,643.89	1,767.58
Total contingent liabilities	3,707.28	2,319.11

NOTE : 31 NON-CANCELLABLE OPERATING LEASES

The operating leases entered by the Company are cancellable on serving a notice of one to three months and accordingly, there are no non-cancellable operating leases required commitments for operating lease payments.

NOTE : 32 ASSETS PLEDGED AS SECURITY

The carrying amounts of assets pledged as security for current and non-current borrowings are as follows:

Particulars	As at	
	31 March 2024	31 March 2023
Current		
Financial assets		
- Cash & cash equivalents	-	-
Non-financial assets		
- Inventories	3,369.98	1,457.91
Total current assets pledged as security	3,369.98	1,457.91
Non-current		
Non-financial assets		
Property, plant and equipment	1,295.49	1,339.72
Capital WIP(Machinery)	1,446.86	-
Total non-current assets pledged as security	2,742.35	1,339.72
Total assets pledged as security	6,112.33	2,797.63

NOTE : 33 OTHER MATTERS

Particulars	As at	
	31 March 2024	31 March 2023
CIF Value of Imports		
Raw Material	7,072.17	3,565.69
FOB Value of Exports	3,457.14	-
Expenditure in Foreign Currencies:-		
Raw Materials	5,034.33	3,128.17
Tour Advance & Advance Against Raw Material/Software License	9.77	8.17
Other Expenses	-	3.92
Asset (Software License)	-	0.44
Asset (Machinery)	1,132.56	136.72

Other Matters :-

- (a) The VAT Department of Government of Haryana at Kundli had assessed the Sales Turnover of the company up to 30.06.2017 and created the demand of Rs.8.81 Lacs (Including Interest) for short submission of statutory forms on 12th March 2021. The Company paid the amount of Rs 2.28 lacs on 29th June,2020. Hence net demand of Rs 6.52 Lacs is payable as on balance sheet date. The company had charged the said amount to profit & loss account and reduce the advance payment Rs. 40.92 Lacs from the said Government Department .
- (b) The income tax department has created demand of Rs 252.12 Lacs for the A.Y. 2017-18 on 26th of December 2019. The company had filed an appeal before Commissioner of Income Tax, New Delhi on 21st January 2020 and deposited Rs. 2.50 Lac against the same. The appeal is pending.
- (c) The income tax department has created demand of Rs 143.36 Lacs for the A.Y. 2016-17 on 28th March 2022. The company had filed an appeal before Commissioner of Income Tax, New Delhi on 19th of April 2022. The appeal is pending.ng.
- (d) The income tax department has created demand of Rs 275.23 Lacs for the A.Y. 2017-18 on 26th May 2023. The company had filed an appeal before Commissioner of Income Tax, New Delhi on 12th of June 2023. The appeal is still pending.
- (e) In the opinion of the Board, the current assets, loans and advances have a value on realization in the ordinary course of business, at least equal to the aggregate amount as shown in the Balance Sheet.
- (f) The company had received Rs. 96.53 Lacs from different customers against supply / to be supply of goods has been shown as advance from customers in books of accounts, will be adjusted against their outstanding after reconciliation of their accounts.
- (g) The outstanding balances of sundry debtors ,creditors & securities are as per the books of accounts of the Company which are subject to confirmations and reconciliation, if any.
- (h) Previous year figures have been regrouped/rearranged wherever found necessary.

Note 1 to 33 are forming part of Balance Sheet, Profit & Loss & Cash Flow Statement and have been authenticated by the directors.

Events occurring after the reporting period

No event occurred after Balance Sheet date.

Significant accounting policies
1&2

The accompanying notes are an integral part of standalone financial statements

As per our report of even date

For Rohit KC Jain & Co.

Chartered Accountants

FRN: 020422N

CA Rohit Jain

(Partner)

M.No.- 099444

Place: Delhi

Date : 09.05.2024

UDIN : 24099444BKGXZZ4519

For and on behalf of the Board of Directors of

Servotech Power Systems Limited

Raman Bhatia

(Managing Director)

DIN-00153827

Rupinder Kaur

(Company Secretary)

M.No.- A38697

Sarika Bhatia

(Whole-time Director)

DIN-00155602

Vikas Bhatia

(Chief Financial Officer)

PAN- AJNPB0303P

INDEPENDENT AUDITOR'S REPORT

To the Members of **SERVOTECH POWER SYSTEMS LIMITED**

Report on the Audit of the Consolidated Financial Statements **BASIS FOR OPINION**

OPINION

We have audited the accompanying Consolidated financial statements of Servotech Power System Limited ("the Company"), its Subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") which comprises the consolidated Balance Sheet as at 31st March 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Change in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and Notes to the Consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of their consolidated state of affairs of the Company as at March 31, 2024, the consolidated Profit, consolidated total comprehensive Income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed the Key Audit Matter
<p>Revenue from sale of products (as described in note 16 of the consolidated financial statements)</p> <p>The Holding Company's revenue principally comprises sale of goods. The revenue from sale of goods is recognised in accordance with the accounting principles prescribed under Ind AS 115, "Revenue from contracts with customers" and is measured at the transaction price net of trade discounts and volume rebates as per trade schemes, refund liabilities and taxes or duties collected on behalf of government authorities and is recognised at a point in time when the entity satisfies the performance obligation by transferring control of promised goods to customers.</p> <p>The control in respect of sale of goods is generally transferred when the products are delivered to customers in accordance with the terms of contract with customers.</p>	<p>Our audit procedures among others, included the following:</p> <ul style="list-style-type: none"> Understanding and evaluating the design and testing the operating effectiveness of Holding Company's controls around revenue recognition including accounting for trade discounts and volume rebates. Assessing the Holding Company's accounting policy for revenue recognition including the policy for recording trade discounts and volume rebates in accordance with Ind AS 115 "Revenue from Contracts with Customers". Selecting samples of revenue transactions during the year and inspecting underlying documents which included invoices, shipping documents/ customers' acceptance, as applicable, to determine that the revenue is recognised in accordance with the agreed terms. Testing selected samples of revenue transactions recorded before and after the financial year end date to determine whether the revenue has been recognised in accordance with agreed terms, in the appropriate financial period. Testing on a sample basis the calculation of the provisions for trade discounts and volume rebates at year end with approved trade schemes and underlying sales data, including testing of completeness and arithmetical accuracy of the data used by the Holding Company's Management. Testing on a sample basis credit notes issued to customers/ payments made for incentives as per the approved trade schemes. <p>Based on the above procedures performed, we did not identify any material exceptions in revenue recognition of sale of goods.</p>

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

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' report, Management Discussion and Analysis, Report on Corporate Governance and Business Responsibility and Sustainability Report but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for preparation and presentations of these Consolidated financial statements in terms of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance (including Other Comprehensive Income), consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act, read with rule 3 of companies (Indian Accounting Standards) Rules 2015 and Companies (Indian Accounting Standards) amendment Rules, 2016. These respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose for preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast

significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Others Matters

We did not audit the financial statements of three subsidiaries whose financial statements reflect total assets of Rs.2775.18 lakhs and net assets of Rs. 1472.08 lakhs as at March 31, 2024, total revenues of Rs. 4313.39 lakhs, total comprehensive income (comprising of profit and other comprehensive income) of Rs. 47.32 lakhs and net cash flows amounting to Rs 110.52 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of Section 143(3) of the Act including report on Other Information insofar as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure B", a statement on the matter specified in paragraph 3(xxi) of the Order.
- 2) As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, incorporated in India, none of the directors of the Group

companies is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, to the consolidated financial statements.

ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts; and

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India. .

3) The Group have paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

**For M/S. Rohit KC Jain & CO,
CHARTERED ACCOUNTANTS
(FRN: 020422N)**

**ROHIT JAIN
(PARTNER)**

M. No. 099444

UDIN: 24099444BKGYAA6767

Place: New Delhi

Date: 09.05.2024

ANNEXURE "A" "TO THE AUDITORS' REPORT"

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **SERVOTECH POWER SYSTEM LIMITED** of even date)

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

In conjunction with our audit of the Consolidated Financial Statements of **SERVOTECH POWER SYSTEM LIMITED** ("the Holding Company") as of and for the year ended 31 March 2024, we have audited the internal financial controls over financial reporting of the Holding Company, its subsidiary companies which are companies incorporated in India as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of Holding Company, its subsidiary companies, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- a) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- b) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- c) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Group has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other matters

Our aforesaid Report under Section 143(3)(i) of the act on adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as relates to consolidated/standalone financial statements of subsidiaries, is based on financial statements as certified by the management.

**For M/S. Rohit KC Jain & CO,
CHARTERED ACCOUNTANTS
(FRN: 020422N)**

**ROHIT JAIN
(PARTNER)**

M. No. 099444

UDIN: 24099444BKGYAA6767

**Place: New Delhi
Date: 09.05.2024**

“ANNEXURE B” TO THE INDEPENDENT AUDITOR’S REPORT

To the best of our information and according to explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i In respect of the Company’s Property, Plant & Equipment and Intangible Assets:
 - a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of -use assets.
 - (B) The Company has maintained proper records showing full particulars of intangible assets.
 - b) As explained to us, Property, Plant and Equipment and right-of -use assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
 - c) According to the information and explanations given to us and based on the examination of the registered sale deed / transfer deed / conveyance deed (state any other relevant document which evidences title) provided to us, we report that, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
 - d) The Company has assessed that the market value is same as previous year during the year.
 - e) There are no proceedings which have been initiated or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and rules made thereunder. Accordingly, the provisions of clause 3(i)(e) of the Order are not applicable.
- ii. a) The physical verification of inventory (excluding goods-in-transit and stocks with third parties) has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
 - b) During the year, the Company has been sanctioned working capital limits of 171 CR from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the books of account.
- iii. In our opinion and according to the information and explanations given to us, the Company has not made investments in/, provided any guarantee/ security/ granted loans/ advances in the nature of loans, secured or unsecured, to companies/, firms/, Limited Liability Partnerships/ other parties, Accordingly, the provisions of clause 3(iii)(a) - (f) of the Order are not applicable.
- iv. In our opinion and according to information and explanation given to us, the company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees, and securities provided, as applicable.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. In respect of Statutory Dues:
 - (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - (b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) that have not been deposited with the appropriate authorities on account of any dispute except for the following cases:

Name of the statute	Nature of dues	Amount (₹)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	Rs 252.12 Lacs	AY 2017-18	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	Rs 143.36 Lacs	AY 2016-17	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	Rs 275.23 Lacs	AY 2017-18	Commissioner of Income Tax (Appeals)
H VAT Act, 2003	VAT	Rs. 6.52 Lacs	AY 2017-18	H VAT Authority (Appeals)

- viii. There are no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. In respect to repayment of dues:
- a. In our opinion and according to the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank, Government, or debenture holder, as applicable to the company.
 - b. The company has not been declared wilful defaulter by any bank or financial institution or any government authority.
 - c. As per the information provided to us and as per our analysis the loan has been used only for the purpose for which it was taken.
 - d. On an overall examination of the financial statements of the company, funds raised on short term basis have, prima facie, not been used during the year for long term purpose of the company.
 - e. On an overall examination of the financial statements of the company, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
 - f. According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries. The Company did not have any joint ventures or associate companies during the year.
- x. a) The company has not raised any money by way of initial public offer or further public Offer (including debt instruments), hence reporting on Clause 3(x)(a) of the order is not applicable.
- b) According to the information and explanations given to us, during the year, the Company has made preferential allotment of shares and Share Warrants. In respect of the same, in our opinion, the Company has complied with the requirement of Section 42 and Section 62 of the Act and the Rules framed there under.
- xi. a) According to the information and explanations given to us and Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given to us by the management, we report that we have neither come across any instance of fraud by the company or on the company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.
- b) No report under sub section (12) of section 143 of the Companies Act has been filed in from ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors), 2014 with the central government, during the year and up to the date of this report.
- xii. The company is not a Nidhi Company as specified in the Nidhi Rules, 2014 therefore the provisions of Clause 3 (xiii) of the Companies (Auditor's Report) Order, 2020 are not applicable to the Company.
- xiii. According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Consolidated Financial Statements etc. as required by under Indian accounting standard 24 "Related Party Disclosures" specified under Section 133 of the Act.
- xiv. a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv. According to the information and explanations given to us, the company has not entered any non-cash transactions with directors or persons connected with him therefore the provisions of Clause 3(xv) of the Companies (Auditor's Report) Order, 2020 are not applicable to the Company.

- xvi. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable. In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year and accordingly the reporting under clause 3(xviii) is not applicable.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. In respect of other than ongoing projects, the company will transfer unspent amount to a Fund specified in Schedule VII to the Companies Act within a 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; Company has transferred Rs 3,00,000 to the said Fund as on date of this report out of Rs 21,33,248.
- xxi. There is no qualification or adverse remarks of the companies included in consolidated financial statements.

For Rohit KC Jain & Co
Chartered Accountants
FRN: 020422N

ROHIT JAIN
(PARTNER)
M. No. 099444

UDIN: 24099444BKGYAA6767

Place: New Delhi
Dated: 09.05.2024

CONSOLIDATED BALANCE SHEET

AS AT 31ST MARCH 2024

(₹ IN LAKHS)

Particulars	Note	As at	
		31 st March 2024	31 st March 2023
ASSETS			
(1) Non-Current Assets			
a) Property, Plant and Equipment	3	2,897.22	1,979.53
b) Other Intangible Assets	3	42.21	15.63
c) Assets under Development	3	1,466.40	51.03
d) Investment Property	4	218.93	218.93
e) Financial Assets			
i) Investments	4	-	-
ii) Loans		-	-
iii) Other Financial Assets		-	0.05
f) Deferred Tax Assets (net)	5	16.44	20.96
g) Other-Non Current Assets	6	1,238.67	1,140.05
h) Trade Receivables	8	327.32	440.92
		6,207.17	3,867.11
(2) Current Assets			
a) Inventories	7	3,891.56	2,085.66
b) Financial Assets			
i) Trade Receivables	8	8,642.31	8,556.07
ii) Cash and Cash Equivalents	9	3,259.10	1,194.93
iii) Other Bank Balances	9	3,383.42	430.31
iv) Loans		-	-
v) Other Financial Assets		-	92.02
c) Other Current Assets	6	2,268.18	448.16
		21,444.57	12,807.15
		27,651.74	16,674.26
TOTAL ASSETS			
EQUITY AND LIABILITIES			
(1) Equity			
a) Equity Share Capital	10.1	2,169.04	2,126.54
b) Other Equity	10.2	12,016.78	6,082.60
c) Non Controlling Interest	10.3	23.90	8.08
		14,209.72	8,217.22
Liabilities			
(2) Non-Current Liabilities			
a) Financial liabilities			
i) Borrowings	11	1,311.40	751.88
b) Other Non-Current Liabilities	12	321.42	126.90
c) Deferred Tax Liabilities (net)	5	-	-
d) Provisions	13	395.35	69.04
f) Trade Payables	14	36.25	7.38
		2,064.42	955.19
(3) Current liabilities			
a) Financial Liabilities			
i) Borrowings	11	5,964.71	3,478.50
ii) Trade Payables	14	3,936.12	2,350.31
iii) Other Financial Liabilities		-	447.98
b) Other Current Liabilities	15	898.20	821.05
c) Provisions	13	578.58	404.02
		11,377.60	7,501.86
		27,651.74	16,674.26
TOTAL EQUITY AND LIABILITIES			
Summary of Significant accounting policies	1&2		

The accompanying notes are an integral part of Consolidated financial statements

As per our report of even date

For Rohit KC Jain & Co.

Chartered Accountants

FRN: 020422N

CA Rohit Jain

(Partner)

M.No.- 099444

Place: Delhi

Date- 09.05.2024

UDIN-24099444BKGYAA6767

For and on behalf of the Board of Directors of

Servotech Power Systems Limited

Raman Bhatia

(Managing Director)

DIN-00153827

Rupinder Kaur

(Company Secretary)

M.No.- A38697

Sarika Bhatia

(Whole-time Director)

DIN-00155602

Vikas Bhatia

(Chief Financial Officer)

PAN- AJNPB0303P

STATEMENT OF AUDITED CONSOLIDATED PROFIT AND LOSS

FOR THE ENDED MARCH, 31ST 2024

(₹ IN LAKHS)

Particulars	Note	For the year ended 31 st March 2024	For the year ended 31 st March 2023
Total Income			
Revenue from operations	16	35,368.35	27,848.09
Other income	17	158.12	16.24
Total Revenue		35,526.48	27,864.33
Expenses			
Cost of materials consumed	18	30,182.15	23,621.76
Change in Inventories	19	(503.55)	(591.42)
Employee benefits expense	20	1,413.66	970.89
Finance costs	21	315.98	238.26
Depreciation, amortisation and impairment expense	22	303.92	212.89
Other expenses	23	2,197.72	1,968.23
Total expenses		33,909.87	26,420.61
Profit before exceptional and tax (1 - 2)		1,616.60	1,443.72
Exceptional items		-	-
Profit before tax (3-4)		1,616.60	1,443.72
Tax expense:		436.39	337.21
(1) Current tax		402.80	357.44
(2) Deferred tax		5.73	(20.22)
(3) CSR Expenses		-	-
(4) Income Tax of Earlier Years		27.86	-
Profit (Loss) for the period (5-6)		1,180.20	1,106.51
Other Comprehensive Income		1.28	2.35
Items that will not be reclassified to profit or loss		1.71	3.15
Income tax relating to items that will not be reclassified to profit or loss		0.43	0.79
Total Comprehensive Income for the period (7+8)		1,181.48	1,108.85
Paid-Up Equity Share Capital (Face Value of Share Rs.1/-)		2,169.04	2,126.54
Net Profit attributable to :			
a) Owners of the Company		1,176.22	1,104.07
b) Non-Controlling Interest		3.98	2.43
Other Comprehensive Income attributable to :			
Non Controlling Interest		1.28	2.35
b) Non-Controlling Interest		-	0.01
Total Comprehensive Income attributable to :			
a) Owners of the Company		1,177.50	1,106.42
b) Non-Controlling Interest		3.98	2.43
Paid-Up Equity Share Capital (Face Value of Share Rs.1/-)		2,169.04	2,126.54
Other Equity		-	-
Earnings per equity share:-			
(1) Basic (@)		0.54	0.52
(2) Diluted (@)		0.55	0.56

Summary of Significant accounting policies

1&2

The accompanying notes are an integral part of Consolidated financial statements

As per our report of even date

For Rohit KC Jain & Co.

Chartered Accountants

FRN: 020422N

CA Rohit Jain

(Partner)

M.No.- 099444

Place: Delhi

Date- 09.05.2024

UDIN-24099444BKGYAA6767

For and on behalf of the Board of Directors of

Servotech Power Systems Limited
Raman Bhatia

(Managing Director)

DIN-00153827

Rupinder Kaur

(Company Secretary)

M.No.- A38697

Sarika Bhatia

(Whole-time Director)

DIN-00155602

Vikas Bhatia

(Chief Financial Officer)

PAN- AJNPB0303P

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH 2024

(₹ IN LAKHS)

Particulars	For the year ended 31 st March 2024	For the year ended 31 st March 2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	1,616.60	1,443.72
Adjustments For :		
Depreciation and amortization expenses (Including Lease Amort)	303.92	212.89
Unrealised Gain/Loss Foreign Exchange	(2.79)	-
Other Comprehensive Income	1.28	2.35
Profit/(loss) on sale of fixed asset	6.02	-
Non Controlling Interest	15.82	8.08
Dividend Paid	-	42.53
Finance Costs	315.98	238.26
Interest received	(71.58)	(10.64)
Operating profit before working capital changes (before tax)	2,185.25	1,937.20
Taxes paid (Net)	(436.39)	(367.84)
	1,748.86	1,569.36
Adjustments For Working Capital :		
Inventories	(1,805.90)	(708.09)
Trade Receivables & Others	27.37	(5,123.74)
Other Financial , Provisions & Others	(1,332.29)	729.08
Trade Payable & Others	1,614.68	989.64
Increase/ (Decrease) in Other liabilities	(176.30)	116.10
Cash generated From Operating Activities	76.41	(2,427.66)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(2,616.80)	(1,298.38)
Sale of fixed Assets	40.01	-
Other/Interest Income	71.58	10.64
Lease Adjustment	(92.78)	-
Net Cash Generated from (used in) Investing Activities	(2,597.99)	(1,287.74)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds for Issue of Shares Capital	42.49	358.00
Share Premium Account including Reserves	1,558.58	2,158.00
Share Application Money Received	3,633.34	-
Dividend Paid	(425.31)	(42.53)
Repayment/Proceeds for Loan	3,045.74	2,309.87
Finance Cost	(315.98)	(238.26)
Net Cash Generated from (used in) Financing Activities	7,538.86	4,545.08
I Total increase (decrease) in cash and cash equivalents during the year (A+B+C)	5,017.28	829.68
II Cash and cash equivalents at beginning of year	1,625.24	795.56
III Cash and cash equivalents as at end of the year (I+II)	6,642.52	1,625.24

Significant accounting policies

1&2

The accompanying notes are an integral part of Consolidated financial statements

As per our report of even date

For Rohit KC Jain & Co.

Chartered Accountants

FRN: 020422N

CA Rohit Jain

(Partner)

M.No.- 099444

Place: Delhi

Date- 09.05.2024

UDIN-24099444BKGYAA6767

For and on behalf of the Board of Directors of

Servotech Power Systems Limited

Raman Bhatia

(Managing Director)

DIN-00153827

Rupinder Kaur

(Company Secretary)

M.No.- A38697

Sarika Bhatia

(Whole-time Director)

DIN-00155602

Vikas Bhatia

(Chief Financial Officer)

PAN- AJNPB0303P

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH 2024

A. Equity Share Capital

(1) Current Reporting Period

	Balance at the beginning of the current reporting period	Changes in Equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during th current year	Balance at the end of the current reporting period
	2,126.54			42.50	2,169.04

(₹ in Lakhs)

(2) Previous Reporting Period

	Balance at the beginning of the current reporting period	Changes in Equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during th current year	Balance at the end of the current reporting period
	1,866.54			260.00	2,126.54

(₹ in Lakhs)

B. Other Equity

(1) Current Reporting Period

	Share application money pending allotment	Equity component of compound financial instruments	Capital Reserve	Securities Premium	Other Reserves (specify nature)	Retained Earnings	Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (specify nature)	Money received against share warrants	Total
Balance at the beginning of the current reporting period				3,503.96		2,479.82							98.81	6,082.60
Changes in accounting policy or prior period error						-0.48								-0.48
Restated balance at the beginning of the current reporting period														-
Total						1,181.48								1,181.48
Comprehensive Income for the current year						-13.43								-13.43
Non Controlling Interest														
Dividends						-425.31								-425.31
Share warrants During the year													3,732.15	3,732.15

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 Corporate Information

Servotech Power Systems Limited (“the Company”) was incorporated on 24.09.2004 as a Private Limited Company and converted into Public Limited Company domiciled in India on 24.05.2017. Its shares are listed on National Stock Exchange (NSE). The company is primarily engaged in manufacturing of LED lights, EV Charger and Solar power products.

The Consolidated financial statements were authorized by the Board of Directors for issue in accordance with resolution passed on 9th May 2024.

2 Significant Accounting Policies

The significant accounting policies applied by the Company in the preparation of its Consolidated Ind AS financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements, unless otherwise stated.

2.1 Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of, unless otherwise stated.

A) Statement of compliance

These financial statements of the Company are prepared and presented in accordance with Indian Accounting Standards (“Ind AS”) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provision of the Act as amended from time to time and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the financial statements.

B) Functional and presentation currency

The financial statements are presented in Indian Rupees (‘INR’) and all values are rounded to nearest lakhs upto two decimal places (INR 00,000), except when otherwise indicated.

C) Basis of measurement

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

- (i) Derivative Instruments
- (ii) Certain financial assets and liabilities that are measured at fair value

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services as at the date of respective transactions.

2.2 Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the year. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note 2.3. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

2.3 Critical accounting estimates, assumptions and judgements

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur in the period in which the estimate is revised and future periods affected. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Significant judgements and estimates relating to the carrying values of assets and liabilities include, determination of estimated projected cost and revenue in long term contracts, determination of term of lease contracts, fair value measurement, impairment of goodwill, provision for employee benefits and other provisions, recoverability of deferred tax assets and commitments and contingencies.

2.3.1 Estimates and assumptions

A). **Property, plant and equipment**

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology

B). **Provision for employee benefits**

Significant estimates are involved in the determination of provisions related to liquidated damages, onerous contracts and warranty provision. The Company records a provision for onerous sales contracts when current estimates of total contract costs exceed expected contract revenue. Warranty provision is determined based on the historical trend of warranty expense for the same types of goods for which the warranty is currently being determined, after adjusting for unusual factors related to the goods that were sold or based on specific warranty clause in an agreement. Such estimates are reviewed annually for any material changes in assumptions and likelihood of occurrence. The provision for warranty, liquidated damages and onerous contracts is based on the best estimate required to settle the present obligation at the end of reporting period.

C). **Provision for litigations and contingencies**

The provision for litigations and contingencies are determined based on evaluation made by the management of the present obligation arising from past events the settlement of which is expected to result in outflow of resources embodying economic benefits, which involves judgements around estimating the ultimate outcome of such past events and measurement of the obligation amount. Due to the judgements involved in such estimations the provisions are sensitive to the actual outcome in future periods.

D). **Provision**

Significant estimates are involved in the determination of provisions related to liquidated damages, onerous contracts and warranty provision. The Company records a provision for onerous sales contracts when current estimates of total contract costs exceed expected contract revenue. Warranty provision is determined based on the historical trend of warranty expense for the same types of goods for which the warranty is currently being determined, after adjusting for unusual factors related to the goods that were sold or based on specific warranty clause in an agreement. Such estimates are reviewed annually for any material changes in assumptions and likelihood of occurrence. The provision for warranty, liquidated damages and onerous contracts is based on the best estimate required to settle the present obligation at the end of reporting period.

E). Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash Flow (DCF) model. The cash flows are derived from the budget and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

F). Taxes

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. Uncertainties exist with respect to the interpretation of tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous assessments and interpretations of tax regulations by the Company.

G). Leases: whether an arrangement contains a lease

The Company determines the lease term as the agreed tenure of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset)

2.4 Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities, except for long-term contracts. The projects business comprises long-term contracts which have an operating cycle exceeding one year. For classification of current assets and liabilities related to projects business, the Company uses the duration of the individual life cycle of the contract as its operating cycle.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period;

2.5 Foreign Currency

Functional currency

The functional currency of the Company is the Indian Rupee.

Transactions and translations Initial recognition transactions in foreign currencies are recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. The gains or losses resulting from such translations are recognised in the statement of profit and loss.

Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was measured. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

2.6 Revenue Recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated if any. In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

Revenue is stated exclusive of goods and service tax and net of trade and quantity discount.

Liquidated damages / penalties are provided for as per the contract terms wherever there is a delayed delivery attributable to the Company.

A) **Revenue from the sale of goods**

Revenues are recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

B) **Revenue from sale of services**

Revenue from services rendered over a period of time, such as annual maintenance contracts, are recognised on straight line basis over the period of the performance obligation.

C) **Income from development services**

Revenue from the development services is recognised as per the contract terms and when accrued. When the contract outcome cannot be measured reliably, revenue is recognised only to the extent that the expenses incurred are eligible to be recovered.

D) Export benefits

Export incentives receivable are accrued for, when the right to receive the credit is established and there is no significant uncertainty regarding the realisability of the incentive.

E) Other income

Interest income is recognised on time proportion basis.

Fair value gain on financial instruments is recognized using the effective interest method.

2.7 Income tax

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the statement of profit and loss.

A) Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

The Company offsets tax assets and tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

B) Deferred tax

Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date.

A deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

2.8 Property, plant and equipment**Recognition and measurement**

All other repair and maintenance costs are recognised in statement of profit or loss as incurred. The Company identifies and determines cost of each component/ part of property, plant and equipment separately, if the component/ part has a cost which is significant to the total cost of the property, plant and equipment and has useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances and cost of assets not ready for use at the balance sheet date are disclosed under capital work- in- progress is stated at cost less accumulated impairment loss.

A) Depreciation

The Company depreciates property, plant and equipment over their estimated useful lives using the Written Down method. Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed of).

The estimated useful lives of assets are as follows:

Particulars	Years
Leasehold land	Over useful life
Building other than factory	60
Computers	
- Computers and other peripherals	3
-Software	3
Furniture & Fixtures	10
Vehicles	8
Office equipment	5
Plant & Machinery	15

The useful lives have been determined based on technical evaluation done by the management’s expert which are in line those specified by Schedule II to the Companies Act 2013. The residual values are not more than 5% of the original cost of the asset. The depreciation methods, assets’ residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under Other Non-Current Assets and the cost of assets not put to use before such date is disclosed under ‘Capital work-in-progress’.

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

2.9 Intangible Assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a written down basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Amortization methods and useful lives are reviewed periodically including at each financial year end. The estimated useful lives for intangible assets are 3 years.

2.10 Inventories

Inventories consist of raw materials, work-in-progress, finished goods, stock-in-trade and stores an spares. Inventories are measured at the lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost.

The cost of various categories of inventories is arrived at as follows:

Stores, spares, raw materials, components and stock-in-trade - at rates determined on the moving weighted average method.

Goods in Transit – at actual cost. Work-in-progress and finished goods - at full absorption cost method which includes direct materials, direct labour and manufacturing overheads. Cost is determined on weighted average method.

Cost includes expenditures incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition.

2.11 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

2.11.1 Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition.

2.11.2 Subsequent measurement

A). Non-derivative financial instruments

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business where the objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business where the objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Financial liabilities

Financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant. Interest bearing bank loans, overdrafts are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Financial liabilities are subsequently carried at amortized cost using the effective interest method, For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Off-setting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

B). Derivative financial instruments

This category has derivative financial assets or liabilities which are not designated as hedges.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in the statement of profit and loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income / expenses. Assets/ liabilities in this category are presented as current assets/current liabilities if they are either held for trading or are expected to be realized within 12 months after the balance sheet date.

2.11.3 Impairment of Financial Assets

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

2.11.4 Derecognition of Financial Assets

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset ; or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset

2.12 Fair value measurement

The Company measures financial instruments at fair value at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non- financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to fair value measurement as a whole) at the end of each reporting period.

The Company has a team comprising of members of senior management that determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for nonrecurring measurement, such as assets held for distribution in discontinued operations.

External valuers are involved for valuation of significant assets, such as properties and unquoted investments and financial assets, and significant liabilities, such as contingent consideration. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

2.13 Investment Properties

Property that is held for long term rental yields or for capital appreciation or for both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction cost and where applicable, borrowing costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any

Investment properties are de-recognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in Statement of Profit and Loss in the period of de-recognition.

2.14 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.15 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

2.15.1 Company as a lessee

The Company's lease asset classes primarily comprise of lease for land, buildings and vehicles. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets in the nature of buildings are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying asset. The right-of-use assets comprising of land is depreciated based on the lease term.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment.

ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable.

2.15.2 Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

2.16 Provisions

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

A) Warranty Provisions

Provision for assurance type warranty-related costs are recognised when the product is sold or service is provided to customer. Initial recognition is based on historical experience. The Company periodically reviews the adequacy of product warranties and adjust warranty percentage and warranty provisions for actual experience, if necessary. The timing of outflow is expected to be with in one to five years.

B) Decommissioning Liability

Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset.

C) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements unless the probability of outflow of resources is remote. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each Balance Sheet date.

2.17 Retirement and other employee benefits

A) Defined benefit Plan

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

B) Defined Contribution Plan

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

C) Short-term Obligations

Liabilities for wages, salaries and bonus, including non-monetary benefits that are expected to be settled wholly within 3 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

D) Post-Employment Obligations

The Company operates the following post-employment schemes:

- defined benefit plans for gratuity, and
- defined contribution plans for provident fund.

2.18 Investment in Subsidiaries

The investment in subsidiaries, associate and Joint venture are carried at cost as per Ind AS 27.

2.19 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the management. The Management monitors the operating results of all strategic business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit and loss in the financial statements.

2.20 Cash and cash equivalent

Cash and cash equivalents in the Balance Sheet comprise cash at banks and on hand and shortterm deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value.

2.21 Cash flow statement

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

2.22 Finance costs

Borrowing costs are recognised in the statement of profit and loss using the effective interest method. The associated cash flows are classified as financing activities in the statement of cash flows.

2.23 Rounding of amounts

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

2.24 Earning Per share

A) Basic EPS

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders of the Company (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

B) Diluted EPS

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

2.25 Approval of Financial Statements

The financial statements were approved for issue by the board of directors on May 9, 2024.

NOTE 3. Property, plant and equipment

The changes in the carrying value of property, plant and equipment including capital work in progress assets are as follows:

Particulars	Property plant and equipment										Intangible Assets		Total
	Leasehold Property	Freehold land	Building	Machinery	Computer & Printers	Furniture & Fixtures	Vehicles	Electric Vehicle Equipments	Other Equipments	Total	Computer Software	Total	
Deemed cost- as on 1 April 2021	304.52	5.21	699.01	196.55	83.41	70.65	197.25	-	67.21	1,623.80	52.56	52.56	1,676.37
Additions	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-
At 31st March 2023	304.52	474.51	1,086.21	371.64	105.60	84.63	296.96	3.19	72.38	2,799.64	52.56	52.56	2,852.20
Additions	329.08	-	569.72	324.78	26.68	0.59	35.56	-	3.82	1,383.46	50.50	50.50	1,433.95
Disposals	-304.52	-	-	-40.01	-	-11.19	-0.63	-	-	-344.53	-	-	-344.53
As at 31st March 2024	329.08	474.51	1,655.93	656.40	132.28	74.03	331.89	3.19	76.20	3,733.51	103.06	103.06	3,836.57
Accumulated Depreciation													
As At 31 March 2023	191.87	-	215.79	122.26	80.82	62.64	83.03	1.60	63.38	821.40	36.93	36.93	858.34
For the year	77.04	-	52.13	48.87	24.89	2.51	69.07	0.35	4.51	279.37	23.92	23.92	303.29
Disposals	-257.94	-	-	-6.53	-	-	-	-	-	-264.47	-	-	-264.47
As At 31st March 2024	10.97	-	267.91	164.60	105.72	65.16	152.10	1.95	67.89	836.30	60.85	60.85	897.15
Net Carrying value as at 31st March 2024	318.11	474.51	1,388.01	491.80	26.57	8.87	179.79	1.24	8.32	2,897.22	42.21	42.21	2,939.42
Net Carrying value as at 31 March 2023	112.65	474.51	870.42	249.38	30.16	21.99	213.92	1.59	4.91	1,979.53	15.63	15.63	1,995.16
											1,466.40		1,466.40

NOTE 4 : INVESTMENTS

Particulars	(In ₹)	
	As at March 31,2024	As at March 31,2023
Investments in subsidiaries (unquoted) (Carried at cost)		
Total Non-Current Investments in Shares		
Other Investments	-	-
Investment In Properties		
Total Non- Current Investments in Properties	218.93	218.93
Total Invetments	218.93	218.93

Investments are Unquoted , At Cost , Fully Paid up . Investments are measured at Cost as Per IND AS 27 "Separate Financial Statement" .

NOTE 5 : DEFERRED TAX ASSETS (NET)

The balance comprises temporary differences attributable to:

Particulars	(In ₹)	
	As at March 31,2024	As at March 31,2023
Property, plant and equipment, capital work in progress and intangible assets	7.42	(2.89)
Leased Laibility	(5.07)	(4.24)
Employee benefits	(21.32)	(16.29)
MAT Credits	-	-
Interest/Loan Equilisation	1.80	1.71
Others	0.75	0.74
Total Deferred Tax Assets (Net)	(16.44)	(20.96)

NOTE 6 : OTHERS CURRENT/NON-CURRENT ASSETS

Particulars	(In ₹)	
	As at March 31,2024	As at March 31,2023
Non-current		
Security Deposits	48.67	52.07
Retention and Performance Gurantee	1,190.00	1,087.98
Total other non-current assets	1,238.67	1,140.05
<i>(i) There are no loan as at 31st March 2024 and 31st March 2023 which have significant increase in credit riskor which are credit impaired.</i>		
<i>(iii) Loans are non-derivative financial instruments which generate a fixed & variable interest income for the company. The carrying value may be affected by the changes in the credit risk of the counter parties.</i>		
Current		
Advance to suppliers, staff and Others	1,082.65	140.27
Prepaid Expenses	307.87	48.49
Advance Taxes/TDS/TCS/GST	877.65	259.40
Total other current assets	2,268.18	448.16
Total others	3,506.84	1,588.21

NOTE 7 : INVENTORIES

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Additional Information		
<i>(As taken, valued and certified by the management)</i>		
Stock-in-Trade		
Raw Materials	2,549.30	962.17
Work-in-Process	436.44	191.85
Finished Goods / Trading Goods	905.81	931.64
Total inventories	3,891.56	2,085.66

Note:

(a) During the year ended March 31, 2024 Rs. 3891.56 lakhs (March 31, 2023 Rs. 2085.66 Lakhs) was reconised at cost or net realisable value whichever is lower.

Inventories are hypothecated with the banks against working capital limits and non fund facilities availed from lenders.

NOTE 8 : TRADE RECEIVABLE

Particulars	As at March 31, 2024	As at March 31, 2023
Secured, considered good	-	-
Unsecured, considered good	8,839.91	8,848.93
Doubtful	129.72	148.07
Total receivables	8,969.63	8,996.99
The following are the contract balances:		
Current portion	8,642.31	8,556.07
Non-Current portion	327.32	440.92
Total	8,969.63	8,996.99

Trade receivables are generally on terms of 15 to 90 days and are non interest bearing except in case of overdue payments.

Particulars	Outstanding for following periods from due date of payment (as at March 31, 2024)					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	7,787.99	854.32	136.82	60.51	0.27	8,839.91
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
Disputed Trade Receivables– considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	3.47	2.88	123.38	129.72
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	7,787.99	854.32	140.28	63.39	123.65	8,969.63

Particulars	Outstanding for following periods from due date of payment (as at March 31, 2023)					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	8,283.54	272.53	169.77	2.61	120.48	8,848.92
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
Disputed Trade Receivables– considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	148.07	148.07
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	8,283.54	272.53	169.77	2.61	268.55	8,996.99

NOTE 9 : CASH AND CASH EQUIVALENTS

Particulars	As at	
	March 31, 2024	March 31, 2023
Balances with banks		
on current accounts	3,220.12	1,190.15
Cash on hand	38.98	4.78
Total Cash and Cash Equivalents	3,259.10	1,194.93

NOTE 9 OTHER BANK BALANCES

Particulars	As at	
	March 31, 2024	March 31, 2023
Deposits ***	3,383.42	430.31
Total Other Bank Balances	3,383.42	430.31

* Deposits are with Schdeule Banks including Interest Accrued on such Deposits .

**Fixed Deposits amounting to Rs.1106.27 Lacs are under lien with Punjab National bank, HDFC Bank & ICICI Bank as margin money against issuance of bank guarantees to various customers & colletral Security.

***Fixed deposit amounting to Rs. 2,160.32 Lacs are lein free.

NOTE -10 : EQUITY SHARE CAPITAL AND OTHER EQUITY
Share Capital
Authorised Share Capital

Particulars	As at		As at	
	31 March 2024		31 March 2023	
	No. of Shares	Amount	No. of Shares	Amount
Authorised				
Equity Shares of Rs.2/- each (25,00,00,000 Equity shares of Rs. 1/- each) (Previously 10 each & Rs 2 each)	250,000,000	2,500.00	220,000,000	2,200.00
Issued, Subscribed & paid-up Capital				
Equity shares of Rs. 1/- each fully paid-up (21,69,04,290 Equity shares of Rs. 1/- each) (Previously Rs 2 each)	216,904,290	2,169.04	212,654,290	2,126.54
Total	216,904,290	2,169.04	212,654,290	2,126.54

A) Reconciliation of number of Ordinary Shares outstanding:

Particulars	As at		As at	
	31 March 2024		31 March 2023	
	No. of Shares	Amount	No. of Shares	Amount
As at beginning of the year	212,654,290	2,126.54	186,654,290	1,866.54
Issued during the year	4,250,000	42.50	26,000,000	260.00
As at end of the year	216,904,290	2,169.04	212,654,290	2,126.54

Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of ` 1/-. (previously 2 each) Each holder of equity shares is entitled to one vote per share and is entitled to dividend declared, if any. In the event of liquidation, the equity shareholders are entitled to receive remaining assets of the company after distribution of all preferential amounts in proportion of equity shares held by the shareholders.

Details of shareholders holding more than 5% shares in the Company

Name of Shareholders	As at 31 March 2024		As at 31 March 2023	
	Number of shares	Percentage holding	Number of shares	Percentage holding
Mr. Raman Bhatia	67,056,900	30.92%	67,006,900	31.51%
M/s Raman Bhatia HUF	31,110,550	14.34%	31,110,550	14.63%
Ms. Sarika Bhatia	30,096,750	13.88%	25,796,750	12.13%

The Company has split its share face value from Rs 2/- to Rs 1/- during the year vide resolution dated 28th July 2023.

Equity Shares held by promoters at the end of the year

Name of Promoter	As at 31 March 2024		As at 31 March 2023	
	Number of shares	% of Total Shares	Number of shares	% of Total Shares
Promoter				
Mr. Raman Bhatia	67,056,900	30.92%	67,006,900	31.51%
Ms. Sarika Bhatia	30,096,750	13.88%	25,796,750	12.13%
Promoter Group				
M/s Raman Bhatia HUF	31,110,550	14.34%	31,110,550	14.63%
Mr. Manohar Lal Bhatia	2,503,750	1.15%	2,803,750	1.32%
Mr. Vikas Bhatia	100,000	0.05%	53,000	0.02%
Ms. Sudesh Bhatia	18,750	0.01%	18,750	0.01%
Mr. Rishabh Bhatia	1,068,000	0.49%	1,018,000	0.48%
Mr. Kanav Bhatia	1,118,000	0.52%	1,068,000	0.50%

10.2 Other Equity

Particulars	As at 31 March 2024	As at 31 March 2023
Securities premium	5,062.54	3,503.96
Retained earnings	3,222.09	2,479.83
Share warrant	3,732.15	98.81
Total reserve and surplus	12,016.78	6,082.60

10.3 Non-Controlling Interest

Particulars	As at 31 March 2024	As at 31 March 2023
Equity Share Capital	10.47	8.05
Retained Earning	13.43	0.03
Closing balance	23.90	8.08

Securities Premium

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	3,503.96	1,345.96
Received/Utilized during the Year	1,558.58	2,158.00
Closing balance	5,062.54	3,503.96

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

Retained Earnings

Particulars	As at	
	31 March 2024	31 March 2023
Opening balance	2,479.83	1,413.70
Net profit for the period	1,180.20	1,106.51
Less :-		
Dividend Paid	(425.31)	(42.53)
INDAS/ Other Adjustment	(0.49)	(0.17)
OCI Income Adjustment	1.28	2.35
Minority Interest	(13.43)	(0.03)
Closing balance	3,222.09	2,479.83

Share Warrant

Particulars	As at	
	31 March 2024	31 March 2023
Opening balance	98.81	-
Addition	3,732.15	98.81
Conversion into Equity Share	(98.81)	-
Closing balance	3,732.15	98.81

Distribution Made and Proposed

Particulars	As at	
	31 March 2024	31 March 2023
Dividend on equity shares proposed and paid:		-
Final dividend during the 2023-24 0.20 per share of face of Rs 1 each	425.31	-
Interim dividend during the 2022-23 0.20 per share of face of Rs 10 each	-	42.53
	425.31	42.53

Note:

During the year the Board of the Directors of the company has recommend the payment of interim dividend of Re 0.20 per equity shares of face value of Rs 1 each , on 28th August 2023. The Dividend was paid to those members whose name was appears in the register of members as on Record date 22nd September 2023. Such final dividend was paid out of profit made during the year 2022-2023.

NOTE 11 : NON-CURRENT BORROWINGS

Particulars	As at	
	31 March 2024	31 March 2023
Secured from banks		
i) From Bank	1,310.22	749.20
ii) From Non Banking Companies	-	1.59
Unsecured from banks		
i) From Bank	-	-
ii) From Directors	1.18	1.09
iii) From Non Banking Companies		
Total Non current borrowings	1,311.40	751.88

Secured borrowings and assets pledged as security

- ICICI Bank had sanctioned Term loan of Rs. 600.00 Lacs on 01.12.2022, 360.50 Lacs on 13.04.2023, 185.30 Lacs on 26.04.2023, 154.20 Lacs on 14.06.2023 & 300 Lacs on 30.11.2023. Out of above Rs 600 Lacs against Property and 1000 Lacs towards Machineries. Such loan is secured against equitable mortgaged of commercial property situated (Killa No-14/6/1/2(0-3), Village- Safiabab, Tehsil-Rai, Sonapat-231029) and personal guarantees of directors. The said loan is repayable in upto 84 equal monthly installments. Outstanding balance as on 31.03.2024 was Rs. 1363.25 Lacs (Previous year 571.71 Lacs) , Payable within one year Rs 227.29 Lacs (Previous year 85.71 Lacs) .

- 2) Punjab National Bank had sanctioned working capital term loan of Rs. 247 Lacs on 18.07.2020 under GECL Scheme to meet operational liabilities and restart the business effected due to COVID-19. The loan is repayable in 36 installments after one year moratorium period. Outstanding as on 31.03.2024 was Rs. 20.58 Lacs (Previous year Rs. 102.13 Lacs) payable within one year Rs. 20.58 Lacs (Previous year Rs. 78.00 Lacs)
- 3) Punjab National Bank had sanctioned working capital term loan of Rs. 172.96 Lacs on 15.12.2021 under GECL Scheme to meet operational liabilities. The loan is repayable in 36 installments after 2 years moratorium period. Outstanding as on 31.03.2024 was Rs. 153.74 Lacs (Previous year Rs. 173.94 Lacs) payable within one year Rs. 57.65 Lacs (Previous year Rs. 14.41Lacs)
- 4) Various banks had sanctioned vehicle loans on different dates of Rs. 231.79 Lacs (Previous year Rs. 112.34 Lacs) secured against hypothecation of vehicles and personal guarantees of directors. The said loans are repayable upto 63 installments of different amounts and payable on different dates. Outstanding balance as on 31.03.2024 was Rs. 111.50 Lacs (Previous year Rs. 147.00 Lacs) , Payable within one year Rs. 33.33 Lacs (Previous year Rs. 19.35 Lacs) .

CURRENT BORROWINGS

Particulars	In ₹)	
	As at 31 March 2024	As at 31 March 2023z
Secured from banks		
i) From Bank	5,625.84	3,255.83
ii) From Non Banking Companies	-	99.87
iii) Current Maturity of Long Term Debt	338.87	122.79
Unsecured from banks		
i) From Bank	-	-
ii) From Non Banking Companies	-	-
Total Non current borrowings	5,964.71	3,478.50

*Punjab National Bank had renewed fund based limit of Cash Credit Rs 4600 Lacs & Term Loan Rs 1000 Lacs (Previous year Rs 626 Lacs towards Cash Credit) and non fund based limit of Rs.1500 Lacs (Previous year Rs 1150 Lacs) towards Bank Guarantee/Letter of Credit on 10.08.2023. These limit are secured against hypothecation of inventories, books debts, other current assets, fixed deposits of Rs. 200 Lacs, Plant and machineries and all other fixed assets of the company, besides equitable mortgage of properties of company and its directors along with their personal guarantees. Current assets are having pari passu charge with HDFC Bank and ICICI Bank. Property is having pari passu charge with ICICI bank.

*HDFC Bank had renewed Fund Based Limit of Cash Credit Rs.2000 Lacs including WCDL of Rs. 1800 Lacs being sublimit of Cash Credit facility(Previous year Cash Credit Limit of Rs 400 Lacs and WCDL of Rs 500 Lacs) and Non Fund Based Limit of Rs 2000 Lacs towards Bank Guarantee/Letter of Credit on 22.03.2024. These limits are secured by exchange of Pari passu charge on current assets with ICICI Bank, Punjab National Bank for working capital limits & pari passu Charge for Hypothecation & equitable Mortgage of properties at Village Safiyabad, Industrial Area, Sector-43, Narela Road, Tehsil Rai, District Sonipat, Haryana - 131029 and fixed deposits of Rs 305 Lacs as Colletral Security.

*ICICI Bank had renewed Fund Based Limit of Rs.1400 Lacs including WCDL of Rs. 800 Lacs being sublimit of Cash Credit (Cash Credit Limit of Rs 1400 Lacs and Working Capital Demand Loan of Rs 800 Lacs which is sublimit of Cash Credit), Non Fund Based Limit of Rs 1000 Lacs towards Bank Guarantee/Letter of Credit being sublimit of Cash Credit and Rs 1600 Lacs towards Term Loan of on 22.11.2023. These limit are secured by Exchange of Pari passu charge on current assets with Punjab National Bank & HDFC Bank.

*CITI Bank had sanctioned Fund Based Limit of Rs.2000 Lacs (Cash Credit Limit of Rs 1000 Lacs and WCDL and bill discounting of Rs 1000 Lacs) on 28.03.2023.

NOTE 12 : OTHER NON CURRENT LIABILITIES

Particulars	As at	
	31 March 2024	31 March 2023
Lease Liability	321.42	126.90
Total other Non current liabilities	321.42	126.90

NOTE 13 : PROVISIONS

Particulars	As at 31 March 2024	As at 31 March 2023
Non Current		
Provisions for Gratuity & Leave Encashment	55.92	46.50
Provision for Warranty		
Others	339.42	22.54
Total	395.35	69.04
Current		
Provisions for Gratuity & Leave Encashment	62.93	21.54
Provision for Taxation	390.53	340.79
Others	125.12	41.69
Total	578.58	404.02

NOTE 14 : TRADE PAYABLES

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Total outstanding dues of micro enterprises and small enterprises	186.01	0.03
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	3,786.35	2,356.63
(c) Disputed (Others)	-	1.03
Total	3,972.36	2,357.69
Current portion	3,936.12	2,350.31
Non-Current portion	36.25	7.38

As at 31st March 2024

(₹ in Lakhs)

Particulars	Outstanding for following periods				Total
	Less than 1 years	1-2 years	2-3 years	More than 3 years	
MSME	186.01	-	-	-	186.01
Others	3,730.74	50.01	5.60	-	3,786.35
Disputed Dues-MSME	-	-	-	-	-
Disputed Dues-Others	-	-	-	-	-
Total	3,916.75	50.01	5.60	-	3,972.36

As at 31st March 2023

Particulars	Outstanding for following periods				Total
	Less than 1 years	1-2 years	2-3 years	More than 3 years	
MSME	-	0.03	-	-	0.03
Others	2,350.31	-	6.32	-	2,356.63
Disputed Dues-MSME	-	-	-	-	-
Disputed Dues-Others	-	-	-	1.03	1.03
Total	2,350.31	0.03	6.32	1.03	2,357.69

- (i) Trade payables are non interest bearing and are normally settled in 7 days to 120 days. For explanations on the Company's risk management process.s.
- (ii) Trade payables are unsecured .
- (iii) Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 no disclosure needdue to nominal value of transaction during the year.

NOTE 15 : OTHER CURRENT LIABILITIES

(₹in Lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
Security Received	-	-
Advance From Customer	305.10	71.05
Expenses Payable	155.40	108.26
Contract Liability Against Sales	392.98	609.59
Other Current liabilities	1.28	1.20
Statutory Liabilities Payable	43.45	30.95
Total other current liabilities	898.20	821.05

NOTE 16 : REVENUE FROM OPERATION

(₹in Lakhs)

Particulars	For the Year ended	For the Year ended
	31 March, 2024	31 March, 2023
Domestic	30,789.40	29,160.07
Export Sale	3,457.14	-
Intercompany Sales	-	(2,203.08)
(B) Sale of Services	1,121.81	891.10
Total Revenue from operations	35,368.35	27,848.09

Performance Obligation

The performance obligation for sale of products and scrap are satisfied upon delivery/dispatch of goods depending upon terms with customers and payment is generally due within 15 to 90 days from delivery. Some contracts provide customers with a right of return, volume discount, rebates and other promotion incentive schemes, which gives rise to variable consideration subject to constraint. The contracts do not have a significant financing component. The company offers standard warranty on selected products. The company makes provisions for same as per principles laid down under Ind AS-37. The performance obligation for the product repair services is satisfied over the period of time and payment is generally due upon completion of service and acceptance of the customer. There are no unsatisfied or partially satisfied performance obligation as at March 31, 2024 and March 31, 2023. During the year ended March 31, 2024, revenue recognised from amount included in contract liability at the beginning of the year.

NOTE 17 : OTHER INCOME

Particulars	For the Year ended	For the Year ended
	31 March, 2024	31 March, 2023
Interest Income & Others Non-operating income		
Duty Draw Back Receivable (Income)	-	(0.11)
Interest received	71.58	6.86
Miscellaneous Income	3.61	4.52
Rebate & discount	0.35	2.25
Rent Received	19.41	2.72
Gain asset transactn	6.02	-
Gain on Sale of Shares	57.15	-
Total Other income	158.12	16.24

NOTE 18 : COST OF MATERIAL CONSUMED

Particulars	For the Year ended 31 March, 2024	For the Year ended 31 March, 2023
Opening Stock	704.47	12,200.35
Add : Purchases	32,050.87	14,365.36
	32,755.33	26,565.71
Less : Inter Company Purchases	23.88	-2,239.48
Less : Closing Stock	2,549.30	704.47
Total Cost of Material Consumed	30,182.15	23,621.76

NOTE 19 : CHANGES IN INVENTORIES

Particulars	For the Year ended 31 March, 2024	For the Year ended 31 March, 2023
Closing Balance		
Traded goods	905.81	1,107.29
WIP	436.44	114.94
Total Closing balance	1,342.26	1,222.23
Opening Balance	1,107.29	490.77
Traded goods	114.94	140.04
WIP	1,222.23	630.80
Total Opening Balance	(383.52)	-
Total changes in inventories of stock-in-trade	(503.55)	(591.42)

NOTE 20 : EMPLOYEE BENEFIT EXPENSE

(₹ in Lakhs)

Particulars	For the Year ended 31 March, 2024	For the Year ended 31 March, 2023
Salaries, wages and bonus	1,233.79	853.82
Director Remuneration	154.95	81.33
Gratuity	7.85	3.72
Staff welfare expenses	17.06	32.02
Total employee benefit expense	1,413.66	970.89

NOTE 21 : FINANCE COSTS

Particulars	For the Year ended 31 March, 2024	For the Year ended 31 March, 2023
Interest and finance charges	288.14	252.82
Bank Charges and Other Interest Charges	30.62	29.72
Difference in Currency Fluctuation	(2.79)	(44.28)
Finance costs expended in profit or loss	315.98	238.26

Note:

(i) The code of Social Security, 2020 (Code) relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will

assess the impact of the Code when it comes into effect and will record any related impact in the period the code becomes effective.

NOTE 22 : DEPRECIATION AND AMORTISATION EXPENSE

Particulars	For the Year ended 31 March, 2024	For the Year ended 31 March, 2023
Depreciation of property, plant and equipment & Impairment	303.92	212.89
Total depreciation and amortisation expense	303.92	212.89

NOTE 23 : OTHER EXPENSES

Particulars	For the Year ended 31 March, 2024	For the Year ended 31 March, 2023
Operational Expenses		
Freight , forwarding & others	36.99	30.54
Job Work Charges	4.37	0.05
Power & Fuel	29.05	10.98
	70.41	41.57
Administrative Expenses		
Printing and stationery	4.74	5.51
Cloud Storage Rent	1.40	1.56
Postage, telegram and telephone expenses	12.80	7.51
Computer and IT Expenses	6.63	21.85
Office Maintenance Expenses	25.41	31.05
" Travelling and conveyance (Including Directors Tour & Travelling) "	185.82	145.97
Repairs & Installation Charges	611.66	126.28
Legal and professional and consultancy charges	126.55	185.96
Fees and subscription	17.13	22.32
Insurance expenses	9.31	7.21
Repairs and maintenance	12.63	10.46
Vehicle maintenance	4.83	7.14
General expenses	58.80	109.20
Audit Fees	7.65	7.05
Bad Debts	83.26	930.59
	1,168.63	1,619.68
Selling & Distribution Expenses		
Freight & labour charges	186.25	163.95
Commission paid	5.62	2.87
Liquidation damage	2.97	11.50
Research & Development Expenses	41.72	22.49
Tender Fees	47.22	0.09
Business promotion	104.46	71.53
Advertisement	30.61	25.13
Software & SAP Implementation Cost	105.64	-
Discount on sale	46.30	3.50
Warranty expenses	387.90	5.93
	958.68	306.98
Total other expenses	2,197.72	1,968.23

NOTE 24 : FAIR VALUE MEASUREMENTS
NOTE -24.1 : FINANCIAL INSTRUMENT BY CATEGORY & FAIR VALUE HIERARCHY

Particulars	FVPL/	31 March 2024					
	FVOCI/	Level 1		Level 2		Level 3	
	Amortised cost	Carrying cost	fair value	Carrying cost	fair value	Carrying cost	fair value
Financial assets							
Trade receivables	Amortised cost	-	-	-	-	8,969.63	8,969.63
Cash and cash equivalents	Amortised cost	-	-	-	-	3,259.10	3,259.10
Other Bank Balances	Amortised cost	-	-	-	-	3,383.42	3,383.42
Other financial assets	Amortised cost	-	-	-	-	2,268.18	2,268.18
Total financial assets		-	-	-	-	17,880.33	17,880.33
Financial liability							
Borrowings	Amortised cost					7,276.11	7,276.11
Trade and other payables	Amortised cost					3,972.36	3,972.36
Total financial liability		-	-	-	-	11,248.48	11,248.48

Particulars	FVPL/	31 March 2023					
	FVOCI/	Level 1		Level 2		Level 3	
	Amortised cost	Carrying cost	fair value	Carrying cost	fair value	Carrying cost	fair value
Financial assets							
Trade receivables	Amortised cost	-	-	-	-	8,556.07	8,556.07
Cash and cash equivalents	Amortised cost	-	-	-	-	1,194.93	1,194.93
Other Bank Balances	Amortised cost	-	-	-	-	430.31	430.31
Other financial assets	Amortised cost	-	-	-	-	540.18	697.17
Total financial assets		-	-	-	-	10,721.49	10,878.49
Financial liability							
Borrowings	Amortised cost					4,230.37	2,506.14
Trade and other payables	Amortised cost					2,546.24	1,088.57
Total financial liability		-	-	-	-	6,776.62	3,594.71

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes mutual funds that have quoted price and are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

NOTE 24.2 : VALUATION TECHNIQUE USED TO DETERMINE FAIR VALUE

SPECIFIC VALUATION TECHNIQUES USED TO VALUE FINANCIAL INSTRUMENTS INCLUDE:

- THE USE OF QUOTED MARKET PRICES

NOTE 24.3 : FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES MEASURED AT AMORTISED COST

The carrying amounts of financial assets comprising trade receivables, cash and cash equivalents, fixed deposits with banks, security and other deposits and carrying value of financial liabilities comprising borrowings and trade payables and other payables are considered to be the same as their fair values, due to their short-term nature and covered under level 3 category.

NOTE 25 : FINANCIAL RISK MANAGEMENT

The Company's activities expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance, derivative financial instruments, such as foreign exchange forward contracts and commodity forward contracts, are entered to hedge certain foreign currency risk exposures and commodity price risk exposures.

This note explains the sources of risk which the Company is exposed to and how such risk were managed.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Aging analysis Credit ratings	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk – foreign exchange	Future commercial transactions Recognised financial assets and liabilities not denominated in Indian rupee	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts
Market risk – commodity price	Future commercial transactions	Cash flow forecasting Sensitivity analysis	Forward commodity contracts

The Company's risk management is carried out by a central treasury department under policies approved by the board of directors. The Company treasury identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, commodity price risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

NOTE 25.1 CREDIT RISK MANAGEMENT

The risk of financial loss due to counterparty's failure to honour its obligations arises principally in relation to transactions where the Company provides goods on deferred terms.

The Company's policies are aimed at minimising such losses, and require that deferred terms are granted only to customers who demonstrate an appropriate payment history and satisfy creditworthiness procedures. Individual exposures are monitored with customers subject to credit limits to ensure that the Company's exposure to bad debts is not significant. The maximum exposure to credit risk regarding financial assets is the carrying amount as disclosed in the balance sheet. With respect to credit risk arising from all other financial assets of the Company, the Company's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the corresponding carrying amount of these instruments.

On account of the adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors such as historical experience for customers. The Company's receivable are high quality with negligible credit risk and the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil. Accordingly, no provision for expected credit loss is recognised.

The following table provides information about the exposure to credit risk for trade receivables from individual customers.

31st March 2024

(Unsecured, considered good unless otherwise specified)

(₹in Lakhs)

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	7,787.99	854.32	136.82	60.51	0.27	8,839.91
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
Disputed Trade Receivables– considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	3.47	2.88	123.38	129.72
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	7,787.99	854.32	109.20	63.39	123.65	8,938.54

31st March 2023

(Unsecured, considered good unless otherwise specified)

(₹in Lakhs)

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good						
Undisputed Trade Receivables – which have significant increase in credit risk	8,283.54	272.53	169.77	2.61	120.48	8,848.92
Undisputed Trade Receivables – credit impaired						
Disputed Trade Receivables– considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk					148.07	148.07
**Fixed Deposits amounting to Rs.1106.27 Lacs are under lien with Punjab National bank, HDFC Bank & ICICI Bank as margin money against issuance of bank guarantees to various customers.	-	-	-	-	-	-
Total	8,283.54	272.53	169.77	2.61	268.55	8,996.99

NOTE 25.2 LIQUIDITY RISK MANAGEMENT

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. In addition, the Company's liquidity management policy involves monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at 31 March 2024	As at 31 March 2023
Working capital – fund based	12,600	3,255
Working capital – Non fund based	4,500	2,476
Total borrowing facilities	17,100	5,731

Maturities of financial liabilities

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

- all non-derivative financial liabilities, and
- net settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

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

As at 31 March 2024	Less than 12 months	More than 12 months
Non- derivative		
Borrowings	5,964.71	1,311.40
Trade payable	3,936.12	36.25
Total non-derivative liabilities	9,900.83	1,347.65

As at 31 March 2023	Less than 12 months	More than 12 months
Non- derivative		
Borrowings	3,478.50	751.88
Trade payable	447.98	7.38
Total non-derivative liabilities	3,926.48	759.25

NOTE 25.3 MARKET RISK MANAGEMENT

INTEREST RATE RISK

The Company's main interest rate risk arises from borrowings with variable rates, which expose the Company to cash flow interest rate risk. During 31 March 2024 and 31 March 2023, the Company's borrowings at variable rate were mainly denominated in INR.

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The long term variable interest rate borrowings are not significant and accordingly, no such sensitivity for interest rate cash flow has been disclosed.

PRICE RISK

The Company's significant exposure for price risk is relating to commodity forward contracts. However, no open commodity forward contract is outstanding as on the reporting date and accordingly, doesn't have related price risk.

NOTE 26 : CAPITAL MANAGEMENT

NOTE 26.1

RISK MANAGEMENT

The Company’s objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company issue new shares. Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio: Net debt (total borrowings net of cash and cash equivalents) divided by Total ‘equity’ (as shown in the balance sheet).

The gearing ratios were as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Net debt	7276.11	4230.37
Total equity	14209.72	8217.22
Net debt to equity ratio	0.51	0.51

NOTE 26.2 LOAN COVENANTS

The Company has complied with all loan covenants required under borrowing facilities.

NOTE : 27 RELATED PARTY TRANSACTIONS

NOTE : 27.1 CONTROLLING SHAREHOLDERS

Mr. Raman Bhatia
M/s Raman Bhatia HUF
Ms. Sarika Bhatia

NOTE : 27.2 FELLOW SUBSIDIARIES

Rebreathe Medical Devices India Private Limited
Techbec Industries Limited
Techbec Green Energy Pvt Ltd
Servotech EV infra Pvt Ltd

Associate Company

NIL

NOTE 27.3 KEY MANAGEMENT PERSONNEL AND THEIR RELATIVE

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over those entities. A number of these personnel transacted with the Company during the reporting period. The terms and conditions of the transactions with key management personnel and their related parties were no more favourable than those available, or those which might reasonably be expected to be available, in respect of similar transactions with non-key management personnel related entities on an arm’s length basis.

Name of key management personnel, their relatives and entities over which they have control or significant influence with whom transaction were entered during the year or balance was outstanding at the balance sheet date are as follows:

Key management personnel and relatives:

Mr. Raman Bhatia
Ms. Sarika Bhatia
Mr.Vikas Bhatia
Dr. Rajesh Mohan Roy
Ms. Rupinder Kaur

NOTE 27.4 TRANSACTION WITH RELATED PARTIES

The details of the related-party transactions entered into by the Company for the years ended 31st March 2024 and 31st March 2023 are as follows:

RELATED PARTIES TRANSACTIONS

Name of Related Party	Relationship	Nature of Transaction	Opening	Debit	Credit	Balance
Raman Bhatia	Managing Director	Remuneration	3.50	84.00	77.50	10.00
		Tour Advance	4.02	13.58	10.18	7.42
		Other Advances Paid	(0.25)	8.88	8.63	-
		Sales (incl. Taxes)	-	8.14	6.68	1.46
Sarika Bhatia	Whole Time Director	Remuneration	3.50	84.00	77.50	10.00
		Tour Advance	1.34	-	1.06	0.28
		Other Advances Paid	-	2.73	2.73	-
Rajesh Mohan Rai	Director	Remuneration	1.80	21.63	21.62	1.80
		Imprest	-	0.32	0.32	-
Vikas Bhatia	Chief Financial Officer	Salary	0.96	11.52	11.52	0.96
		Sales (incl. Taxes)	-	0.15	0.15	-
		Tour Advance	0.11	0.56	0.67	-
		Other Advances Paid	-	-	-	-
		Imprest	0.68	154.82	154.81	0.68
Rupinder Kaur	Company Secretary	Salary	-	3.00	2.40	0.60
Service Solutions	Entity in which director(s) or their relatives are interested	Sales (incl. Taxes)	301.17	382.18	681.64	1.71
		Purchases (incl. Taxes)	0.02	399.38	397.75	1.65
Bhatia Electronics	Entity in which director(s) or their relatives are interested	Sales (incl. Taxes)	902.83	2,917.22	3,148.96	671.08
		Purchases (incl. Taxes)	0.00	733.75	1,058.89	(325.14)
Bab Louie India LLP	Entity in which director(s) or their relatives are interested	Sales (incl. Taxes)	0.07	-	-	0.07

NOTE : 28 SEGMENT INFORMATION
Description of segments and principal activities

The Company's operations primarily comprise of Dealing in Commodities, Commodity Derivatives broadly falling in one segment as such there is no other reportable business segment as specified by Ind AS 109 issued by The Institute of Chartered Accountants of India.

The Geographical Segments considered for disclosure are Sales within India Sales outside India

Geographical Segment (based on Location of Customers)

Particulars	2023-24 ₹ in Lacs	2022-23 ₹ in Lacs
Segment Assets		
- within India	27,651.74	16,674.26
- outside India	-	-
	27,651.74	16,674.26
Segment Revenue		
- within India	32,069.33	24,915.20
- outside India	3,457.14	-
	35,526.47	24,915.20

NOTE : 29 EARNINGS PER SHARE

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic earnings per share as well as diluted earnings per share calculation are as follows:

Particulars	(Amount in lacs)	
	As at 31 March 2024	As at 31 March 2023
Profit (loss) attributable to equity shareholders	1,181.48	1,108.85
Paid-Up Equity Share Capital (Face Value of Share Rs.1/-)	2,169.04	2,169.04
Basic earnings per share	0.54	0.52
Diluted Earning Per Share	0.55	0.56

NOTE : 30 CONTINGENT LIABILITIES

Particulars	(Amount in lacs)	
	As at 31 March 2024	As at 31 March 2023
Claims against the Company not acknowledged as debts	63.39	132.38
Outstanding Letter of Credit	-	419.15
Guarantees		
Guarantees issued by banks on behalf of the Company	3643.89	1,767.58
Total contingent liabilities	3707.28	2319.1127

NOTE : 31 COMMITMENTS
NON-CANCELLABLE OPERATING LEASES

The operating leases entered by the Company are cancellable on serving a notice of one to three months and accordingly, there are no non-cancellable operating leases required commitments for operating lease payments.

NOTE : 32 ASSETS PLEDGED AS SECURITY

The carrying amounts of assets pledged as security for current and non-current borrowings are as follows:

Particulars	As at	
	31 March 2024	31 March 2023
Current		
Financial assets		
- Cash & cash equivalents	-	-
Non-financial assets		
- Inventories	3369.98	1457.91
Total current assets pledged as security	3,369.98	1,457.91
Non-current		
Non-financial assets		
Property, plant and equipment	1,295.49	1,339.72
Capital WIP(Machinery)	1,446.86	-
Total non-current assets pledged as security	2,742.35	1,339.72
Total assets pledged as security	6,112.33	2,797.63

NOTE : 33 OTHER MATTERS

Particulars	As at	
	31 March 2024	31 March 2023
CIF Value of Imports		
Raw Material	7,072.17	3,600.49
FOB Value of Exports	3,457.14	-

Particulars	As at	As at
	31 March 2024	31 March 2023
Expenditure in Foreign Currencies		
Raw Materials	5,034.33	3,162.97
Tour Advance & Advance Against Raw Material/Software License	9.77	8.17
Expenses	-	3.92
Asset (Software License)	-	0.44
Asset (Machinery)	1,132.56	136.72

Other Matters :-

- (a) The VAT Department of Government of Haryana at Kundli had assessed the Sales Turnover of the company up to 30.06.2017 and created the demand of Rs.8.81 Lacs (Including Interest) for short submission of statutory forms on 12th March 2021. The Company paid the amount of Rs 2.28 lacs on 29th June,2020. Hence net demand of Rs 6.52 Lacs is payable as on balance sheet date. The company had charged the said amount to profit & loss account and reduce the advance payment Rs. 40.92 Lacs from the said Government Department .
- (b) The income tax department has created demand of Rs. 252.12 Lacs for the A.Y. 2017-18 on 26th of December 2019. The company had filed an appeal before Commissioner of Income Tax, New Delhi on 21st January 2020 and deposited Rs. 2.50 Lac against the same. The appeal is pending.
- (c) The income tax department has created demand of Rs 143.36 Lacs for the A.Y. 2016-17 on 28th March 2022. The company had filed an appeal before Commissioner of Income Tax, New Delhi on 19th of April 2022. The appeal is pending.
- (d) The income tax department has created demand of Rs 275.23 Lacs for the A.Y. 2017-18 on 26th May 2023. The company had filed an appeal before Commissioner of Income Tax, New Delhi on 12th of June 2023. The appeal is still pending.
- (e) In the opinion of the Board, the current assets, loans and advances have a value on realization in the ordinary course of business, at least equal to the aggregate amount as shown in the Balance Sheet
- (f) The company had received Rs. 305.10 Lacs from different customers against supply / to be supply of goods has been shown as advance from customers in books of accounts, will be adjusted against their outstanding after reconciliation of their accounts.
- (g) The outstanding balances of sundry debtors, creditors & securities are as per the books of accounts of the Company which are subject to confirmations and reconciliation, if any.
- (h) Previous year figures have been regrouped/rearranged wherever found necessary.

Significant accounting policies 1&2

The accompanying notes are an integral part of Consolidated financial statements

As per our report of even date

For Rohit KC Jain & Co.

Chartered Accountants

FRN: 020422N

CA Rohit Jain

(Partner)

M.No.- 099444

Place: Delhi

Date : 09-05-2024

UDIN-24099444BKGYAA6767

For and on behalf of the Board of Directors of

Servotech Power Systems Limited

Raman Bhatia

(Managing Director)

DIN-00153827

Rupinder Kaur

(Company Secretary)

M.No.- A38697

Sarika Bhatia

(Whole-time Director)

DIN-00155602

Vikas Bhatia

(Chief Financial Officer)

PAN- AJNPB0303P

FORM NO. AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of Subsidiaries/associate companies/joint ventures

Part A: Subsidiaries**Amount in Lakhs**

S.N.	Name of the Subsidiary	The date since when subsidiary was acquired	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Share capital	Reserves & surplus	Total assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	Extent of share-holding (in percentage)
1.	Rebreathe Medical Devices India Private Limited	05/07/2021	-	-	15	132.74	1381.68	1381.68	116.83	4229.32	59.71	29.87	44.71	-	95%
2.	Techbec Industries Limited	13/09/2022	-	-	10	(0.32)	9.76	9.76	-	-	(0.15)	-	(0.15)	-	63.50%
3.	Techbec Green Energy Private Limited	27/07/2023	-	-	10	(0.09)	9.90	9.90	-	-	(0.09)	-	(0.09)	-	100%
4.	Servotech EV Infra Private Limited	10/11/2023	-	-	106.06	1208.59	1383.73	1383.73	-	70	3.69	0.93	2.76	-	94.28%

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations: NA

2. Names of subsidiaries which have been liquidated or sold during the year: Techbec Global Solutions Private Limited

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

SN	Name of Associates/ Joint Ventures	Latest audited Balance Sheet Date	Date on which the Associate or Joint Venture was associated or acquired	Shares of Associate/Joint Ventures held by the company on the year end.			Description of how there is significant influence	Reason why the associate/ joint venture is not consolidated	Net worth attributable to Share-holding as per latest audited Balance Sheet	Profit / Loss for the year	
				No.	Amount of Investment in Associates/ Joint Venture	Extend of Holding %				Considered in Consolidation	Not Considered in Consolidation
NA											

**For and on behalf of the Board of Directors of
Servotech Power Systems Limited**

For Rohit KC Jain & Co.
Chartered Accountants
FRN: 020422N

Raman Bhatia
(Managing Director)
DIN-00153827

Sarika Bhatia
(Whole-time Director)
DIN-00155602

CA Rohit Jain
(Partner)
M.No.- 099444

Rupinder Kaur
(Company Secretary)
M.No.- A38697

Vikas Bhatia
(Chief Financial Officer)
PAN- AJNPB0303P

SERVOTECH POWER SYSTEMS LIMITED

CIN:- L31200DL2004PLC129379

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

Phone: 011-41183116, 011-41183119

E-mail: investor.relations@servotechindia.com **Website-** www.servotech.in

NOTICE

NOTICE is hereby given that the 20th Annual General Meeting (“AGM”) of Servotech Power Systems Limited (“the Company”) will be held on Friday, 27th September, 2024 at 11:00 A.M. (“IST”) through Video Conferencing (“VC”)/Other Audio Visual Means (“OAVM”) to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt
 - a) The Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2024, together with the Reports of the Board of Directors and the Auditors thereon; and
 - b) The Audited Consolidated Financial Statements for the financial year ended 31st March, 2024, together with the Reports of the Auditors thereon;
2. To appoint a Director in place of Mr. Rajesh Mohan Rai (DIN:09050751), who retires by rotation and being eligible, offers himself for re-appointment.
3. To declare Final Dividend on Equity Shares of Rs. 0.05/- (Five Paise Only) per Equity Share of face value of Rs. 1/- of the Company as recommended by Board for the financial year 2023-24.

SPECIAL BUSINESS:

4. To approve the re-appointment of Mr. Sampat Rai, (DIN: 07710412) as an Independent Director of the Company for a second term of three consecutive years and in this connection, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT in accordance with the provisions of Section 149, 152 read with other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Schedule IV to the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Sampat Rai, (DIN: 07710412), be and is hereby re-appointed as an Independent Director of the Company to hold office for three consecutive years effective from 09th August, 2025 to 08th August, 2028, not liable to retire by rotation.”

RESOLVED FURTHER THAT in accordance with the provisions of Regulation 17 of the Listing Regulations, approval be and is hereby given for continuation of Mr. Rai, as an Independent Director of the Company on account of his attaining the age of 72 years on the said date.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its committee thereof) and/or Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

5. To ratify the remuneration of Cost Auditors for the financial year 2024-25 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the recommendation of Audit Committee and approval of the Board of Directors and provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s), clarification(s) or re-enactment(s) thereof for the time being in force), the remuneration of INR 30,000/- (Rupees Thirty Thousand Only) plus service tax as applicable, payable to M/s. NN Sharma & Associates, Cost Accountants (Firm Reg. No.:101702) to carry out audit of cost records of the Company for the financial year 2024-25, be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits, in any financial year, notwithstanding anything to the contrary herein contained, during his tenure, aforesaid remuneration shall be paid as minimum remuneration, subject to Part-II of Schedule V of Act or any amendment thereto.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, things and matters as may be deemed necessary, proper or expedient to give effect to this resolution and/or to make any modification as may be deemed necessary in the best interest of the Company.”

**FOR AND ON BEHALF OF
SERVOTECH POWER SYSTEMS LIMITED**

**RUPINDER KAUR
COMPANY SECRETARY**

Date: 24th August, 2024
Place: New Delhi

ICSI MEMBERSHIP NO.: A38697

Registered Office:

Add.: 806, 8th Floor, Crown Heights,
Hotel Crown Plaza, Sector-10, Rohini,
New Delhi-110085

NOTES:-

1. The explanatory statement, pursuant to Section 102 of the Companies Act, 2013 ("the Act"), setting out material facts relating to the Ordinary/Special Businesses to be transacted at the Annual General Meeting ("AGM"/"Meeting") is annexed hereto.
2. The Ministry of Corporate Affairs ("MCA") has, vide its Circular No. 2/2022 dated 5th May, 2022 Circular No. 14/2020 dated 8th April 2020, Circular No. 17/2020 dated 13th April 2020, issued by the Ministry of Corporate Affairs ("MCA Circulars") followed by Circular No. 20/2020 dated 5th May, 2020, and Circular No. 02/2021 dated 13th January, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM. The deemed venue for the 20th AGM shall be the Registered Office of the Company
3. Generally, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and on a poll to vote instead of himself/herself, Since, this meeting is being held through VC/OAVM under the framework of MCA and SEBI circulars where physical presence of the Members has been dispensed with, accordingly, the facility for appointment of proxies by the Members under Section 105 of the Act will not be available for the 20th AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. The attendance of Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to rndregular@gmail.com with a copy marked to evoting@nsdl.com.
8. In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2023-24 will also be available on the Company's website www.servotech.in, websites of the Stock Exchange i.e. National Stock Exchange of India Limited at www.nse.in respectively, and on the website of NSDL at <https://www.evoting.nsdl.com>.
9. The Share Transfer Books and Register of Members Books of the Company will remain closed from Saturday, 21st September, 2024 to Friday, 27th September, 2024 (both days inclusive) the purpose of the AGM..
10. Kindly note that as per SEBI (Listing Obligations and Disclosure Requirement Regulations), 2015, as amended from time to time ("Listing Regulations"), it is mandatory for the Company to print the bank account details of the investors in dividend payment instrument. Hence, Shareholders are requested to register/update your correct bank account details with the Company/RTA/Depository Participant, as the case may be. Shareholders are requested to follow the process as guided herein below to register their mandate for receiving Dividend directly in their Bank accounts.
11. As per the provisions of Section 72 of the Act and circulars issued by SEBI, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she should submit the request in ISR-3 or SH-14 as the case may be. The Forms can be downloaded from Company's website <https://servotech.in/investors/investors-corner/updation-physical-shareholders>. Members are requested to submit the said details to their Depository Participant in case the shares are held by them in dematerialized form and to the Company's Registrar and Transfer Agent ('RTA') in case the shares are held by them in physical form, quoting their folio number.
12. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send the details of such folios together with the share certificates for consolidating their holdings in one folio to the Company or Company's RTA i.e. Bigshare Services Private Limited 302, Kushal Bazar, 32-33, Nehru Place, New Delhi 110019, Tel.: 011-42425004, Email: mukesh@bigshareonline.com ("RTA/Bigshare") and a consolidated share certificate will be issued to such Members after making requisite changes.
13. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number ("PAN"), mandates, nominations, power of attorney, bank

details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc. ("PAN"), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.

- a. **For shares held in electronic form:** to their Depository Participant only and not to the Company's RTA. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and its RTA provide efficient and better service to the Members.
 - b. **For shares held in physical form:** to the Company's RTA in prescribed Form ISR-1 and other forms pursuant to SEBI circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November, 2021, as per instructions mentioned in the form. The said form can be downloaded from the company's website at <https://servotech.in/investors/investors-corner/updation-physical-shareholders> and is also available on the website of the RTA.
14. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests, viz., Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4. The said form can be downloaded from the company's website at <https://servotech.in/investors/investors-corner/updation-physical-shareholders> and is also available on the website of the Company's Registrar and Share Transfer Agent i.e. Bigshare Financial Services Private Limited ("Bigshare/RTA"). It may be noted that any service request can be processed only after the folio is KYC Compliant.
15. SEBI vide its notification dated 24th January, 2022 has amended Regulation 40 of the SEBI Listing Regulations and has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or the Company's RTA i.e. Bigshare Financial Services Private Limited, for assistance in this regard.
16. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with

the Company/RTA (in case of shares held in physical mode) and depositories (in case of shares held in demat mode). A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to the Company at investor.relations@servotechindia.com or to its RTA at info@bigshareonline.com. Shareholders are requested to refer to communication on this subject sent by the Company to them through e-mail or may visit the Company website www.servotech.in, for further details and formats of declaration.

Kindly note that the relevant documents should be emailed to Bigshare Financial Services Private Limited, the Registrar and Transfer Agent ("Bigshare") of the Company, at info@bigshareonline.com. You can also email the same to investor.relations@servotechindia.com.

In case tax on dividend is deducted at a higher rate in the absence of receipt of the aforementioned details/documents, you would still have the option of claiming refund of the excess tax paid at the time of filing your income tax return. No claim shall lie against the Company for taxes so deducted at higher rate. Copies of the TDS certificate will be emailed to you at your registered email ID.

17. The members intending to seek any information on Annual Financial Statements or any matter placed/to be placed at the meeting are requested to kindly write to the Company on or before 7th September, 2024 through email on investor.relations@servotechindia.com. The same will be replied by the Company suitably.
18. The additional details of Directors retiring by rotation/seeking appointment/re-appointment, pursuant to Regulation 36(3) of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the SEBI Listing Regulations") and the Secretarial Standards issued by the Institute of Company Secretaries of India, is annexed as **Annexure-I** and forms integral part of this Notice.
19. In accordance with the provisions of Section 124(2) of the Act, the Company has uploaded the details of unclaimed dividend in respect of interim dividend declared during the financial year 2023-24, on the website of the Company. Shareholders may kindly check the said information and if any dividend amount is appearing as unpaid against their name, they may lodge their claim, duly supported by relevant documents to the Company.
20. The Final Dividend for the Financial Year 2023-24, as recommended by the Board of Directors, if approved at the AGM, would be paid/credited by Date (within 30 days) subject to deduction of tax at source, to the shareholders or their mandates:
- a) Whose names appear as Beneficial Owners as at the end of the business hours on, 20th September, 2024 ("cut-off Date"), in the list of Beneficial Owners to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form; and

- (b) Whose names appear as Shareholders in the Register of Members of the Company after giving effect to valid share transfers with the Company/Bigshare Financial Services Private Limited or before 20th September, 2024.
21. All the documents referred to in the accompanying notice and explanatory statement annexed thereto shall be available for inspection by the members at the Registered Office of the Company on all working days (except Saturdays, Sundays & Public Holidays) during 11:00 a.m. to 02:00 p.m. from the date of circulation of this notice up to the date of AGM. These documents along with the extracts from Register of Directors and Key Managerial Personnel & their shareholding and the Register of Contracts & Arrangements in which directors are interested shall be available for inspection in electronic mode during the meeting to any person having right to attend the meeting.
22. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DPs and holdings should be verified from time to time.
23. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- II. Mr. Debabrata Deb Nath, Partner- R&D Company Secretaries (“ICSI Membership No. 7775 and C.P. No. 8612”), has been appointed as the Scrutinizer to scrutinize the remote e-voting process and the voting at AGM in a fair and transparent manner.
- III. The cut-off date for the purpose of voting (including remote e-voting) is 20th September, 2024
- IV. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again.
- V. The remote e-voting facility will be available during the following period after which the portal shall forthwith be blocked and shall not be available:
- | | |
|--|--|
| Commencement of remote e-voting | 09:00 a.m. (IST) on 23 rd September, 2024 |
| End of remote e-voting | 05:00 p.m. (IST) on 26 th September, 2024 |
- VI. During this period, Members holding shares either in physical form or in dematerialized form, as on 20th September, 2024 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Those Members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on 23rd September, 2024 at 09:00 A.M. and ends on 26th September, 2024 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 20th September, 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 20th September, 2024.

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.](#)

VOTING THROUGH ELECTRONIC MEANS

- I. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated 8th April, 2020, 13th April, 2020 and 5th May, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.

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"> 1. Existing IDEAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDEAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDEAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDEAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: center; margin-top: 10px;"> <p>NSDL Mobile App is available on</p>  <div style="display: flex; justify-content: space-around; margin-top: 10px;">   </div> </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.

	<p>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.</p> <p>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B.Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
- A new screen will open. You will have to enter your User ID, 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.
 - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

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

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

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

General Guidelines for Shareholders:

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to rndregular@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL IDS ARE NOT REGISTERED WITH THE DEPOSITORIES FOR PROCURING USER ID AND PASSWORD AND REGISTRATION OF E-MAIL IDS FOR E-VOTING FOR THE RESOLUTIONS SET OUT IN THIS NOTICE:-

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investor.relations@servotechindia.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investor.relations@servotechindia.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.
3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated 9th December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the EGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Members who would like to express their views/ask questions as a speaker at the Meeting may pre-register themselves by sending a request from their registered e-mail address mentioning their names, DP ID and Client ID/Folio number, PAN and mobile number at investor.relations@servotechindia.com between Thursday, 5th September, 2024 (09.00 a.m. IST) and Monday, 9th September, 2024 (05.00 p.m. IST). The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

OTHER INSTRUCTIONS

- i. The voting rights of members shall be in proportion to their shares in the paid up equity share capital of the Company as on cut-off date i.e. 20th September, 2024. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories, as on cut-off date only shall be entitled to avail the facility of e-Voting system during the AGM.
- ii. The result shall be declared not later than 48 hours from conclusion of this Annual General Meeting. The results declared shall be communicated to National Stock Exchange of India Limited, NSDL, M/s. Bigshare Financial Services Private Limited (i.e. Registrar & Share Transfer Agent of the Company) and shall also be displayed on the website of the Company i.e. www.servotechindia.com.
- iii. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on date of Annual General Meeting i.e. Friday, 27th September, 2024.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013**ITEM NO.: 4**

In terms of the provisions of Section 149 of the Companies Act, 2013 and Rules framed thereunder, the Shareholders of the Company, vide Annual General Meeting held on 30th September, 2022, had appointed Mr. Sampat Rai (DIN: 07710412), as the Non-Executive Independent Director of the Company, for a period of 3 (three) years up to 08th August, 2025 not liable to retire by rotation.

The Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation, has recommended re-appointment of Mr. Sampat Rai as an Independent Director, for a second term of 3 (three) consecutive years, on the Board of the Company. The performance of the Director i.e. Mr. Sampat Rai had been very much in line with expectations and of the require standards.

The Board of Directors and Nomination and Remuneration Committee, considering the expertise, experience and contribution made by Mr. Sampat Rai during the first term and based on his performance evaluation, approved his re-appointment as Independent Director for a period of 3 (three) years Subject to the approval of Shareholders at this Annual General Meeting.

The Company has received a notice in writing under Section 160 of the Companies Act, 2013, from a Member proposing the candidature of Mr. Sampat Rai for the office of Director of the Company, not liable to retire by rotation.

Mr. Sampat Rai has had a long corporate career of over 40 years has been on a very large canvas beginning at HCL. Mr. Rai has worked in various industry verticals like Telecom, Computers, Surveillance etc. He, as a Management Consultant has turned around several companies in Instrumentation, Exports and the largest Fitness equipment company (among many others) in India..

The additional details of Mr. Sampat Rai as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards issued by the Institute of Company Secretaries of India are set out in the Annexure-I forming part of this Notice. He does not hold any shares in the Company. The letter of appointment of Mr. Sampat Rai containing terms of his appointment, is available for inspection by Members on the website of the Company at www.servotech.in.

Details of Mr. Sampat Rai is provided in the "Annexure" to the Notice, pursuant to the provisions of (i) SEBI Listing Regulations and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives, except Mr. Sampat Rai, is concerned or interested, financially or otherwise, in the resolution set out at Item No. 4.

The Board considers that Mr. Sampat Rai continued association would immensely benefit the Company and accordingly, recommends the resolution set forth in Item No. 5 for the approval of Members as a Special Resolution.

ITEM NO.: 5

The Board of Directors of the Company, on recommendation of the Audit Committee, at its meeting held on 09th May, 2024, had re-appointed M/s. N N Sharma & Associates, Cost Accountants (FRN. No. 101702) as Cost Auditors for the Financial Year 2024-25 at a remuneration of Rs. 30,000/- (including out of pocket expenses) plus applicable taxes.

In accordance with the provisions of Section 148(3) of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records & Audit), Rules, 2014, the remuneration payable to the Cost Auditor is to be ratified by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditors to conduct the cost audit for the Financial Year 2024-25.

None of Directors, Key Managerial Personnel of the Company or their relatives are in any way connected or interested, financially or otherwise, in the Ordinary Resolution set out in Item No. 5 of the Notice.

The Board recommends the **Ordinary Resolution** set out at item no. 5 of the Notice for approval of the members.

**FOR AND ON BEHALF OF
SERVOTECH POWER SYSTEMS LIMITED**

RUPINDER KAUR
COMPANY SECRETARY
ICSI MEMBERSHIP NO.: A38697

Date: 24th August, 2024
Place: New Delhi

Registered Office:

Add.: 806, 8th Floor, Crown Heights,
Hotel Crown Plaza, Sector-10, Rohini,
New Delhi-110085

Annexure-1
DETAILS OF DIRECTORS SEEKING APPOINTMENT AND RE-APPOINTMENT AT THE 20TH ANNUAL GENERAL MEETING (PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, READ WITH SECRETARIAL STANDARD-2 ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA)

Name of Director	Mr. Rajesh Mohan Rai	Mr. Sampat Rai
Director's Identification Number (DIN)	09050751	07710412
Qualifications	HR Analysis, Bachelor's in Commerce	He is a graduate from Kanpur University and pursued PGDM in Marketing Management and Finance from Jamnalal Bajaj Institute of Management Studies, Mumbai in 1976
Date of Birth & Age	16th December, 1967 (54 years)	25.11.1952 (72 years)
Date of First Appointment on Board	12th February, 2021	09/08/2022
Nature of expertise in specific functional area	More than 25 years of experience as HR Strategist & Business Coach	Mr. Rai has worked in various industry verticals like Telecom, Computers, Surveillance etc. He, as a Management Consultant has turned around several companies in Instrumentation, Exports and the largest Fitness equipment company (among many others) in India.
List of Directorships of other Boards*	REBREATHE MEDICAL DEVICES INDIA PRIVATE LIMITED	NIL
Chairmanship/Membership of Committees of other Boards	Corporate Social Responsibility Committee Stakeholders Relationship Committee Committee of Board of Directors	<ul style="list-style-type: none"> • Nomination and Remuneration Committee • Corporate Social Responsibility Committee • Audit Committee • Stakeholders Relationship Committee
Number of Shares held in the Company	Nil	NIL
Relationship between Directors inter-se	None	None
Last Salary Drawn (in Rs.)	Rs. 10,000 as sitting Fee as a Non-executive, Non-Independent Director	Rs. 10,000/- as sitting fees

**FOR AND ON BEHALF OF
SERVOTECH POWER SYSTEMS LIMITED**

Date: 24th August, 2024
Place: New Delhi

**RUPINDER KAUR
COMPANY SECRETARY
ICSI MEMBERSHIP NO.: A38697**

Registered Office:

Add.: 806, 8th Floor, Crown Heights,
Hotel Crown Plaza, Sector-10, Rohini,
New Delhi-110085



Servotech Power Systems Ltd.

Corporate Office:

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

Ph : +91-11-41130158 / 59, For Sales : 011 41183116, For Service : 011 41183119

Plant and R&D:

76A, Sector-57, Revenue Estate, Kundli,
Sonipat 131028, Haryana

Plant and R&D:

Killa No. 14/6/1/2 (0-3), 6/2/3 (5-13) Village-Safiabad,
Pana Paposhian, Rai, Sonipat 131029 Haryana

www.servotech.in

