SAARA
SMART LED LIGHTING SOLUTIONS

SERVOTEC
smart power solutions

19th December, 2020

To,
National Stock Exchange of India Limited
Exchange Plaza, Plot no. C/1, G Block,
Bandra-Kurla Complex, Bandra (E)
Mumbai - 400 051, Maharashtra

Trading Symbol: SERVOTECH

Sub.: Proceedings of the 16th Annual General Meeting of the Company held on 19th December,2020, pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements), Regulations. 2015 ("Listing Regulations")

Dear Sir/Madam,

This is to inform you that the 16th Annual General Meeting (AGM) of the Company was held on 19th December, 2020 through Video Conferencing/Other Audio-Visual means and the items mentioned in the Notice of AGM dated August 06, 2020 was transacted and passed with requisite majority.

In this regard, please find enclosed the followings:

1. Proceedings as required under the Regulation 30, Part A of Schedule - III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations as **Annexure – I;**
2. Voting results as required under Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations as **Annexure – II**;
3. Report of the Scrutinizer dated September 25, 2020, pursuant to Section 108 of the Companies Act, 2013 and Rule 20 (4) (xii) of the Companies (Management and Administration), Rules 2014 as **Annexure – III;**
4. Copy of the Annual Report for the financial year 2019-20 as **Annexure – IV**

You are requested to take the aforesaid information on records.

Kindly acknowledge receipt.

Thanking You,

FOR SERVOTECH POWER SYSTEMS LIMITED

SERVOTECH POWER SYSTEMS LIMITED

RAMAN BHATIA
MANAGING DIRECTOR
DIN: 00153827

ANNEXURE-1

SUMMARY OF THE PROCEEDINGS OF THE 16TH ANNUAL GENERAL MEETING OF SERVOTECH POWER SYSTEMS LIMITED

The 16th Annual General Meeting (AGM) of the Members of DCM Nouvelle Limited ('the Company') was held on 19th December, 2020 at 11.00 A.M (IST) through Video Conferencing (VC) and Other Audio-Visual Means (OAVM).

Directors in attendance:

1. Mr. Raman Bhatia, Managing Director, joined over VC from Delhi
2. Mr. Yogesh Mahajan, Independent Director and the Chairman of the Audit Committee, joined over VC from Delhi
3. Mr. Sahil Khurana, Independent Director and also the Chairman of Nomination and Remuneration Committee, joined over VC from Delhi
4. Mr. Pankaj Dawar, Independent Director and also the Chairman of Stakeholder Relationship Committee, joined over VC from Delhi
5. Ms. Sarika Bhatia, Whole-time Director, joined over VC from Delhi
6. Mr. Nimesh Malhotra, Whole-time Director, joined over VC from Delhi

All the Directors were present in the meeting, therefore, no leave of absence was required to be granted.

Other Representative(s):

1. Mr. RN Jalan, Partner, M/s. Gupta Jalan & Associates, Statutory Auditors, joined over VC from Delhi.
2. Mr. Debabrata Deb Nath, Partner M/s. R&D Company Secretaries, joined over VC from Delhi
3. Mr. Vikas Bhatia, Chief Financial Officer, joined over VC from Delhi. Leave of absence was granted to Mr. Arun Handa, Chief Executive Officer
4. Ms. Priya Pandey, Company Secretary, joined over VC from Delhi.

Mr. Nimesh Malhotra, Whole-time Director welcomed all the members and informed that this AGM is being held through video conference. He then introduced the Directors, Key Managerial Personnel and Senior Management attending the meeting. He requested Mr. Raman Bhatia, Managing Director to chair the meeting.

Thereafter, he requested Ms. Priya Pandey Company Secretary to brief them about certain important points regarding video conferencing. Accordingly, the Company Secretary informed the Members that this AGM is being held through video conference in accordance with the circulars issued by the Ministry of Corporate Affairs and SEBI. The members were informed that the requisite registers and other documents referred to in the notice of Meeting were available for inspection during the Meeting. The Chairman was then requested to deliver his speech.

Thereafter, the Company Secretary informed the Members that the notice convening this AGM, Audited Financial Statements of the Company for the year ended 31st March, 2020 and the Director's reports had already been emailed to all shareholders and were taken as read. Since this meeting was held through VC and following resolutions were put to vote through e-voting poll during the meeting, the practice of proposing and seconding of resolutions was dispensed with.

For Servotech Power Systems Limited

Raman Bhatia
Managing Director

With the permission of members, the Notice convening the Meeting, the Directors Report and the Auditors Report for the financial year ended 31st March, 2020 was taken as read. The members were also informed that there were no qualification remarks reported by the Statutory Auditors and Secretarial Auditors of the Company in their respective reports.

Thereafter, Members were explained the procedure of voting on the resolutions as mentioned in the Notice dated 18th November, 2020. They were informed that the remote e-voting facilities had been arranged by the Company through a platform provided by National Security Depository Limited ("NSDL"), pursuant to Section 108 of the Companies Act, 2013 ("Act") read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which commenced from Wednesday, 16th December, 2020 from 09.00 am. (IST) and ended on Friday, 18th December, 2020 at 05.00 pm. (IST). She further informed the Members present, that Subsequent to the Ministry of Corporate Affairs (MCA) circular of 8th April 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. She also informed that joining AGM opened 30 minutes before the scheduled time of the commencement of the meeting, which is 11:00 am and it remained open for another 15 minutes after the end of the meeting. Members, who have not voted during the e-voting can cast their vote during that period.

Thereafter, the Company Secretary announced for voting to be taken electronically (e-voting) and had appointed Mr. Debabrata Deb Nath, Mr. Debabrata Deb Nath, Practicing Company Secretary (ICSI Membership No. 7775 and C.P. No. 8612), was appointed as Scrutinizer to scrutinize the remote e-voting processes process at the meeting in a fair and transparent manner.

Considering non-receipt of any query from Members, the Company did not hold any question/answer session.

Thereafter, the following items of business as per the Notice of the AGM dated 21st August, 2019, were transacted at the Meeting:

Sl. No.	Resolution
Ordinary Resolution	
1.	Adoption of Audited Financial Statements of the Company for the financial year ended 31st March, 2020 together with the Report of the Board of Directors and Auditors thereon
2.	Re-appointment of Mr. Nimesh Malhotra (DIN: 07104660) as Director, who retires by rotation
Special Resolution	
3.	Ratification of Remuneration of M/s. NN Sharma & Associates, Cost Auditors of the Company
4.	Payment of remuneration to Mr. Raman Bhatia, (DIN:00153827) Managing Director.
5.	Continuation of payment of remuneration to Ms. Sarika Bhatia, (DIN: 00155602) Whole-time Director in excess of threshold limits.
5.	Re-appointment of Mr. Nimesh Malhotra, (DIN: 07104660) as the Whole-time Director for a period of 3 (three) years w.e.f. 19th July, 2021

The Members were further informed the members that the Voting Results of the AGM shall be

For Servotech Power Systems Limited

Raman Bhatia
Managing Director

declared within 48 hours from the closure of the Meeting and shall be placed on the website of the Company as well as NSDL and will be displayed on the Notice Board at the Registered office of the Company and shall also be simultaneously forwarded to National Stock Exchange of India ("NSE") at Emerge Portal, where the share of the Company are listed.

The meeting concluded with a vote of thanks to the chair at 11:20 a.m.

You are requested to take the aforesaid information on records.

Thanking You,

FOR SERVOTECH POWER SYSTEMS LIMITED

SERVOTECH POWER SYSTEMS LIMITED

RAMAN BHATIA
MANAGING DIRECTOR
DIN: 00153827

Annexure-II

SERVOTECH POWER SYSTEMS LIMITED

Disclosure in terms of regulation 44(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

S. No.	Description	Particulars
1	Date of AGM	19th December, 2020
2	Total Number of shareholders on Record date i.e. 12th December, 2020	304
3	No of shareholders present in the meeting either in person or through proxy:	
	Promoters and Promoter Group	N. A.
	Public	N. A.
4	No. of shareholders attended the meeting through Video Conferencing:	
	Promoters and Promoter Group	3
	Public	15

Agenda-wise disclosure

1. **Adoption of Audited Financial Statements of the Company for the financial year ended 31st March, 2020 together with the Report of the Board of Directors and Auditors thereon.**

Resolution required		Ordinary						
Whether Promoter/Promoter Group are interested in the agenda/resolution		No						
Category	Mode of Voting	No. of shares held (1)	No. of Votes polled (2)	% of votes Polled on outstanding shares (3)= [(2)/(1)]* 100	No. of votes in favour (4)	No. of votes against (5)	% of votes in favour on votes polled (6)= [(4)/(2)]* 100	% of votes in against on votes polled (7)= [(5)/(2)]* 100
Promoter and Promoter Group	E-voting	12856250	9172500	71.35	9172500	0	100	0
	Poll		0	0	0	0	0	0
	Postal Ballot (if applicable)		N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Total	12856250	9172500	71.35	9172500	0	100	0
Public – Institutions	E-voting	0	0	0	0	0	0	0
	Poll		0	0	0	0	0	0
	Postal Ballot (if applicable)		N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Total	0	0	0	0	0	0	0
Public -Non Institutions	E-voting	5454179	65110	1.19	65110	0	100	0
	Poll		0	0	0	0	0	0
	Postal Ballot (if applicable)		N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Total	5454179	65110	1.19	65110	0	100	0
Total		18310429	9237610	50.45	9237610	0	100	0

For Servotech Power Systems Limited

Raman Bhatia
Managing Director

2. Re-appointment of Mr. Nimesh Malhotra (DIN: 07104660) as Director, who retires by rotation.

Resolution required		Ordinary						
Whether Promoter/Promoter Group are interested in the agenda/resolution		No						
Category	Mode of Voting	No. of shares held (1)	No. of Votes polled (2)	% of votes Polled on outstanding shares (3)= [(2)/(1)]* 100	No. of votes in favour (4)	No. of votes against (5)	% of votes in favour on votes polled (6)= [(4)/(2)]* 100	% of votes in against on votes polled (7)= [(5)/(2)]* 100
Promoter and Promoter Group	E-voting	12856250	9172500	71.35	9172500	0	100	0
	Poll		0	0	0	0	0	0
	Postal Ballot (if applicable)		N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Total	**12856250**	**9172500**	**71.35**	**9172500**	**0**	**100**	**0**
Public – Institutions	E-voting	0	0	0	0	0	0	0
	Poll		0	0	0	0	0	0
	Postal Ballot (if applicable)		N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Public -Non Institutions	E-voting	5454179	65110	1.19	65110	0	100	0
	Poll		0	0	0	0	0	0
	Postal Ballot (if applicable)		N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Total	**5454179**	**65110**	**1.19**	**65110**	**0**	**100**	**0**
Total		18310429	9237610	9237610	50.45	9237610	0	100

3. Ratification of Remuneration of M/s. NN Sharma & Associates, Cost Auditors of the Company rotation.

Resolution required		Special						
Whether Promoter/Promoter Group are interested in the agenda/resolution		No						
Category	Mode of Voting	No. of shares held (1)	No. of Votes polled (2)	% of votes Polled on outstanding shares (3)= [(2)/(1)]* 100	No. of votes in favour (4)	No. of votes against (5)	% of votes in favour on votes polled (6)= [(4)/(2)]* 100	% of votes in against on votes polled (7)= [(5)/(2)]* 100
Promoter and Promoter Group	E-voting	12856250	9172500	71.35	9172500	0	100	0
	Poll		0	0	0	0	0	0
	Postal Ballot (if applicable)		N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Total	**12856250**	**9172500**	**71.35**	**9172500**	**0**	**100**	**0**
Public – Institutions	E-voting	0	0	0	0	0	0	0
	Poll		0	0	0	0	0	0
	Postal Ballot (if applicable)		N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Public -Non Institutions	E-voting	5454179	65110	1.19	65110	0	100	0
	Poll		0	0	0	0	0	0
	Postal Ballot (if applicable)		N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Total	**5454179**	**65110**	**1.19**	**65110**	**0**	**100**	**0**
Total		18310429	9237610	50.45	9237610	50.45	9237610	0

For Servotech Power Systems Limited

Raman Bhatia
Managing Director

4. Payment of remuneration to Mr. Raman Bhatia, (DIN:00153827) Managing Director.

Resolution required		Special						
Whether Promoter/Promoter Group are interested in the agenda/resolution		No						
Category	Mode of Voting	No. of shares held (1)	No. of Votes polled (2)	% of votes Polled on outstanding shares (3)= [(2)/(1)]* 100	No. of votes in favour (4)	No. of votes against (5)	% of votes in favour on votes polled (6)= [(4)/(2)]* 100	% of votes in against on votes polled (7)= [(5)/(2)]* 100
Promoter and Promoter Group	E-voting	12856250	9073700	70.58	9073700	0	100	0
	Poll		0	0	0	0	0	0
	Postal Ballot (if applicable)		N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Total	**12856250**	**9073700**	**70.58**	**9073700**	**0**	**100**	**0**
Public – Institutions	E-voting	0	0	0	0	0	0	0
	Poll		0	0	0	0	0	0
	Postal Ballot (if applicable)		N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Public -Non Institutions	E-voting	5454179	57110	1.05	57110	0	100	0
	Poll		0	0	0	0	0	0
	Postal Ballot (if applicable)		N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Total	5454179	57110	1.05	57110	0	100	0
Total		**18310429**	**9130810**	**49.87**	**9130810**	**0**	**100**	**0**

5. Continuation of payment of remuneration to Ms. Sarika Bhatia, (DIN: 00155602) Whole-time Director in excess of threshold limits.

Resolution required		Special						
Whether Promoter/Promoter Group are interested in the agenda/resolution		No						
Category	Mode of Voting	No. of shares held (1)	No. of Votes polled (2)	% of votes Polled on outstanding shares (3)= [(2)/(1)]* 100	No. of votes in favour (4)	No. of votes against (5)	% of votes in favour on votes polled (6)= [(4)/(2)]* 100	% of votes in against on votes polled (7)= [(5)/(2)]* 100
Promoter and Promoter Group	E-voting	12856250	9073700	70.58	9073700	0	100	0
	Poll		0	0	0	0	0	0
	Postal Ballot (if applicable)		N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Total	**12856250**	**9073700**	**70.58**	**9073700**	**0**	**100**	**0**
Public – Institutions	E-voting	0	0	0	0	0	0	0
	Poll		0	0	0	0	0	0
	Postal Ballot (if applicable)		N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Public -Non Institutions	E-voting	5454179	57110	1.05	57110	0	100	0
	Poll		0	0	0	0	0	0
	Postal Ballot (if applicable)		N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Total	5454179	57110	1.05	57110	0	100	0
Total			**18310429**	**9130810**	**49.87**	**9130810**	**0**	**100**

For Servotech Power Systems Limited

Raman Bhatia
Managing Director

6. **Re-appointment of Mr. Nimesh Malhotra, (DIN: 07104660) as the Whole-time Director for a period of 3 (three) years w.e.f. 19th July, 2021**

Resolution required		Special						
Whether Promoter/Promoter Group are interested in the agenda/resolution		No						
Category	Mode of Voting	No. of shares held (1)	No. of Votes polled (2)	% of votes Polled on outstanding shares (3)= [(2)/(1)]* 100	No. of votes in favour (4)	No. of votes against (5)	% of votes in favour on votes polled (6)= [(4)/(2)]* 100	% of votes in against on votes polled (7)= [(5)/(2)]* 100
Promoter and Promoter Group	E-voting	12856250	9172500	71.35	9172500	0	100	0
	Poll		0	0	0	0	0	0
	Postal Ballot (if applicable)		N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Total	12856250	9172500	71.35	9172500	0	100	0
Public – Institutions	E-voting		0	0	0	0	0	0
	Poll		0	0	0	0	0	0
	Postal Ballot (if applicable)		N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Total		0	0	0	0	0	0
Public -Non Institutions	E-voting	5454179	65110	1.19	65110	0	100	0
	Poll		0	0	0	0	0	0
	Postal Ballot (if applicable)		N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Total	5454179	65110	1.19	65110	0	100	0
Total			18310429		9237610	50.45	9237610	0

For Servotech Power Systems Limited

Raman Bhatia
Managing Director

ANNEXURE - III

R & D
COMPANY SECRETARIES

Scrutinizer's Report
(Pursuant to Section 108 of the Companies Act, 2013 and Rule 20(4)(xii) of the Companies (Management and Administration) Rules, 2014)

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

Sub: 16th Annual General Meeting of the Equity Shareholders of Servotech Power Systems Limited held on Saturday, the 19th day of December, 2020 at 11:00 A.M. through Video Conferencing (VC)/Other Audio Visual Means ("OAVM")

Dear Sir,

I, Debabrata Deb Nath, Practicing Company Secretary, Partner of R & D Company Secretaries, at 785, Pocket-E, Mayur Vihar-II, Delhi-110091, appointed as Scrutinizer by the Board of Directors of **Servotech Power Systems Limited** (the Company) for the purpose of scrutinizing e-voting process (remote e-voting) and electronic voting (e-voting) during the AGM pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 & 21 of the Companies (Management and Administration) Rules, 2014 (Amendment Rules, 2015) in respect of the below mentioned resolutions proposed at the 16th Annual General Meeting of the Equity Shareholders of the Company held on Saturday, 19th December, 2020 at 11:00 a.m. through VC, submit my report as under:

1. The compliance with the provisions of the Companies Act, 2013 and the Rules made thereunder relating to voting through electronic means (by remote e-voting) and electronic voting (e-voting) at the AGM by the shareholders on the resolutions proposed in the Notice of the 16th Annual General Meeting of the Company is the responsibility of the management. My responsibility as a Scrutinizer is to ensure that the voting process both through e-voting (remote e-voting) and by electronic voting (e-voting) at the AGM are conducted in a fair and transparent manner and render consolidated Scrutinizer's Report of the total votes cast in favour or against if any, to the Chairman on the resolutions.

COMPANY SECRETARIES NEW DELHI

785, Pocket - E, Mayur Vihar - II, Delhi 110 091 INDIA • **Phone/Fax :** 011-2272 5301, 4301 2488, 4268 6943
E-mail : rndcompanysecretaries@gmail.com

2. The e-voting facility both for e-voting prior to the AGM (remote e-voting) and voting at the AGM by electronics means (e-voting) was provided by National Securities Depository Limited (NSDL).

3. In accordance with the Notice of the 16th Annual General Meeting sent to the shareholders and the 'Advertisement' published pursuant to Rule 20(4)(v) of the Companies (Management and Administration) Rules, 2014 (Amendment Rules 2015) on 26th November, 2020, the remote e-voting opened at 9:00 AM on 16th December, 2020 and remained open up to 5:00 PM on 18th December, 2020.

4. After declaration of voting by the Chairman, the shareholders present at the AGM through VC voted through e-voting facility provided by NSDL at the AGM.

5. The Equity Shareholders holding shares as on Saturday, 12th December, 2020, "cut off date", were entitled to vote on the resolutions stated in the Notice of the 16th Annual General Meeting of the Company.

6. As per the information given by the Company the names of the shareholders who had voted by remote e-voting through the facility provided by NSDL had been blocked and only those members who were present at the AGM through VC and who had not voted on remote e-voting were allowed to cast their votes through e-voting system during the AGM.

7. After closure of e-voting at the AGM, the votes cast through e-voting at the AGM and through remote e-voting prior to the date of AGM were unblocked and downloaded from the e-voting website of National Securities Depository Limited (https://www.evoting.nsdl.com/) in the presence of two witnesses, who are not in the employment of the company. The e-voting data/results downloaded from the e-voting system of NSDL were scrutinized and reviewed, the votes were counted, and the results were prepared.

8. Based on the data downloaded from NSDL e-voting system, the total votes cast in favour or against all the resolutions proposed in the Notice of the AGM are as under:

COMPANY SECRETARIES NEW DELHI

Sl. No.	Particulars of resolution	Ordinary/ Special resolution	Voting	No. of Shareholders Voted	Votes in favour		Votes Against		Invalid Votes
					No. of Shares	% of total valid Votes	No. of Shares	% of total valid Votes	No. of Shares
1.	Adoption of Audited Financial Statement of the Company for the financial year ended 31st March, 2020 and the reports of the Board of Directors and Auditors	Ordinary Resolution	Remote E-voting	24	9237610	100	0	0	0
			E-voting during AGM	0	0	0	0	0	0
			Total	**24**	**9237610**	**100**	**0**	**0**	**0**
2.	Appointment of Director in place of Mr Nimesh Malhotra (DIN: 07104660), who retires by rotation and being eligible, offers himself for re-appointment	Ordinary Resolution	Remote E-voting	24	9237610	100	0	0	0
			E-voting during AGM	0	0	0	0	0	0
			Total	**24**	**9237610**	**100**	**0**	**0**	**0**
3.	Approval for ratification of remuneration of Cost Auditors	Special Resolution	Remote E-voting	24	9237610	100	0	0	0
			E-voting during AGM	0	0	0	0	0	0
			Total	**24**	**9237610**	**100**	**0**	**0**	**0**
4.	Approval of remuneration of Mr. Raman Bhatia (DIN:00153827) as Managing Director of the Company	Special Resolution	Remote E-voting	23	9130810	100	0	0	0
			E-voting during AGM	0	0	0	0	0	0
			Total	**23**	**9130810**	**100**	**0**	**0**	**0**
5.	Approval of remuneration to Ms. Sarika Bhatia,	Special Resolution	Remote E-voting	23	9130810	100	0	0	0

COMPANY SECRETARIES DELHI

	(DIN:00155602) as Whole-time Director of the Company		E-voting during AGM	0	0	0	0	0	0
			Total	**23**	**9130810**	**100**	**0**	**0**	**0**
6.	Approval of re-appointment of Mr. Nimesh Malhotra as the Whole-time Director for a period of 3 (three) years w.e.f. 19th July, 2021	Special Resolution	Remote E-voting	24	9237610	100	0	0	0
			E-voting during AGM	0	0	0	0	0	0
			Total	**24**	**9237610**	**100**	**0**	**0**	**0**

RSD COMPANY SECRETARIES NEW DELHI

You may accordingly declare the result of the voting and take other necessary steps in this regard.

Thanking You,

For **R&D**
Company Secretaries

Debabrata Deb Nath
Partner
FCS No.:7775; CP No.: 8612
UDIN: F007775B001563890

Date: 19th December, 2020
Place: Delhi

Countersign by

Chairman

SERVOTEC
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SAARA

Annexure-IV

2019-20 ANNUAL REPORT

SERVOTECH
POWER SYSTEMS LIMITED

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CORPORATE INFORMATION

Board of Directors	
Mr. Raman Bhatia	Managing Director
Ms. Sarika Bhatia	Whole-time Director
Mr. Nimesh Malhotra	Whole-time Director
Mr. Sahil Khurana	Non-Executive Independent Director
Mr. Pankaj Dawar	Non-Executive Independent Director
Mr. Yogesh Mahajan	Non-Executive Independent Director
Chief Executive Officer	Mr. Arun Handa
Chief Financial Officer	Mr. Vikas Bhatia
Statutory Auditors	M/s. Gupta Jalan and Associates, Chartered Accountants
Company Secretary and Compliance Officer	Ms. Priya Pandey
Secretarial Auditor	M/s. R&D Company Secretaries
Cost Auditor	M/s. N.N Sharma & Associates, Cost Accountants
Bankers	United Bank of India
Registrar & Share Transfer Agent Bigshare Services Private Limited	302, Kushal Bazar, 33-34 Nehru Place, New Delhi-110091
Registered office	806, 8th Floor, Crown Heights, Hotel Charted Accountants Crown Plaza, Sector-10, Rohini, New Delhi-110085
PLANT AND R&D	Plot No.76 A, Sector-57, Kundli Industrial Area Company Secretaries Sonepat, Haryana-131028

CHAIRPERSON SPEECH

"For every problem there is an answer. Empty your thoughts and allow the solution to visit you."

We are going through unprecedented times. Dear Members, the new normal dictates us to connect virtually. Your support and confidence in us, even in uncertain times like these, drive us to look for more ways to do more, and create greater value.

Servotech is leading manufacturer of **LED lights and Solar Products** and has supplied products to our prestigious clients in India such as IOCL, BPCL and several District State Agencies, managed by MNRE. During the current Covid-19 pandemic situation, Servotech took the initiative and launched various **UVC products**, which are used for sanitization of homes, office, hotels, restaurants and industries to support entire human community in carrying out its economic activity in a safe manner.

Servotech is now introducing the UVC technology, which can help us to fight against the virus and save many lives during the current pandemic situation. UVC technology has a long proven history of killing viruses, bacteria and pathogens present in the environment by destroying their DNA within seconds, without addition of chemicals and harmful side effects. By this we not only aim to introduce a complete sanitization solution to our people but also at the same time to contribute towards the objective of "Make in India" movement by boycotting Chinese products. Further, our Indian manufactured UVC products are capable of competing in international market, making us self-reliant and helping us to become the main stream Indian disinfectant manufacturer

This application of using far UV-C light for disinfection provides an important measure to prevent the rapid spread of Covid-19 infection by thorough disinfection in India. The method is already being used widely in European countries in hospitals and other public places. The far UV-C sanitization concept is new in India to be used for large scale sanitization. Hence the objective of this project is to manufacture, create awareness and offer capacity building that will have a high positive impact in the current situation.

In our continuous endeavor to contribute to the society we are immensely focusing on the UVC products. Your Company has recently joined hands with the German Government to promote Vocal for Local. The project aims at combating COVID 19 virus through improved disinfection measures using Far-UVC technology. The proposed partnership project, costing approx. 1 Milion Euros.

Not only this, your Company has launched variety of UVC products that have different utilities to carter the immediate needs of domestic Indian market. The UV-Disinfection products are capable of sterilizing every surface with powerful UVC light & kills up to 99% of surface germs and bacteria, including the Coronavirus strain (COVID-19). This inexpensive, highly efficient and absolutely reliable technology has been used for years by hospitals, airports, offices etc. to keep their surroundings disinfected.

Your Company over the years had been manufacturing vide range of environment friendly products namely LED tube light, street light, flood light, canopy light, panel lights, bay lights, yard lights and solar products such as home lights, solar street lights, solar power plant/panel, solar pumping system and lithium batteries. Further, keeping in view the need of the hour, the Company is now introducing UV-C Disinfectant Lamps.

Through our determination, we seized every opportunity and it helped us steer in an ever-changing landscape. This has made us resilient and responsive to the ever-changing market dynamics. I am glad to share that today we have become reliable and one of the leading manufacturers of LED and UVC products.

Your support and confidence in us, even in uncertain times like these, drive us to look for more ways to do more, and create greater value.

We are blessed to work with a talented pool of people across all the departments. Their commitment and dedication through the thick and thin of the organizational journey is appreciation worthy. We have consistently worked on improving their skills through regular training and workshops. Besides, we have also worked on the leadership building and overall motivational levels of all our employees.

In the closing note, I would like to acknowledge the role of our Board Members and the Management team for consistently delivering, mentoring the team and demonstrating resilience. I also thank all our employees, bankers, communities, business partners, suppliers and, above all, our loyal shareholders, for their unwavering trust. I am confident that by working closely together, we will continue to deliver a solid performance and reliable growth for Servotech in your to come.

Thanking you,
With Warm Regards,

Raman Bhatia
Managing Director

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:

INDUSTRY STRUCTURE AND DEVELOPMENTS

The Indian lighting industry was witnessing strong growth. The replacement of basic and inefficient incandescent, halogen, fluorescent lamps with modern LED lights will reduce electricity consumption. However, due to the outbreak of COVID-19 not only the LED and Solar Industries but every sector of the global economy has suffered significant setback during the last quarter of the financial year. At the same time, the global pandemic led to a never expected growth in disinfection and sanitization sector. The Company did not let go of the opportunities coming its way and ventured into UV-C Disinfectant market considering it to be the need of the hour.

The global **UV disinfection equipment market** size is projected to grow from USD 2.9 billion in 2020 to USD 5.3 billion by 2025; it is expected to grow at a CAGR of 12.3% from 2020 to 2025. Key factors fueling the growth of this market include increasing demand for UV disinfection equipment due to threats of infectious diseases, and long life and lower power consumption of LED-based UV disinfection equipment.

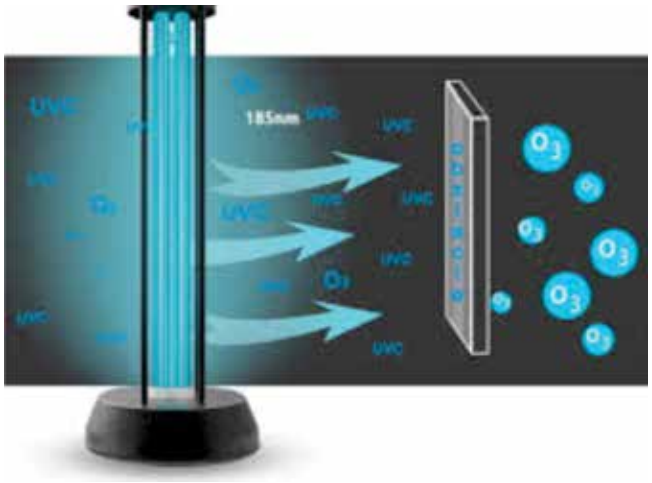
With the New Year's, global citizens began to think about their goals and what they want to accomplish in the year to come, many people focus on their finances, while others may be thinking about their health and relationships. However it didn't turned up as planned by many though, it bought up the unforeseen challenge of survival. Amidst the elated mood the Company sensed the crises soon falling on us, the Research and Development team of the Servotech instantaneously struggled to find a solution to come out from this situation and found that with UV-C technology we can ensure our survival.

Ultraviolet germicidal irradiation (UVGI) is a disinfection method that uses short-wavelength ultraviolet (ultraviolet C or UV-C) light to kill or inactivate microorganisms by destroying nucleic acids and disrupting their DNA, leaving them unable to perform vital cellular functions. It is used in a variety of applications, such as food, air, and water purification.

UV-C light is weak at the Earth's surface since the ozone layer of the atmosphere blocks it. UV devices can produce strong enough UV-C light in circulating air or water systems to make them inhospitable environments to microorganisms such as bacteria, viruses, molds,and other pathogens.

The application of UV-C to disinfection has been an accepted practice since the mid-20th century. It has been used primarily in medical sanitation and sterile work facilities. Increasingly, it has found renewed application in air purifiers.

It was found that UVGI can be used to disinfect air with prolonged exposure. In the 1930s and 40s, an experiment in public schools in Philadelphia showed that upper-room ultraviolet fixtures could significantly reduce the transmission of measles among students. In 2020, UV-C is again being researched as a possible countermeasure against the COVID-19 pandemic.



Servotech, on the basis of the findings, launched its innovative game changing product Virus killing UV light with the motive to help the population in the hard times.

PRODUCT WISE PERFORMANCE

Servotech Power Systems Limited always strives to contribute for the betterment of the world we live in by providing high-quality product at affordable prices. The was in the business of manufacturing and installation of the Solar products and the industrial LED lights during the initial years and is well known in the field of Power and back-up industry. The Company manufactures a wide range of environment friendly products namely LED tube light, street light, flood light, canopy light, panel lights, bay lights, yard lights and solar products such as home lights, solar street lights, solar power plant/panel, solar pumping system and lithium batteries.

The Company recently ventured into UV Disinfectant segment wherein it introduced a series of various disinfectant products namely UV Disinfection Lamp, UV Disinfection Handheld, UV Disinfection Truck, Sterilization Box, UVC RoboTruk and UVLEN based on far UVC technology.

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

1. UV-C DISINFECTANTS

This UV-C sanitizer technology can be used to thoroughly clean household surfaces and gadgets of harmful bacteria and viruses as it destroys the DNA of bacteria and viruses. Considering this, we have launched 6 (six) disinfectant products the details are as mentioned hereunder:

- **UV DISINFECTION LAMP:** ServControl disinfection lamp comes with in-built sensor which automatically turns off if comes in contact with any human or pet and turns on using smart senses.
- **UV DISINFECTION HANDHELD:** ServControl UVC handheld is portable and easy to use as this is rechargeable, USB powered. It is a perfect disinfectant during holiday or any business trip.
- **UV DISINFECTION TRUCK:** ServControl UV disinfectant truck is built with the universal wheels to move around the zone to be disinfected. The device comes with a user-friendly remote control with options ranging from start to stop and to set the timer.
- **STERILIZATION BOX:** ServControl UV-C Sanitizer Box makes it possible to destroy more than 99.9 percent of bacteria and viruses with multifunctional wireless charger abound without the use of chemicals, not causing secondary pollution, thus protecting your family with the innovation.
- **UVC ROBOTRUK:** UVC RoboTruk, a sterilization lamp for big spaces with radar induction for human safety. It has a wireless remote control for you to operate the trunk from a safe distance, with 30 secs auto-delay.
- **UVLEN:** UVLEN sanitizes the surface in few seconds by simply pointing it at your hands, utilizing your smartphone flashlight combined with the Mobile App. With this technology Ultraviolet Germicidal Irradiation coat + Diffraction Grating splitting white beams combined with a dichroic mirror filter built with Fused Silica Amorphous; let certain colors of light through while reflecting others.

2. SOLAR LIGHTING SEGMENT

The Indian government had an initial target of 20 GW capacity for 2022, which was achieved four years ahead of schedule. In 2015 the target was raised to 100 GW of solar capacity (including 40 GW from rooftop solar) by 2022, targeting an investment of US$100 billion. India has established nearly 42 solar parks to make land available

to the promoters of solar plants. In the decade ending 31st March, 2020, India's installed solar power capacity stood at 34,627 MW.

Rooftop solar power accounts for 2.1 GW, of which 70% is industrial or commercial. In addition to its large-scale grid-connected solar photovoltaic (PV) initiative, India is developing off-grid solar power for local energy needs. Solar products have increasingly helped to meet rural needs;

The Company is engaged in the various projects wherein the Company has successfully installed solar panels for charging of batteries and PV ports. In addition, the Company is pioneer in manufacturing of solar invertors.

- **SOLAR HOME LIGHTING SYSTEM:** This system produces an enormous amount of energy from the sun and without any kind of pollution or other toxic wastes linked with fossil fuels. They require minimal amount of maintenance and once installed, they last for years and years.
- **INTEGRATED SOLAR STREET LIGHT:** It comes intelligent sensor control system, which helps in charging the battery. Intelligent control regulates the brightness depending on the PIR sensor and ensures that it gives light throughout the night.
- **PV PORT:** It is a standardized, portable, mass produced 2 KWP PV system with electrical storage for residential applications (UPS and AC load). The electrical storage vary in capacity depending upon the application – ranging from 1 kWh lead-acid to 4.8 kWh Li-ion batteries.

3. LED SEGMENT:

SAARA LED flood lights are environmentally friendly and provide an artistic lighting effects experience and have manifold benefits to the customers.

- **LED STREET LIGHTS:** SAARA LEDs is featured with higher light uniformity, improved colour rendering and high colour temperature, allowing for wider coverage, can reduce the wattage of fixtures required in many outdoor applications. This significantly reduces the cost of energy, and allows for lower cost of ownership over the life of the system.
- **CANOPY LIGHT:** SAARA Canopy Light retrofit kits use the existing metal halide light fixture canopy mounting - no need to disrupt canopy seals during installation, eliminating potential roof leaks common with other canopy light retrofit procedures. It also provide all of the advantages of LED-based lighting versus metal halide lamps – much longer life, 70% less energy consumption and much better lighting characteristics – brighter light focused on fuel pump areas.
- **FLOOD LIGHT:** SAARA LED flood lights have low heat production and they don't contain any harmful elements like mercury or lead in them like traditional incandescent bulbs. These lights are energy efficient than traditional fluorescent and incandescent lights. The performance of these lights can be more than 85 lumen per watt of power utilized.
- **HIGHBAY LIGHT:** Large indoor space like manufacturing facilities, gymnasiums, warehouses, large department stores, factories, and more requires powerful lighting to provide the appropriate foot-candle levels to adequately illuminate, high bay lighting is usually appropriate.

STRENGTH

Our established record of operations and transparency in dealing with business partners is a core strength that helps us in developing new partnerships for tackling changes in the market. At the same time, product innovation focus keeps us abreast with emerging technologies nearing commercialisation stage. We look to use information technology as a major enabler for business. In addition to helping us focus our actions for growth, the data captured across the value chain helps raise for creating win-win situations for the organization, business partners and employees.

- **Competitive Strengths**
  - Experienced management and technical team
  - Strong track record and financial stability
  - Quality assurance
  - Diversified and large customer base
  - Domestic demand augurs well for the Company
- **Business Strategy**
  - Continue to grow the overall market share by leveraging our presence in existing business verticals
  - Expansion plan and diversification
  - Competitive pricing
  - Enhancing customer base
  - Investing in advanced technology
- **Overall business strategy shall be to**
  - Maximize revenue through capacity expansion, diversification and increase in efficiency
  - Reduction in cost of borrowing
  - Enhancing production efficiency and minimize process losses
  - Reduce operational costs and be cost competitive
  - Have a consumer centric approach
  - Deliver value for money to customers
  - Adopt best practices in all functions and processes.

OPPORTUNITIES AND THREATS

LED is a reliable and energy-efficient source of lighting. LED lighting products have gained a prominent spot in the Indian lighting market, owing to their numerous benefits over older lighting technology. As the demand for a smart, connected lifestyle and energy-efficient products is increasing, the Indian LED lighting industry is also registering strong growth and is expected to grow tremendously even over the long term. The requirement of huge working capital for operating in the industry that is met by taking Guarantees (minimum term of 5 years) resulting in the increase of Long Term Liabilities/Contingent liabilities day by day. The Banks are unable to cater the requirements and match with the pace with which the orders/market demand for our product are increasing. To overcome the threats faced, our Company is planning to further introduce new range of our products as per in line with growing demands of market.

The Company is centrally based in New Delhi with its plant located in Kundli Haryana, which gives a distinct locational advantage. The Company do direct sales to all the customers which means quicker deliveries and owning complete responsibility of our products.

With over 4 decades of experience, the Company has developed in depth ability to understand process related problems and fine tuning of the products to suit customer needs, which has carved a niche for the Company among all the customers.

RISKS AND CHALLENGES

The Company's ability to foresee and manage business risks is crucial in its efforts to achieve favourable results. While management is positive about the Company's long term outlook, it is subject to a few risks and uncertainties, as discussed below.

- **Economic Risk**

  Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, customers credit availability, fluctuations in commodities markets, customers debt levels, unemployment trends and other matters that influence customers confidence and spending. As your Company recently entered into domestic retail market, its revenues are highly dependent on customer's need for retail lightings solutions; an economic slowdown or other factors that affect the economic health of the nation or those retail industries, or any other impact on the growth of such industries, may affect your business.

- **Liability Risk**

  This risk refers to our liability arising from any damage to technology, equipment, office premises, life and third parties which may adversely affect our business. The Company attempts to mitigate this risk through contractual obligations and insurance policies.

- **Regulatory Risk**

  As your Company majorly deals in PSUs tenders, therefore if we are unable to obtain required approvals and licenses in a timely manner, our business and operations may be adversely affected. We require certain approvals, licenses, registrations and permissions for planting business operations in new locations. We may encounter delays in obtaining these requisite approvals, or may not be able to obtain such approvals at all, which may have an adverse effect on our revenues. However, the Government has come up with various scheme MSME sector and as all industry predictions suggest that this will be the trend in the future as well and given our own experience in obtaining such permissions, we do not expect this risk to affect us materially in the coming years.

- **Labour risk**

  The timely availability of skilled and technical personnel is one of the key industry challenges.

  The Company maintains healthy and motivating work environment through various measures.

  This has helped it recruit and retain skilled workforce and, in turn, achieve targets in time.

FINANCIAL ANALYSIS

The Financial Performance with respect to operational performance of the Company is discussed in the Directors' Report which forms part of the Annual Report.

HUMAN RESOURCES

Your Company has undertaken employee's development initiatives, which have very positive impact on the morale and team spirit of the employees. The Company has continued to give special attention to human resources and overall development. The company has also recruited highly qualified and skilled professionals, to help in the growth and functioning of the company. Your management feels proud to state that there were no instances of strikes, lockouts or any other action on part of the employees that affected the functioning of the Company. It is noteworthy that there is no Employee Union within the organization.

INTERNAL CONTROL SYSTEMS

Servotech maintains adequate internal control systems including internal financial control systems, which provide, among other things, reasonable assurance of recording the transactions of its operations in all material aspects. This system also protects

against significant misuse or loss of Company assets. SPSL has a strong and independent internal audit function. The Internal Auditor reports directly to the Chairman of the Audit Committee.

Periodic audits by the professionally qualified, technical and financial personnel of the internal audit function ensure that the Company's internal control systems are adequate and are complied with.

CAUTIONARY STATEMENT

The statements in the 'Management Discussion and Analysis' describing the Company's objectives, projections, estimates and expectations may be 'forward-looking statements' within the meaning applicable to securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand or supply and price conditions in the domestic and overseas markets, changes in the Government regulations, tax laws and other statutes and other incidental factors.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES AND INDUSTRIAL RELATIONS

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

Servotech believes in inspiring the employees to their highest potential and engaging them in cultural and festive activities. In FY 19-20, there were countless engagement activities on occasions of Diwali, Independence Day, Navratri, Women's day and Christmas Celebration, Month End Celebrations to name a few. Recognition and appreciation at the workplace go a long way in motivating the employees to work even harder and better.

Our Company values its relationship with its employees and ensures that each employee feels connected to the Company's objectives and shares the Company's broader vision to create stakeholders' value. Our Human Resource Team, guided by the Top Management relentlessly undertakes various people-centric activities to keep all our employees engaged and provide them with suitable opportunities.

DISCLOSURE OF ACCOUNTING TREATMENT

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

DIRECTOR'S REPORT

Dear Shareholders,

Your Directors are pleased to present to you the 16th Annual Report of Board of Directors ("Board") on the business and operations of your Company along with its Audited Financial Statements for the financial year ended 31st March 2020.

CORPORATE OVERVIEW

The Company was incorporated in 2004 and listed its equity in National Stock Exchange of India Limited at its emerge portal in 2017. The Company has been regularly working with the Public Sector Undertakings through the tenders invited by them and has thereafter achieved remarkable position in Power and back-up industrysuch as LED and Solar industry and recently in UVC segments as well.

FINANCIAL PERFORMANCE

The financial performance of the Company for period under review is summarized below

Particulars	Financial Year ended 31st March, 2020	Financial Year ended 31st March, 2019
Net Sales/Income from Business Operations	**87,44,15,769**	88,50,09,996
Other Income	**53,14,397**	51,00,683
Total Income	**87,97,30,166**	89,01,10,680
Less: Expense	**86,74,71,191**	84,90,98,750
Profit/Loss before tax and Extraordinary/exceptional items	**1,22,58,974**	4,10,11,930
Less: Extraordinary/exceptional items	**8,34,755**	(7,56,538)
Profit before tax	**1,14,24,219**	**4,17,68,469**
Less: Current Income Tax	**29,70,000**	1,15,00,000
Less: CSR Expenses	**51,000**	1,00,000
Less: Income Tax of earlier years	**2,21,068**	-
Less: Deferred Tax	**44,044**	1,21,072
Net Profit After Tax	**81,38,107**	**3,00,47,397**
Earnings per share (Basic)	**0.44**	1.64
Earnings per share (Diluted)	**0.44**	1.64

STATE OF COMPANY'S AFFAIR AND OPERATIONAL HIGHLIGHTS

During the year under review, the Gross Revenue from operations of your Company for the year ended 31st March, 2020 stood at ₹87,97,30,166 as compared to the revenue generated of ₹89,01,10,680 in the year ended 31st March, 2019. The EBITDA of the company for the year under review stood at ₹1,14,24,219 as compare to ₹4,16,68,469 in in the year ended 31st March, 2019. The Profit after tax ("PAT") for the year ended 31st March, 2020 stood at ₹81,38,107_as compared to ₹3,00,47,397 in previous year.

COVID-19

The World Health Organization declared a global pandemic of the Novel Coronavirus disease ("Covid-19") on 11th February, 2020 and in order to contain the spread of Covid-19, the Government of India declared a lockdown situation on 24th March, 2020 all over the country. In enforcing social distancing to contain the spread of the disease, our offices have been operating with minimal or no staff for extended periods of time. In keeping with its employee-safety first approach, the Company quickly instituted measures to trace all employees and assured of their well-being. The Manufacturing facility at Kundli, Haryana had resumed its operations from the last week of May 2020, when lockdown was partially lifted after establishing thorough and well-rehearsed safety protocols. Proactive preparations were done in our work locations during this transition to ensure our offices were safe. The future impact on the business operations is difficult to assess at this point, as the crisis of the pandemic continues to accelerate and the situation remains volatile. However, barring unforeseen circumstances, the Company is confident about its ability to manage this crisis and come out of it slowly but steadily.

SHARE CAPITAL

During the period under review, there was no change in the share capital of the Company. The authorized share capital of the Company stood at ₹19,00,00,000, divided into 1,90,00,000 equity shares of ₹10 each and issued, subscribed and paid-up capital of the Company stood at ₹18,31,04,290 as at 31st March, 2020.

DIVIDEND

The Board of Directors of your Company has decided to retain and plough back the profits into the business of the Company, thus, no dividend is being recommended for this year.

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.

TRANSFER TO RESERVE

The Company did not transfer any amount to the General Reserve for the Financial Year ended 31st March 2020.

DEPOSITS

During the period Company has not invited or accepted or renewed any fixed deposits from public as mandated under Section 73 of the Companies Act, 2013 ("the Act") read with Companies (Acceptance of Deposits) Rules, 2014.

DETAILS OF SUBSIDIARY/JOINT VENTURE/ASSOCIATE COMPANIES

As on 31st March, 2020, the Company does not have any subsidiary or joint venture and associate Company.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the year under review, 6 (Six) 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.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of the Company upon the recommendation of the Nomination and Remuneration Committee, in its meeting held on 20th July, 2019 and 21st August, 2019 had appointed Mr. Nimesh Malhotra (DIN: 07104660), and Ms. Sarika Bhatia (DIN: 00155602) respectively as the Whole-time Director of the Company.

Mr. Malhotra who was associated with the Company as the General Manger- Human Resource, was appointed as the Whole-time Director of the Company for a term of 2 (two) years w.e.f. 20th July, 2020. Ms. Sarika Bhatia, who has held the position of Director since the incorporation of the Company was further appointed as the Whole-time Director for a period of 5 (five) years w.e.f 21st August, 2020.

Mr. Kamlesh Kumar Thakur resigned from the position of Chief Financial Officer w.e.f 21st August, 2019. Thereafter, on the recommendation of Audit Committee Mr. Shyam Sundar Choudhary was appointed as the Chief Financial Officer ("CFO") of the Company in place of Mr. Thakur with immediate effect in accordance with the Act and the Listing Regulations. Further Mr. Shyam Sundar Choudhary tendered his resignation as the Chief Financial Officer vide his resignation letter dated 9th December, 2019 and Lastly Mr. Vikas Bhatia was appointed as the Chief Financial Officer of the Company w.e.f. 22nd May, 2020.

Declaration by Independent Directors

All Independent Directors of the Company have given declaration confirming that they meet the criteria of independence laid down under section 149(6) of the Act, and Listing Regulation.

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:

i) in preparation of annual accounts for the financial year under review, the applicable accounting standards have been followed and that no material departures have been made from the same;

ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

iii) 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;

iv) they have prepared the annual accounts on a 'going concern' basis;

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

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

AUDITORS AND AUDITOR'S REPORT

STATUTORY AUDITORS

The provision of section 139 of the Companies Act, 2013 requires that the statutory auditor may be appointed by the shareholders for a period of 5 (five) consecutive years; however, the said appointment needs to be placed for ratification by the members in each AGM. Now, with effect from 7th May, 2018, the aforesaid requirement related to annual ratification of appointment of statutory auditors by the members has been omitted by the Companies (Amendment) Act, 2017. Hence, the resolution for ratification of appointment of Gupta Jalan and Associates, Charted Accountants (FRN No. 03721N)) as the statutory auditor, whose appointment was approved by the members in the 12th AGM for a term of five consecutive years, has not been put for motion as an ordinary business in the 16th AGM.

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.

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 August, 2020 have appointed R & D Company Secretaries as Secretarial Auditor of the Company to conduct the Secretarial Audit of the Company for the financial year 2019-20.

The Secretarial Audit Report in prescribed Form MR-3 for the financial year ended 31st March, 2020 is appended as Annexure-1 to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

COST AUDITOR

M/s. NN Sharma & Associates, Cost Accountants (Firm Regn. No. 101702) were appointed by the Board of Directors as the Cost Auditors of the Company to conduct Cost Audit of the Company for the financial year 2019-20.

Further, the Board, on the recommendation of the Audit Committee, has re-appointed M/s. NN Sharma & Associates, as Cost Auditors of the Company for the financial year 2020-21 at an annual fee of ₹30,000 plus applicable taxes subject to its ratification by the shareholders at the ensuing AGM.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

CORPORATE GOVERNANCE

Our corporate governance practices are a reflection of the Company's value system encompassing our culture, policies, and relationships with our stakeholders. Integrity and transparency are key to our corporate governance practices to ensure that we gain and retain the trust of our stakeholders at all times. Corporate governance is about maximizing shareholder value legally, ethically and sustainably. The Board exercises its fiduciary responsibilities in the widest sense of the term. Our disclosures seek to attain the best practices in international corporate governance. We also endeavour to enhance long-term shareholder value and respect minority rights in all our business decisions. Our Corporate governance report for financial year 2019-20 forms part of this Annual Report.

The members may please note that the Company being listed on the Small and Medium Enterprise platform is exempted from provisions of corporate governance as per the provisions stated in Chapter IV -Regulation 15 of the Securities and Exchange Board of India Listing Regulations. However, keeping in view the objective of encouraging the use of better governance practices through voluntary adoption, the Company has decided to provide the Corporate Governance Report to its members which not only serve as a benchmark for the corporate sector but also help the Company in achieving the highest standard of corporate governance. The members may please note that any inconsistency shall not be construed as a non-compliance of any relevant provisions thereof.

BOARD EVALUATION

In pursuance to the provisions of the Companies Act, 2013 and the SEBI Listing Regulations, the Board has carried out annual performance evaluation of its own performance of the directors individually as well the evaluation of the working of committees. The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, board meetings and effectiveness of board processes, information and functioning, etc. The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the compliance with the terms of reference of the committees, composition of committees, functions and duties, committee meetings and procedures etc.

The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings, attendance, independent judgment etc.

In a separate meeting of independent directors, performance of non-independent directors, performance of the board as a whole was evaluated, taking into account the views of executive directors and non-executive directors.

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.

MATERIAL CHANGES

There are no material changes and commitments affecting the financial position of the Company during the financial year 2019-20. Further no material change has taken place the end of the financial year i.e. 31st March, 2020 and the date of the Board Report.

RELATED PARTY TRANSACTION

Your Company has adopted the practice of undertaking related party transactions only in the ordinary and normal course of business and at arm's length as part of its philosophy of adhering to highest ethical standards, transparency and accountability. In line with the provisions of Section 188 of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014, the particulars of contract and arrangement in Form AOC-2 is annexed with this report as Annexure-2. The Related Party Transactions Policy as approved by Board, on recommendation of the Audit Committee, is placed on the Company's website at www.servotech.in. For details on related party transactions entered during the year, members may refer to the notes to the financial statement.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has effective and reliable Internal Control System to commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is well defined in the organization and is aligned with the statutory requirements. The Audit Committee reviews the internal audit plans, adequacy and effectiveness of the Internal Control System, significant audit observations and monitors the sustainability of remedial measures.

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.

CORPORATE SOCIAL RESPONSIBILITY

As a responsible organization, the Company focus on inclusive growth and emphasizes on environment Conservation and sustainability, promotion of education, promotion of sports and community. In pursuit of the same the Company is committed to its stakeholders to conduct business in an economically, socially and environmentally sustainable manner that is transparent and ethical. The Company is committed to pursue CSR projects that are replicable, scalable and sustainable with a significant multiplier impact on sustainable livelihood creation and environmental replenishment. The Board of Directors of the Company has constituted Corporate Social Responsibility ("CSR") Committee in compliance with Section 135 of the Companies Act, 2013. The brief outline of the CSR policy and initiatives taken by the Company on CSR activities during the period under review are provided in the Annexure-3 of this Report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The CSR policy is available on the website of the Company.

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.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

In accordance with the provisions of the Act and Listing Regulations, the Company has adopted a Whistle Blower Policy to provide appropriate avenues employee and director to directly communicate to the Chairman of the Audit Committee to report any fraud, irregularity or mismanagement in the Company. The policy ensures strict confidentiality while dealing with concerns and also that no discrimination or victimization is meted out to any whistleblower. The details of the Whistle Blower Policy is explained in the Corporate Governance Report and also available on the website of the Company at www.servotech.in.

EXTRACT OF ANNUAL RETURN

In accordance with Section 134(3)(a) of the Companies Act, 2013, as amended by the Companies (Amendment) Act, 2017 effective from 31st July, 2019, an extract of the annual return in form MGT-9 is annexed hereto as Annexure-5 and available on the website of the Company at www.servotech.in.

SECRETARIAL STANDARDS

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

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.

PARTICULARS OF EMPLOYEES

The information required under Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **Annexure-6** to this Report.

The Company does not have any employee, who is in receipt of remuneration of Rs. 8,50,000/- per month or Rs. 10,2,00,000 per annum and hence the Company is not required to give information under Sub rule 2 and 3 of Rule 5 of the companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

NOMINATION AND REMUENRATION POLICY

Nomination and Remuneration Committee covers the areas as contemplated under Section 178 of the Companies Act, 2013, besides other terms as referred by the Board of Directors.

The role includes formulation of criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board the remuneration for the directors, key managerial personnel and other employees,

formulation of criteria for evaluation of Independent Directors, the Board and Committees of the Board, developing on diversity of Board of Directors and identification of persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down.

The Board, on the recommendation of the Nomination and Remuneration Committee, has framed a policy for selection and appointment of Directors, Key Managerial Personnel and Senior Management and their remuneration. The Remuneration Policy is available on the website of the Company at www.servotech.in.

RISK MANAGEMENT

The Audit Committee in supervision of Board of Directors is responsible for identifying, evaluating and managing all significant risks faced by the Company. The detailed statement indicating the development and implementation of risk management policy including identification therein of elements of risk has been covered in the Management Discussion and Analysis Report, which forms part of this report

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

The Company has in place a Sexual Harassment Policy in compliance with the requirements of the Sexual

Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Companyalways endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment. The Internal Complaints Committee (ICC) has been set up to redress complaints regarding sexual harassment, if any.

Further, the Company has always provided a congenial atmosphere for work to all the employees that is free from discrimination and harassment including sexual harassment. There were no cases/complaints pertaining to the sexual harassment reported to the Board during the year under review.

UNPAID AND UNCLAIMED DIVIDEND

As per the provision of section 124 (1) of the Act, any money transferred to the Unpaid Dividend Account of accompany which remains unpaid or unclaimed for a period of 7(seven) years from the date of such transfers hall be transferred by the company along with interest accrued, if any, there on to the Investor Education and Protection Fund established in accordance with section125(1).

The members may please be informed that the Company has not declared any dividend in last 7 (seven) years. Accordingly, there were no funds which were required to be transferred to Investor Education and Protection fund.

FRAUD REPORTING

There was no fraud disclosed during the Financial Year ended 31st march, 2020.

LISTING OF EQUITY SHARES

The equity shares of your Company are listed on National Stock Exchange of India Limited ("NSE") emerge Portal. The Annual Listing Fees for the year 2020-21 has been paid to the NSE.

DEPOSITORY SYSTEM

The Members are requested to note that as on 31st March, 2020, 98.9% of the Company's total paid-up share capital representing 1,81,26,279 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").

HEALTH, SAFETY AND ENVIRONMENT

Your Company has complied with all the applicable Health & Safety Standards, Environment Laws and Labour 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.

HUMAN RESOURCE AND INDUSTRIAL RELATIONS

Your Company considers people as its biggest assets and "Believing in People" is at the heart of its human resource strategy. Lot of efforts are put in for talent management, strong performance management, learning and training initiatives in order to ensure that your Company consistently develops inspiring strong and credible leadership. During the year under review, your Company continued to have cordial relationship with all its employees and maintained healthy, cordial and harmonious industrial relations at all levels.

ACKNOWLEDGMENTS

The Directors thank the Customers, vendors, Investors, Financial Institutions and bankers for their continued support during this year. We appreciate the contribution made by our employees at all levels. The growth of the Company is made possible by their hard work, solidarity, co-operation and support.

FOR AND ON BEHALF OF BOARD OF DIRECTORS

	RAMAN BHATIA MANAGING DIRECTOR DIN- 00153827	SARIKA BHATIA WHOLE-TIME DIRECTOR DIN- 00155602
DATE: 18.11.2020 PLACE:New Delhi		

Annexure-1

Secretarial Audit Report

For the financial year ended 31st March, 2020

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

In terms of the provisions of section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and other applicable provisions, if any, 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, to the extent the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on 31st March, 2020, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020, 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 (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - Not applicable as the Company has not issued any debt securities during 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, 2009 - Not applicable as the Company has not delisted/ proposed to delist its equity shares from any stock exchange during the financial year under review.

h. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998 - Not applicable as the Company has not bought back/ propose to buy back any of its securities during 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. The Listing Agreements entered into by the Company with National Stock Exchange of India Limited read with 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.

For R&D
Company Secretaries

Debabrata Deb Nath
Partner
FCS No.: 7775; CP No. : 8612
UDIN:F007775B000585462

Place: Delhi
Date: 17.08.2020

Annexure-A

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

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

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

For R&D
Company Secretaries

Debabrata Deb Nath
Partner
FCS No.: 7775; CP No. : 8612
UDIN:F007775B000585462

Place: Delhi
Date: 17.08.2020

Annexure-2

Form No. AOC-2

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

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 is not in ordinary course of business or at arm's length during the year ended 31st March 2020. The Company has laid down the policies and processes/ procedures so as to ensure the compliance to the subject section in the Companies Act 2013 and the corresponding Rules

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

1. Details of Material Contracts or Arrangement or Transactions at Arm's Length basis

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

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

Annexure-3

ANNUAL REPORT ON CSR ACTIVITIES

1. Brief outline of the Company's Corporate Social Responsibility ("CSR") Policy, including overview of projects or programmes undertaken:

   While Servotech strives to achieve its business objectives, it has never lost sight of its commitment to play its role as anenlightened corporate citizen to serve the society at large.The Company has been a self-adopter of CSR initiatives. As a continuing endeavor towards community development, the Company contributed to PM Care fund during the outbreak of COVID-19.

   Your company believes in making meaningful and lasting contribution to the societies as a responsible corporate citizen. Accordingly, the Company has formulated CSR Policy ('Policy') in terms of provisions of Section 135 of the Companies Act, 2013. The Policy is available on theCompany's website www.servotech.in.

2. Composition of CSR Committee:

   Mr. Yogesh Mahajan – Chairman
   Mr. Pankaj Dawar – Member
   Mr. Sahiel Khurana– Member

3. Average net profit of the company for last three financial years – Rs.398.56Lacs.

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) – Rs. 7.97 Lacs

5. **Details of CSR spent during the financial year:**

   (a) Total amount proposed to be spent for the financial year: Rs. 7.97 Lacs

   (b) Total amount to be spent for the financial year: Rs. 50,000

   (c) Amount unspent, if any: Rs. 7.29 Lacs

6. **Manner in which the amount spent during the financial year is detailed below.**

1	2	3	4	5	6	7	8
Sl. No.	**CSR Project or activity identified**	**Sector in which the project is covered**	**Projects or Programmes: (1) Local area or other (2) Specify the State and district where projects or programs was undertaken**	**Amount outlay (budget) project or Programme wise**	**Amount spent on the project or programme, Sub Heads; Direct expenditure on projects or i) Programmes ii) Overheads**	**Cumulative expenditure up to the reporting period**	**Amount spent Directly or through implementing agency**
1.	Donation to PM Care Fund	Contribution to fight against the global pandemic COVID-19	India	51,000	51,000	51,000	Direct

7. In case the Company has failed to spend the two per cent, of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report.

   In terms of the CSR Policy of the Company, the initiatives and identified areas include skill development, eradicating hunger, education of children and Contribution to eligible government fund (State and Central Government) for social developments and socio-economic relief funds including natural disasters and calamities.

Keeping in view requirements of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules 2014, within the overall ambit of CSR on a sustainable basis, discussions on an on-going basis are being held with several implementing partners. Your Company is committed towards the CSR activity and would be taking up a suitable CSR projects/activities in FY 2020-21.

8. A responsibility statement of the CSR Committee that the implementation and monitoringof CSR Policy, is in compliance with CSR objectives and Policy of the Company:

   The CSR Committee has confirmed that the implementation and monitoring of CSR Policy, isin compliance with CSR objectives and Policy of the Company.

FOR AND ON BEHALF OF BOARD OF DIRECTORS

RAMAN BHATIA
MANAGING DIRECTOR
DIN- 00153827

YOGESH MAHAJAN
CHAIRMAN, CSR COMMITTEE
DIN- 03494048

DATE: 11th November, 2020
PLACE: New Delhi

ANNEXURE-4

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

A. CONSERVATION OF ENERGY

i. Steps taken or impact on conservation of energy

The Company has always tried to take utmost care of the impacts it has on the environment and has improved its energy efficiency through various initiatives that helped the Company in reducing energy cost. With natural resources declining at a fast pace, sustainable development becomes the need of the hour.

All offices and plant of the company have continued their efforts to improve energy usage efficiencies and increase the share of renewable energy. Energy consumptions were continuously tracked to monitor alignment with the Company's overall sustainability approach. The Company has continued its efforts to improve energy efficiency with more vigor and depth. Steps taken during the year to conserve energy include:

1. Installation of 15KW Solar Power Plant in Office & Basement Area that saves electricity Consumption upto – Rs. 120000–150000;
2. Installation of LED lights in place of conventional lights which save electricity consumption – Rs. 25000 – 30000.
3. Usage of R2 Switch in Air Conditioner, which has a function to ON AC for 45minutes & OFF for 15 minute in 1 hr same function is installed in Motor for water supply. This will save Electricity & prevent water wastage.

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

The Company identifies renewable resources as one of the best sources of energy that can help to bring down the carbon footprint and have a much lower environmental impact than conventional energy technologies. The Company continuously strives to use renewable energy. Steps taken during the year to utilize alternate sources of energy include:

1. Installation of 500KKWp Grid Interactive Solar Power Plant
2. Installation of 452KWp Grid Interactive Solar Power Plant in BPCL.
3. Installation of 72KWp Grid Interactive Solar Power Plant in IOCL.
4. Installation of 24KWp Grid Interactive Solar Power Plant in IOCL Madurai Divisional Office.
5. Installation of 30KWp Grid Interactive Solar Power Plant in IOCL Chennai (Tamilnadu)
6. Installation of 10KWp Grid Interactive Solar Power Plant in IOCL Jaisalmeri.
7. Installation of 400Pieces of 18W Solar Street light in Haryana Village under CRCA Project of IOCL.

iii. Capital Investment on energy conservation equipment's:Rs. 5 Crores

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

Your Company recognizes the role of Research & Development (R&D) in the innovation process and is a key factor in developing new competitive advantages. Technological development helps building product indigenously and the Company progressively grows to build an ecosystem and institutional framework for innovation, skills, delivery plans, collaboration, partnership and market orientation in a number of niche areas of national importance and market relevance. Your Company continued its efforts in strengthening the R&D facilities in order to provide wider range of products to suit the customer needs.

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

i. Introduced wifi enabled MPPT Solar charge controller for Home light & street light

ii. Development of Auto switches to save energy.

iii. Development of Charging Points for electric Vehicle

iv. Development of Solar Auto Rickshaw

Benefits Derived as a result of the above Efforts

i. Cost reduction as per market value of LifePo4 batteries

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

iii. Reduces cost as per market value Solar Auto Rickshaw

iv. Improvement in manufacturing processes;

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

vi. Better Customer satisfaction and support; and

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

C. EXPENDITURE INCURRED FOR RESEARCH & DEVELOPMENT

Capital Expenditure: NIL

Revenue Expenditure: Rs. 21437652.11

D. FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars	Amount (in Rs.)
Foreign Exchange Earnings	-
Foreign Exchange Outgo	29,84,222

ANNEXURE-5

Form No. MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED 31st MARCH, 2020

I. REGISTRATION AND OTHERDETAILS:

CIN	L31200DL2004PLC129379
RegistrationDate	24-09-2004
Name of the Company	SERVOTECH POWER SYSTEMS LIMITED
Category/Sub-Category of the Company	Public Limited Company
Address of the Registered office and contact details	806, 8th Floor,Crown Heights Building, Hotel Crown Plaza, Sector-10, Rohini, New Delhi-110085
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, ifany	Bigshare Services Pvt. Ltd. 302, Kushal Bazar, 32-33, Nehru Place, New Delhi-110019.

II. PRINCIPALBUSINESSACTIVITIESOFTHE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl.No.	Name and Description of main products	NIC Code of the Product service	% to total turnover of the
1	Manufacturing and Trading of LED, UPS, Solar Products & Flame proof LED Lights	26105	90%
2	Manufacturing and trading of Lithium Ferro Phosphate Batteries	27020	10%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl.No	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary	%of shares held	Applicable Section
			NIL		

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise ShareHolding

	Category of Shareholders	No. of Shares held at the beginning of the year: 1st April, 2019				No.of Sharesheld at the end of the year: 31st March, 2020				%Change during the year
		Demat shares	Physical	Total	% of total	Demat shares	Physical	Total	% of total	
A.	**Promoter**									
1)	**Indian**									
a)	Individual/Huf	9232350	0	9232350	50.42	9256350	0	9256350	50.55	0.13
b)	Central/State Government(S)	0	0	0	0.00	0	0	0	0.00	0.00
c)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d)	Financial Institutions/ Banks	0	0	0	0.00	0	0	0	0.00	0.00
e)	Any Others (Specify)									
1.	Group Companies	0	0	0	0.00	0	0	0	0.00	0.00
2.	Trusts	0	0	0	0.00	0	0	0	0.00	0.00
3.	Directors Relatives	3583900	0	3583900	19.57	3599900	0	3599900	19.66	0.09
	Sub-total(A)(1)	**12816250**	**0**	**12816250**	**69.99**	12856250	0	12856250	70.21	0.22
2)	**Foreign**	0	0	0	0	-	-	-	-	-
a)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
b)	Individual	0	0	0	0.00	0	0	0	0.00	0.00
c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
e)	Any Others (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total(A)(2)	0	0	0	0.00	0	0	0	0.00	0.00
	Total Shareholder A1+A2	**12816250**	**0**	**12816250**	**69.99**	12856250	0	12856250	70.21	0.22
B.	**Public Shareholding**	0	0	0	0	-	-	-	-	-
1.	**Institutions**	0	0	0	0	-	-	-	-	-
a)	Central/State Government(S)	0	0	0	0.00	0	0	0	0.00	0.00
b)	Financial Institutions/Banks	0	0	0	0.00	0	0	0	0.00	0.00
c)	Mutual Funds/UTI	0	0	0	0.00	0	0	0	0.00	0.00
d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
e)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
f)	FII's	0	0	0	0.00	0	0	0	0.00	0.00
g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
h)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
i)	Any Others (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
j)	Foreign Portfolio Investor	0	0	0	0.00	0	0	0	0.00	0.00
k)	Alternate Investment Fund	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total(B)(1)	0	0	0	0	-	-	-	-	-
2	**Non Institutions**					-	-	-	-	-
a)	Bodies Corp.	180000	80645	260645	1.42	268000	80645	348645	1.90	0.48
b)	Individuals									
(i)	(Capital Upto To ₹1 Lakh)	865964	38989	904953	4.94	801964	38989	840953	4.59	(0.35)
(ii)	(Capital Greater Than ₹1 Lakh)	3484453	64516	3548969	19.38	3480453	64516	3544969	19.36	(0.02)
C	**Others (Specify)**					-	-	-	-	-
1	Hindu Undivided Family	555612	0	555612	3.03	487612	0	487612	2.66	(0.37)
2	Trusts	0	0	0	0.00	0	0	0	0.00	0.00
3	Clearing Member	68000	0	68000	0.37	12000	0	12000	0.07	(0.31)
4	Non Resident Indians (NRI)	16000	0	16000	0.09	48000	0	48000	0.26	0.17
5	Directors Relatives	0	0	0	0.00	0	0	0	0.00	0.00
6	Market Maker	140000	0	140000	0.76	172000	0	172000	0.94	0.17
7	Employee	0	0	0	0.00	0	0	0	0.00	0.00
8	Overseas Bodies Corporates	0	0	0	0.00	0	0	0	0.00	0.00
9	Unclaimed Suspense Account	0	0	0	0.00	0	0	0	0.00	0.00
10	IEPF	0	0	0	0.00	0	0	0	0.00	0.00
d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total(B)(2)	5310029	184150	5494179	30.01	5270029	184150	5454179	29.79	(0.22)
	TotalPublic Shareholding (B)=(B)(1)+ (B)(2)	5310029	184150	5494179	30.01	5270029	184150	5454179	29.79	(0.22)
	C. Sharesheld by Custodian for GDRs & ADRs	0	0	0	0.00	-	-	-	-	-
e)	Shares Held By Custodians	0	0	0	0.00	0	0	0	0.00	0.00
11	Promoter And Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
12	Public	0	0	0	0.00	0	0	0	0.00	0.00
	Sub Total :	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
	Total Public Shareholding	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
	Grand Total (A+B+C)	**18126279**	**184150**	**18310429**	**100.00**	18126279	184150	18310429	100.00	0.00

NOTES :

1) Name, number of shares held & percentage of entities/persons holding more than 1% of the total shares of the company is as per annexure

ii. Shareholding of Promoters

Sl. No	Shareholder's Name	Share holding at the beginning of the year (as on 1st April 2019)			Shareholding at the end of the year (as on 31st March 2020)			
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	% change in shareholding during the year
1.	Mr. Raman Bhatia	6666675	36.41	3.73	6682675	36.50	3.73	0.09
2.	Ms. Sarika Bhatia	2565675	14.01	0	2573675	14.05	0	0.04
3.	Raman Bhatia HUF	3083175	16.84	0	3103175	16.95	0	0.11
4.	Mr. Manohar Lal Bhatia	284375	1.55	0	284375	1.55	0	0
5.	Mr. Vikas Bhatia	1875	0.01	0	1875	0.01	0	0
6.	Ms. Sudesh Bhatia	1875	0.01	0	1875	0.01	0	0
7.	Mr. Rishabh Bhatia	105800	0.58	0	105800	0.58	0	0.2
8.	Mr. Kanav Bhatia	106800	0.58	0	106800	0.58	0	0
	Total	**12816250**	**69.99**	**3.73**	12856250	70.2127	3.73	0.24

iii. Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No	Shareholder's Name	Shareholding at the beginning of the year (as on 1st April 2019)		Cumulative Shareholding during the year (31st March 2020)	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1.	**Mr. Raman Bhatia**				
	At the beginning of the year	66,66,675	36.41		
	Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g.allotment/transfer/bonus/sweat equity etc):	16,000	0.09	6682675	36.50
	At the end of the year			6682675	36.50
2.	**Ms. Sarika Bhatia**				
	At the beginning of the year	25,65,675	14.01		
	Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g.allotment/transfer/bonus/sweat equity etc):	8,000	0.04	2573675	14.05
	At the end of the year			2573675	14.05
3.	**Raman Bhatia HUF**				
	At the beginning of the year	30.83,175	16.84		
	Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g.allotment/transfer/bonus/sweat equity etc):	20,000	0.11	3103175	16.95
	At the end of the year			3103175	16.95

4.	**Mr. Manohar Lal Bhatia**				
	At the beginning of the year	284375	1.55		
	Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g.allotment/transfer/bonus/sweat equity etc):	No Change			
	At the end of the year			284375	1.55
5.	**Mr. Vikas Bhatia**				
	At the beginning of the year	1875	0.01		
	Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g.allotment/transfer/bonus/sweat equity etc):	No Change			
	At the end of the year			1875	0.01
6.	**Ms. Sudesh Bhatia**				
	At the beginning of the year	1875	0.01		
	Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g.allotment/transfer/bonus/sweat equity etc):	No Change			
	At the end of the year			1875	0.01
7.	**Mr. Rishabh Bhatia**				
	At the beginning of the year	101800	0.56		
	Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g.allotment/transfer/bonus/sweat equity etc):	4000	0.02	1,05,800	0.58
	At the end of the year			1,05,800	0.58
8.	**Kanav Bhatia**				
	At the beginning of the year	106800	0.58		
	Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g.allotment/transfer/bonus/sweat equity etc):	No Change			
	At the end of the year			106800	0.58

iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders	No. of Shares	Shareholding at the beginning of the year (as on 1st April, 2019)	Date-wise increase decrease during the year			Cumulative Shareholding during the year (as on 31st March, 2020)	
			% of total shares of the company	Date	Increase/ decrease during the year	Reason	No. of Shares	% of total sharesof the company
1.	**MAHESH DINKAR VAZE**	9,04,000	4.94	31-Mar-18	0	Transfer	9,04,000	**4.94**
				31-Jan-19	-904000	Transfer	0	**0.00**
				01-Feb-19	904000	Transfer	9,04,000	**4.94**
			4.94	30-Mar-19	0	Transfer	9,04,000	**4.94**
2.	**GITA KIRTI AMBANI**	5,56,000	3.04	31-Mar-18	0	Transfer	5,56,000	**3.04**
				31-Jan-19	-556000	Transfer	0	**0.00**
				01-Feb-19	556000	Transfer	5,56,000	**3.04**
			3.04	30-Mar-19	0	Transfer	5,56,000	**3.04**
3.	**VAISHALI YATIN SHAH**	2,68,000	1.46	31-Mar-18	0	Transfer	2,68,000	**1.46**
				06-Apr-18	4000	Transfer	2,72,000	**1.49**
		2,72,000	1.49	30-Mar-19	0	Transfer	2,72,000	**1.49**
4.	**PRAMOD GUPTA HUF**	2,68,000	1.46	31-Mar-18	0	Transfer	2,68,000	**1.46**
		2,68,000	1.46	30-Mar-19	0	Transfer	2,68,000	**1.46**
5.	**RUCHI PRAMOD GUPTA**	2,32,000	1.27	31-Mar-18	0	Transfer	2,32,000	**1.27**
				31-Jan-19	-232000	Transfer	0	**0.00**
				01-Feb-19	232000	Transfer	2,32,000	**1.27**
		2,32,000	1.27	30-Mar-19	0	Transfer	2,32,000	**1.27**
6.	**HARDIK MANOJ SHAH**	1,84,000	1.00	31-Mar-18	0	Transfer	1,84,000	**1.00**
		1,84,000	1.00	30-Mar-19	0	Transfer	1,84,000	**1.00**
7.	**BHUPENDRA**	1,84,000	1.00	30-Mar-19	0	Transfer	1,84,000	**1.00**
	MATHURADAS SHAH	1,68,000	0.92	31-Mar-18	0	Transfer	1,68,000	**0.92**

8.	**CHOICE EQUITY BROKING PRIVATE LIMITED**			06-Apr-18	-24000	Transfer	1,44,000	**0.79**
				13-Apr-18	4000	Transfer	1,48,000	**0.81**
				20-Apr-18	-8000	Transfer	1,40,000	**0.76**
				27-Apr-18	-4000	Transfer	1,36,000	**0.74**
				04-May-18	4000	Transfer	1,40,000	**0.76**
				11-May-18	-4000	Transfer	1,36,000	**0.74**
				25-May-18	8000	Transfer	1,44,000	**0.79**
				01-Jun-18	-32000	Transfer	1,12,000	**0.61**
				15-Jun-18	-8000	Transfer	1,04,000	**0.57**
				22-Jun-18	8000	Transfer	1,12,000	**0.61**
				13-Jul-18	4000	Transfer	1,16,000	**0.63**
				20-Jul-18	4000	Transfer	1,20,000	**0.66**
				27-Jul-18	-4000	Transfer	1,16,000	**0.63**
				03-Aug-18	4000	Transfer	1,20,000	**0.66**
				10-Aug-18	-12000	Transfer	1,08,000	**0.59**
				14-Sep-18	4000	Transfer	1,12,000	**0.61**
				28-Sep-18	4000	Transfer	1,16,000	**0.63**
				12-Oct-18	4000	Transfer	1,20,000	**0.66**
				19-Oct-18	-8000	Transfer	1,12,000	**0.61**
				26-Oct-18	8000	Transfer	1,20,000	**0.66**
				09-Nov-18	8000	Transfer	1,28,000	**0.70**
				16-Nov-18	4000	Transfer	1,32,000	**0.72**
				28-Dec-18	-4000	Transfer	1,28,000	**0.70**
				31-Dec-18	-4000	Transfer	1,24,000	**0.68**
				04-Jan-19	-12000	Transfer	1,12,000	**0.61**
				25-Jan-19	4000	Transfer	1,16,000	**0.63**
				15-Feb-19	8000	Transfer	1,24,000	**0.68**
				22-Feb-19	8000	Transfer	1,32,000	**0.72**
				01-Mar-19	4000	Transfer	1,36,000	**0.74**
				29-Mar-19	4000	Transfer	1,40,000	**0.76**
		1,40,000	0.76	30-Mar-19	0	Transfer	1,40,000	**0.76**
9.	**PRAMOD CHIMMANLAL GUPTA**	1,52,000	0.83	31-Mar-18	0	Transfer	1,52,000	**0.83**
				19-Sep-18	-152000	Transfer	0	**0.00**
				28-Sep-18	152000	Transfer	1,52,000	**0.83**
		1,52,000	0.83	30-Mar-19	0	Transfer	1,52,000	**0.83**
10.	**BHUMIKA SUMIT DESAI**	1,20,000	0.66	31-Mar-18	0	Transfer	1,20,000	**0.66**
		1,20,000	0.66	30-Mar-19	0	Transfer	1,20,000	**0.66**

v. Shareholding of Directors and Key Managerial Personnel:

Sl. No	For Each of the Director and KMP	Shareholding at the beginning of the year (1st April, 2019)		Cumulative Shareholding during the year (31st March, 2020)	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1.	**Mr. Arun Handa**				
	At the beginning of the year	750	0.004		
	Datewise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g.allotment/transfer/bonus/ sweat equity etc):	No Change			
	At the end of the year			750	0.004
2.	**Mr. Kamlesh Kumar Thakur**				
	At the beginning of the year	250	0.001		
	Datewise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g.allotment/transfer/bonus/ sweat equity etc):	No Change			
	At the end of the year			250	0.001
3.	**Mr. Shyam Sundar Choudhary**				
	At the beginning of the year	NIL			
	Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g.allotment/transfer/bonus/sweat equity etc):	No Change			
	At the end of the year	NIL			
4.	**Ms. Priya Pandey**				
	At the beginning of the year	NIL			
	Datewise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/ sweat equity etc):	No Change			
	At the end of the year	NIL			

V. INDEBTEDNESS

	Particulars	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
	Indebtedness at the beginning of the financial year				
i.	Principal Amount				
ii.	Interest due but not paid				
iii.	Interestaccruedbutnotdue				
	Total (i+ii+iii)	11,30,68,122	4,26,05,515	0	15,56,73,637
	Change in Indebtedness during the financial year				
	Addition				
	Reduction				
	Net change	4,81,81,652	-1,68,24,055	0	3,13,57,597
	Indebtedness at the end of the financial year				
i.	Principal Amount				
ii.	Interest due but not paid				
iii.	Interestaccruedbutnotdue				
	Total (i+ii+iii)	16,12,49,774	2,57,81,460	0	18,70,31,234

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Sl. No	Particulars of Remuneration		Name of MD/WTD/ Manager			Total Amount
			Mr. Raman Bhatia	Ms. Sarika Bhatia	Mr. Nimesh Malhotra	
1.	Gross salary		3000000	2700000	815052	6515052
	(a)	Salary as per provisions contained in section17(1) of the Income-taxAct, 1961	-			-
	(b)	Value of perquisiteu/s 17(2)Income-tax Act, 1961				
	(c)	Profits in lieu of salary undersection17(3) Income- taxAct,1961	-			-
2.	Stock Option		-	-		-
3.	Sweat Equity		-	-		-
4.	Commission		-	-		-
	- as % ofprofit		-	-		-
	- Others,specify...		-	-		-
5.	Others, please specify		-	-		-
6.	Total(A)		3000000	2700000	815052	6515052
	Ceiling as per the Act		12600000	12600000	12600000	12600000

B. Remuneration to other directors:

Sl. No	Particulars of Remuneration		Name of Directors			Total Amount
			Mr. Sahil Khurana	Ms. Pankaj Dawar	Mr. Yogesh Mahajan	
A	Independent Directors		5000	5000	5000	15000
	•	Fee for attending board committee meetings	-			-
	•	Commission				
	•	Others, please specify	-			-
	Total A		5,000	5,000	5,000	15,000
B	Other Non-Executive Directors Other Non-Executive Directors		-	-		-
	•	Fee for attending board committee meetings	-	-		-
	•	Commission	-	-		-
	•	Others, please specify	-	-		-
	Total B		Nil			
	Total A+B					
	Total Managerial Remuneration (A+B)		**5,000**	**5,000**	**5,000**	**15,000**
	OverallCeilingaspertheAct		1,00,000	1,00,000	1,00,000	

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

Sl. No	Particulars of Remuneration		CEO	CFO			Total Amount
			Mr. Arun Handa	Mr. Kamlesh Kumar Thakur	Mr. Shyam Sundar Choudhary	Ms. Priya Pandey	
1.	Gross salary		1255353	224600	316310	524686	2320949
	(a)	Salary as per provisions contained in section17(1)of the Income-tax Act,1961					-
	(b)	Value of perquisiteu/s 17(2) Income-tax Act, 1961					
	(c)	Profits in lieu of salary undersection17(3)Income-taxAct,1961	-				-
2.	Stock Option		-	-			-
3.	Sweat Equity		-	-			-
	Commission		-	-			-
	- as % ofprofit		-	-			-
	- Others,specify...		-	-			-
4.	Others, please specify		-	-			-
5.	Total(A)		-	-			-
	Ceiling as per the Act		1255353	224600	316310	524686	2320949

Mr. Nimesh Malhotra- Appointed on 20-07-2019

Mr. Kamlesh Kumar Thakur - Ceased to be the Chief Financial Officer on 21-08-2019

Mr. Shyam Sundar Choudhary - Appointed on 21-08-2019 and ceased to be the chief Financial Officer on 09.12.2019.

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding feesimposed	Authority[RD /NCLT/Court	Appeal made. If any(give details)
A. Company					
Penalty	NIL				
Punishment					
Compounding					
B. Directors					
Penalty	NIL				
Punishment					
Compounding					
C. Other Officers InDefault					
Penalty	NIL				
Punishment					
Compounding					

Annexure-6

Details of Employees

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

i. Ratio of the remuneration of each Executive Director to the median remuneration of the Employees of the Company for the financial year 2019-20, the percentage increase in remuneration of Chief Executive Officer, Chief Financial Officer and other Executive Director(s) and Company Secretary during the financial year 2019-20.

Sl. No	Name of the Director	Designation	Ratio of remuneration of each Director to median remuneration of Employees	% increase in Remuneration
1.	Mr. Raman Bhatia	Managing Director	11.01	N.A.
2.	Ms. Sarika Bhatia	Whole-time Director	9.91	N.A.
3.	Mr. Nimesh Malhotra	Whole-time Director	2.99	N.A.

Sl. No	Name of the Director/KMP	Designation	Percentage increase in Remuneration
1.	Mr. Raman Bhatia	Managing Director	N.A.
2.	Ms. Sarika Bhatia	Whole-time Director	N.A.
3.	*Mr. Nimesh Malhotra	Whole-time Director	N.A.
4.	Mr. Arun Handa	Chief Executive Officer	N.A.
5.	*Mr. Kamlesh Kumar Thakur	Chief Financial Officer	N.A.
6.	*Mr. Shyam Sundar Choudhary	Chief Financial Officer	N.A.
7.	Ms. Priya Pandey	Company Secretary	N.A.

Mr. Nimesh Malhotra- Appointed on 20-07-2019

Mr. Kamlesh Kumar Thakur - Ceased to be the Chief Financial Officer on 21-08-2019

Mr. Shyam Sundar Choudhary - Appointed on 21-08-2019 and ceased to be the chief Financial Officer on 09.12.2019.

iii. The percentage increase in the median remuneration of Employees for the financial year was 53.63%

vi. The Company has 138 permanent Employees on the rolls of Company as on 31st March, 2020.

v. Average decrease made in the salaries of Employees other than the managerial personnel in the financial year was 30.07% whereas the target increase in the managerial remuneration was NIL%. The average increases every year is an outcome of Company's market competitiveness as against its peer group companies. In keeping with our reward philosophy and benchmarking results, the increases this year reflect the market practice.

vi. It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company. Note:

Note:

The Non-Executive Directors of the Company are entitled for sitting fees and commission as per the statutory provisions and within the limits approved by the Members. The ratio of remuneration and percentage increase for Non-Executive Directors Remuneration is therefore not considered for the purpose above.

REPORT ON CORPORATE GOVERNANCE

The Company by virtue of its listing in the National Stock Exchange of India Limited at SME Portal is not required to provide the disclosure of the Corporate Governance Report. However, the Board of Directors of the Company exercise their fiduciary responsibilities towards all stakeholders by ensuring transparency and independence in the decision making process. The Company has decided to provide the Corporate Governance Report to its members keeping in view the objective of encouraging the use of better governance practices through voluntary adoption. The members may please note that any inconsistency shall not be construed as a non-compliance of any relevant provisions thereof.

I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. The Company has adopted a Code of Conduct for its non-executive directors which includes Code of Conduct for Independent Directors which suitably incorporates the duties of Independent Directors as laid down in the Companies Act, 2013 ("the Act").

II. BOARD OF DIRECTORS

The "Board", being the trustee of the Company is responsible for the establishment of cultural ethical and accountable growth of the Company and ensuring that the Company is constituted with a high level of integrated, knowledgeable and committed professionals. The Management of the Company is headed by Mr. Raman Bhatia who is the Promoter Director and is designated as "Managing Director". The Chairman being an Executive Director, therefore, half of the Board of your Company comprises of Independent Directors.

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board at its meeting held on 20th July, 2019 appointed Mr. Nimesh Malhotra, GM- Human Resource of the Company as an Additional Director and Whole-time Director of the Company, for a period of 2 (two) years w.e.f. 20th July, 2019.

a) Composition and Category of Board of Directors

The Company has a balanced board with optimum combination of Executive and Non-Executive Directors, including independent professionals, which plays a crucial role in Board processes and provides independent judgment on issues of strategy and performance. As on 31st March, 2020, board comprises of 6 (Six) Directors out of which 3 (Three) Directors are Executive Directors and remaining 3 (Three) are Independent Directors. Out of the total 6 (six) Directors 1 (one) is women director.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing regulations as amended from time to time. The maximum tenure of the Independent Directors is in compliance with the Companies Act, 2013. All Independent Directors have confirmed that they meet the criteria as mentioned under Section 149 of the Companies Act, 2013. The present strength of the Board reflects judicious mix of professionalism, competence and sound knowledge which enables the Board to provide effective leadership to the Company.

None of the Directors is a Director in more than 10 Public Limited Companies or acts as an independent Director in more than 7 Listed Companies. Further, none of the Directors on the Company's Board is a Member of more than 10 (ten) Committees and Chairman of more than 5 (five) Committees (Committees being. Audit Committee and Stakeholders' Relationship committee) across all the companies in which he/she is a Director. All the Directors have made necessary disclosures regarding Committee positions held by them in other companies and do not hold the office of Director in more than 10 (ten) public companies as on 31st March, 2020. The composition of the Board is in conformity with the applicable provisions of the SEBI Listing Regulations and Companies Act, 2013.

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 (Wife of Mr. Raman Bhatia).

The composition of the Board is in conformity with Regulation 17 of the Listing Regulations read with section 149 of the Act, and the details of which are provided herein below:

Name of Directors	DIN	Designation	Category	No. of Equity Shares held in the Company
Mr. Raman Bhatia	00153827	Managing Director	Promoter and Executive Director	66,82,675
Ms. Sarika Bhatia*	00155602	Director	Promoter and Executive Director	25,73,675
Mr. Nimesh Malhotra*	07104660	Whole-time Director	Executive Director	4,532
Mr. Sahil Khurana	02340950	Director	Non-executive Independent Director	Nil
Mr. Yogesh Mahajan	03494048	Director	Non-executive Independent Director	Nil
Mr. Pankaj Dawar	06479649	Director	Non-executive Independent Director	Nil

*Appointed as Additional & Whole-time Director w.e.f 21st August, 2019 and 20th July, 2019 respectively.

b) Board Procedures

The Board of Directors meet at least once in each quarter to, inter-alia, review annual operating and capital expenditure plans, financial statements of business segments, 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.

The Board Members make presentations on matters including but not limited to the Company's performance, operations, plans, quarterly and annual financial results, compliance reports etc. The Board has complete access to any information within the Company including but not limited to information as specified in Regulation 17 and Part-A of Schedule-II of the Listing Regulations.

c) Number of Board Meetings

The Company adheres to the provisions of the Act read with the Rules issued thereunder, the Secretarial Standards and Listing Regulations with respect to convening and holding the meetings of the Board of Directors and its Committees.

Minimum 4 (four) Board Meetings are held in every year (one meeting in every calendar quarter). Additional meetings are held to address specific needs of the Company. All material information is circulated to the Directors before the meeting or placed at the meeting, including minimum information required to be made available to the Board as prescribed under Part A of Schedule-II of Regulation 17 (7) of the Listing Regulations to enable them for making value addition as well as exercising their judgment to take informed decisions.

During the period under review, the following 6 (six) meetings of the Board of Directors were held on:29.05.2019, 20.07.2019, 21.08.2019, 14.11.2019, 25.11.2019 and 02.01.2020 respectively.

Requisite quorum was present in all the meetings. The intervening period between two Board Meetings was well within the maximum time gap as stipulated under Regulation 17 of the Listing Regulations read with the Act.

d) 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.

Relevant details in accordance with the requirements of the Listing Regulations are given below:

Sl. No.	Name of Director	Attendance at		No. of Directorships in other Public Companies	No. of Committees Positions held in other Public Companies	
		Board Meetings	Last AGM		Chairperson	Member
1	Mr. Raman Bhatia	6	Yes	N.A.	Nil	Nil
2	Ms. Sarika Bhatia	6	Yes	N.A.	Nil	Nil
3	Mr. Nimesh Malhotra*	6	Yes	N.A.	Nil	Nil
4	Mr. Pankaj Dawar	6	Yes	Bazel International Ltd.	Nil	Nil
5	Mr. Sahil Khurana	6	Yes	N.A.	Nil	Nil
6	Mr. Yogesh Mahajan	6	Yes	N.A.	Nil	Nil

*Appointed as Additional & Whole-time Director w.e.f 20th July, 2019.

Notes:

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

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

e) Meeting of Independent Directors

In compliance with the provisions of section 149 read with Schedule IV of the Act and Regulation 25 of the Listing Regulations, the Independent Directors meet without the presence of Non-Independent Directors. This meeting is informal and enables Independent Directors to interact and discuss matters including review of the performance of the Non-Independent Directors and the Board as a whole, review of the performance of the Chairman of the Company, taking into account views of Executive/Non-Executive Directors and assessing the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The Independent Directors met on 2nd January, 2020 during the financial year 2019-20

f) Familiarization Programme

Your Company has put in place a structured induction and Familiarization Programme for all of its Directors including the Independent Directors to provide them an opportunity to familiarize with the Company, its Management and its operations so as to gain a clear understanding of their roles, rights and responsibilities and contribute significantly towards the growth of the Company.

During the year under review, a Familiarization Programme was conducted to apprise them on relevant changes in the Act and Listing Regulations. The Familiarization Programme along with the detailsof the training imparted to Independent Directors during the year are available on the website of the Company and the weblink thereto is https://servotech.in/policy/

III. GOVERNANCE BY THE COMMITTEES OF BOARD OF DIRECTORS

In compliance with the statutory requirements, the Board has constituted various committees with specific terms of reference and scope. The objective is to focus effectively on the issues and ensure expedient resolution of the diverse matters. The committees operate as the Board's empowered agents according to their charter/terms of reference. The Board has following Committees:

1. AUDIT COMMITTEE

The Audit Committee is, inter alia, entrusted with the responsibilities to monitor the financial reporting, audit process, determine the adequacy of internal controls, evaluate and approve transactions with related parties, disclosure of financial information and recommendation of the appointment of Statutory Auditors.

The composition of the Audit Committee is in alignment with the provisions of section 177 of the Act and Rules framed thereunder and Regulation 18 of the Listing Regulations. The members of the Audit Committee are financially literate and have experience in financial management. The Committee invites the Managing Director, CFO and Statutory Auditor to attend the meetings of the Committee.The role of the Committee inter alia includes the following:

a) Terms of reference of the Audit Committee:

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 review with the management, the annual financial statements and auditors' report thereon before submission to theboard 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

4. To review with the management, the quarterly financial statements before submission to the Board for approval;
5. Valuation of undertakings or assets of the Company, wherever it is necessary;
6. To approve related party transactions of the Company;
7. To scrutinize the inter-corporate loans and investments;
8. To review with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
9. To review the functioning of the Whistle Blower Mechanism;
10. To approve the appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate.

b) Composition, Meeting And Attendance

During the financial year under review, the committee met 4 times, on 29.05.2019 21.08.2019, 14.11.2019, and 02.01.2020 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. Yogesh Mahajan	Chairperson	Independent Director	4	4
Mr. Raman Bhatia	Member	Managing Director	4	4
Mr. Sahil Khurana	Member	Independent Director	4	4

Requisite quorum was present in all the meetings.

Ms. Priya Pandey, Company Secretary acts as Secretary to the Committee. The Chairman of the Audit Committee was present at the last AGM held on 29th September, 2019 to answer the shareholders' queries.

2. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee is constituted in compliance with the provisions of section 178 of the Act and Regulation 19 read with Part D of Schedule II of the Listing Regulations.

The Nomination and Remuneration Committee broadly plays a dual role for determining the composition of the Board based on need and requirements of the Company from time to time and determines the overall compensation framework and policy for Directors, Senior Management and Employees. The Committee further reviews that the human resource practices of the Company are effective in maintaining and retaining a competent workforce.

The Nomination and Remuneration Committee is empowered with the following terms of reference and responsibilities in accordance with the provisions of applicable laws and the Remuneration Policy:

i. Identification of persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal, formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;

ii. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees;

iii. 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;

iv. 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

v. To ensure the Board Diversity by constituting the structure of Board of Directors.

a. Composition, Meeting and Attendance

The Committee met 4 times during the period under review on 29.05.2019. 20.07.2019, 21.08.2019, and 25.11.2019respectively.

Subsequent upon appointment of Mr. Nimesh Malhotra as Additional & Whole-time Director on the Board of the Company, the Committee was reconstituted by induction of Mr. Nimesh Malhotra as the member of the Committee which was duly approved by the Board of Directors at its meeting held on 20th July, 2019.

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

Name of Directors	Designation	Category of Director	No. of meetings held	No. of meetings attended
Mr. Sahiel Khurana	Chairperson	Independent Director	4	4
Mr. Raman Bhatia	Member	Managing Director	4	4
Mr. Yogesh Mahajan	Member	Independent Director	4	4
Mr. Nimesh Malhotra	Member	Whole-time Director	3	3

Requisite quorum was present in all the meetings.

Ms. Priya Pandey, Company Secretary acts as Secretary to the Committee.

b. Performance Evaluation Criteria for Independent Directors

The criteria for performance evaluation covers the areas relevant to the functioning as Independent Directors such as preparation, participation, conduct and effectiveness. The performance evaluation of Independent Directors was done by the entire Board of Directors and in the evaluation; the Directors who were subject to evaluation had not participated.

c. Remuneration Policy

The Remuneration Policy is designed to attract, motivate, improve productivity and retain manpower, by creating congenial work environment, encouraging initiatives, personal growth and team work, and inculcating a sense of belonging and involvement, besides offering appropriate remuneration packages and superannuation benefits. The Remuneration Policy of your Company applies to the Directors, Key Managerial Personnel ("KMP"), Senior Management Personnel and other employees of the Company.

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

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

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

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

iv. Ensuring that the remuneration of Directors, KMP and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

The Company's remuneration policy is directed towards rewarding performance based on review of achievements periodically. The remuneration policy is in consonance with the existing industry practice. This policy is uploaded on the website of the company i.e. at www.servotech.in.

d. DETAILS OF THE REMUNERATION

Executive Directors

The remuneration paid to the Executive Directors isrecommended by the Nomination & Remuneration Committeein accordance with Nomination & Remuneration Policy adoptedby the Company and approved by the Board of Directors subject to the approval by the shareholders, if required. During the period under review, Ms. Sarika Bhatia, the Whole-time Director and Mr. Nimesh Malhotra, the Whole-time Director of the Company have been appointed and the terms & conditions of his appointment and/or remuneration, has been approved by the shareholders in the Annual General Meeting, which was held on 29th September, 2019.

The details of the remuneration paid to the Executive Directors is provided in the Extract of the Annual Return which forms integral part of the Directors Report which is attached with this Annual Report.

Non-Executive Independent 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, asmay be applicable.

During the financial year 2019-20, the Company paid sitting fees to its Non-Executive Independent 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 Extract of the Annual Return which forms integral part of the Directors Report which is attached with this Annual Report.

3) STAKEHOLDER'S RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee was duly reconstituted during the year to give effect to the changes in the Board Composition. The composition of reconstituted Stakeholders Relationship Committee (SRC) is mentioned below.

The composition and terms of reference of Stakeholders Relationship Committee are in compliance with the provisions of Section 178 of the Act, Listing Regulations and other applicable laws. The Stakeholders' Relationship Committee (SRC) oversees, inter-alia, redressal of

shareholders' and investors' grievances, non-receipt of Annual Report, transfer/transmission of shares, issue of duplicate shares, exchange of new design share certificates, recording dematerialisation/rematerialization of shares and related matters.

a. Terms of reference of the Committee

The terms of reference of the Committee include enquiring into and redressing complaints of shareholders and investors. The composition of the Stakeholders' Relationship Committee (SRC) is in compliance with the provisions of the Act read with Rules made thereunder and Regulation 20 read with Part D of Schedule II of the Listing Regulations.

b. Composition, Meeting and Attendance

Subsequent upon appointment of Mr. Nimesh Malhotra as Additional & Whole-time Director on the Board of the Company, the Committee was reconstituted by induction of Mr. Nimesh Malhotra as the member of the Committee which was duly approved by the Board of Directors at its meeting held on 20th July, 2019. The composition of the Stakeholders' Relationship Committee (SRC) and the details of meetings attended by its members aregiven below:

Name of Directors	Designation	Category of Director	No. of meetings held	No. of meetings attended
Mr. Pankaj Dawar	Chairperson	Independent Director	4	4
Mr. Raman Bhatia	Member	Managing Director	4	4
Mr. Sarika Bhatia	Member	Whole-time Director	4	4
Mr. Nimesh Malhotra	Member	Whole-time Director	3	3

Requisite quorum was present in all the meetings.

Ms. Priya Pandey, Company Secretary 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

4) COMMITTEE OF BOARD OF DIRECTORS

In line with the provisions of section 179 of the Act, the Board of Directors in its meeting held on 21st August, 2019, had constituted a Committee of Directors to support the Board for taking various decisions with respect to day-today 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.

a. 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.

b. Composition, Meeting and Attendance

Subsequent upon appointment of Mr. Nimesh Malhotra as Additional & Whole-time Director on the Board of the Company, the Committee was reconstituted by induction of Mr. NimeshMalhotra as the member of the Committee which was duly approved by the Board of Directors at its meeting held on 20th July, 2019. 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. Sarika Bhatia	Chairperson	Whole-time Director	3	3
Mr. Yogesh Mahajan	Member	Independent Director	3	3
Mr. Sahil Khurana	Member	Independent Director	3	2
Mr. Raman Bhatia	Member	Managing Director	3	3
Mr. Nimesh Malhotra	Member	Whole-time Director	3	1

5) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

In alignment with the mandatory provisions under section 135 of the Act, a Committee has been constituted to guide the Company in undertaking CSR activities in a focused and structured manner and review CSR Policy from time to time. The Company CSR policy is placed on the Company's website at weblink: https://servotech.in/investors/corporate-governance/policies/. The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of "Corporate Social Responsibility Policy", observe practices of Corporate Governance at all levels and to suggest remedial measures wherever necessary.

a. Terms of reference of the Committee

i. 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;

ii. Recommend the amount of expenditure to be incurred on the activities as above; and

iii. Monitor the CSR Policy of the Company from time to time.

b. Composition, Meeting and Attendance

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. Yogesh Mahajan	Chairperson	Independent Director	2	2
Mr. Pankaj Dawar	Member	Independent Director	2	2
Mr. Sahil Khurana	Member	Independent Director	2	2

IV. GENERAL BODY MEETINGS:

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

Financial Year	Location(s)	Meeting Date	Time
2018-19	Hotel Crown Plaza, Twin District Center, Sector-10, Rohini, New Delhi-110085	29th September, 2019	09:30 A.M.
2017-18	Hotel Crown Plaza, Twin District Center, Sector-10, Rohini, New Delhi-110085	29th September, 2018	09:00 A.M.
2016-17	806, 8th floor, Crown heights, Hotel Crown Plaza, Sector 10, Rohini, New Delhi-110085	10th July, 2017	12.00 P.M.

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

There were no special resolutions passed by the Company in the previous three Annual General Meetings of the Company.

3. DETAILS OF THE SPECIAL RESOLUTIONS PASSED DURING THE FINANCIAL YEAR 2019-20 THROUGH POSTAL BALLOT

During the year under review, the Company did not pass any resolution through postal Ballot.

V. 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 follows:

Financial Results	The Company is an SME Company therefore; publication of results is not required. However, the results are sent to stock exchanges as well as posted on the Company's website: www.servotech.in
Website and News Releases	In compliance with Regulation 46 of the Listing Regulations, a separate dedicated section under 'Investors Relations on the Company's website www.servotech.in gives information on various announcements made by the Company, stock quotes, Annual Report, Half-yearly/ 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") Emerge Portal in terms of the Listing Regulations and other rules and regulations issued by the Securities and Exchange Board of India ("SEBI").
SCORES (SEBI Complaints Redressal System)	SEBI processes investors' complaints in a centralized web based complaints redressal system i.e. SCORES. Through this system a shareholder can lodge complaint against a company for his/her grievance. The Company uploads the action taken on the complaint which can be viewed by the shareholder. The Company and shareholder can seek and provide clarifications online through SEBI.
Exclusive e-mail ID for investors	The Company has designated the email id investor.relations@servotechindia.com exclusively for investor servicing and the same is prominently displayed on the Company's website.

VI. 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 www.servotech.in. All Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for the financial year ended 31st March, 2020.

VII. 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. He 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.

VIII. DISCLOSURES

a) Related Party Transactions

During the financial year 2019-20, no transactions of material nature have been entered into by the Company that may have a potential conflict with the interests of the Company. The details of related party transactions are disclosed in Notes to Financial statements and in AOC-2 which forms integral part of this Annual report. The policy on dealing with Related Party Transactions is placed on the Company's website at weblink: https://servotech.in/investors/corporate-governance/policies/.

b) 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.

c) Whistle Blower Policy/Vigil Mechanism

The Company has adopted Vigil Mechanism & Whistle Blower Policy in which any Employee, Director, Stake holder including employees, customers, suppliers and shareholders who observes any unethical behavior, actual or suspected fraud, improper practices or wrongful conduct may report the same to the Audit Committee. No person is denied access to the Audit Committee and whistle blower policy protects such whistle blowers from adverse personnel action.

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 weblink: https://servotech.in/investors/corporate-governance/policies/

d) Disclosure of Accounting Treatment

During the year under review, the Company has adopted Accounting Standards as notified by the Central Government of India under the Companies (Accounting Standards) Rules, 2006 (as amended from time to time) and/or by the Institute of Chartered Accountants of India in the preparation of financial statements and has not adopted a treatment different from that prescribed in any Accounting Standard.

e) Reconciliation of share capital audit

Mr. Debabrata Deb Nath, qualified Practicing Company Secretary, for the financial year 2019-20, 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.

IX. DISCRETIONARY REQUIREMENTS

A. The Board

The Company has an Executive Chairman, 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.

B. Shareholders' Rights

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

C. Modified Opinion in audit report

The Company already has a regime of un-qualified financial statements. Auditors have raised no qualification on the financial statements.

D. Separate posts of Chairman and CEO

Mr. Raman Bhatia, the Executive Chairman is also appointed as the Managing Director of the Company.

E. Reporting of Internal Auditors

The Report of the Internal Auditors is periodically placed before the Audit Committee.

X. GENERAL SHAREHOLDER INFORMATION:

1.	**Annual General Meeting**	
	Day and Date	Saturday, 19th December, 2020
	Time	11:00 A.M.
	Venue	Meeting shall be conducted over Video Conferencing.
2.	Financial Year	2019-20
3.	Date of Book Closure	Saturday, 12th December, 2020 to Saturday, 19th December, 2020
4	Dividend payment date	Not applicable. The Company has not declared dividend till date. The provisions of Sections 124 and 125 on unclaimed dividend and Investor Education and Protection Fund (IEPF) under the Act are not applicable.
5	Name and address of Stock Exchanges at which Company's securities are listed;	National Stock Exchange of India Limited ("NSE") Exchange Plaza", Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai 400051
6	Stock Symbol	NSE Symbol: SERVOTECH ISIN: INE782X01017
7	Listing Fees to Stock Exchanges	The Company has paid the annual listing fees for the financial year 2020-21 to the above Stock Exchanges.
	Custodial Fees to Depositories	The Company has paid custodial fees for the financial year 2020-21 to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

XI. 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 dateof 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, dematerialisation etc. to the Stakeholders' Relationship Committee ("SRC"). All thephysical 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 Practising Company Secretary and submitted the same to the stock exchanges within stipulated time:

1. Certificate confirming due compliance ofshare transfer formalities by the Company pursuant to Regulation 40(9) of the SEBI Listing Regulations for half year ended 30th September, 2019 and 31st March, 2020 respectively with the Stock Exchanges 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.

XII. Distribution of shareholding as on 31st March, 2020

Sl. No.	No. of equity Shares held	No. of Shareholders	% of total Shareholders	No. of total Shares held	Shareholding in % age
1	1-5000	22	7.11	52820	0.028
2	5001-10000	2	0.64	15880	0.008
3	10001-20000	6	1.94	106120	0.058
4	20001-30000	2	0.64	55000	0.030
5	30001-40000	139	44.98	5532830	3.021
6	40001-50000	14	4.53	634000	0.346
7	50001-100000	46	14.88	3575210	1.952
8	100001& above	78	25.24	173132430	94.554
	TOTAL	**309**	**100**	**18310429**	**100**

XIII.DEMATERIALIZATION OF SHARES AND LIQUIDITY

The Equity Shares of the Company are tradable in compulsory dematerialised 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, 2020, 18126279 equity shares of the Company, forming 99% of the shareholding stand dematerialized.

XIV. CATEGORIES OF SHAREHOLDERS AS ON 31ST MARCH, 2020

Sl. No.	Category	Shares	%
1	Clearing Member	12000	0.07
2	Indian Body Corporates	348645	1.90
3	Director and their Relatives	3599900	19.66
4	Market Maker	172000	0.94
5	Non-Resident Indian	48000	0.26
6	Promoters	9256350	50.55
7	Public	4873534	26.62
	TOTAL	**18310429**	**100**

XV. GREEN INITIATIVE IN CORPORATE GOVERNANCE

As a continuing endeavour towards the 'Go Green' initiative, the Company shall be sending future correspondence and documents such as notice of the general meetings, audited financial statements, directors' report, auditors' report etc. in electronic form only, to the email address provided by the Members and made available to us by the Depositories.

In compliance with the provisions of section 108 of the Act read with the Rules framed thereunder and as per the provisions of the Listing Regulations, the Members are provided with the facility to cast their vote electronically, through the remote e-voting services provided by NSDL, on all the resolutions set forth in the Notice.

XVI. MARKET PRICE DATA

Monthly high and low of the Equity Shares of the Company at NSE during the year ended 31st March, 2020 are as follows:

Months during the financial year ended 31st March, 2020	NSE	
	High (Rs./share)	Low (Rs./share)
April, 2019	22.10	17.00
May, 2019	17.25	13.00
June, 2019	14.00	12.00
July, 2019	16.50	12.00
August, 2019	14.75	10.60
September, 2019	13.55	12.00
October, 2019	12.25	09.50
November, 2019	10.50	09.50
December, 2019	09.00	07.00
January, 2020	09.00	06.50
February, 2020	15.20	09.10
March, 2020	15.90	09.45

XVII.PLANT LOCATIONS

Plot No.76 A, Sector-57, Kundli Industrial Area Sonepat, Haryana - 131028

XVIII. ADDRESS FOR CORRESPONDENCE

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

COMPLIANCE OFFICER

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

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 31st March 2020, the statement of profit and loss and the Statement of Cash Flows for the year ended on 31st March, 2020 and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 the conformity with the accounting principles generally accepted in India, of the State of Affairs of the Company as at 31st March, 2020 and profit and total comprehensive income, 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 specified under section 143(10) of the Act (SAs). 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 independence requirements that are relevant to our audit of the standalone Financial Statements under the provisions of the Act and the Rules made 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.

OTHER INFORMATION

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the Standalone Financial Statements and our Auditors' 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 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.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE 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 and presentation of these standalone Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes 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 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 Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these standalone Financial Statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Standalone Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Standalone Financial Statements.

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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **"Annexure A"** a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143 (3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;

   (d) in our opinion, the aforesaid standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 except non provision of retiring benefits of employees required as per accounting standard 15;

   (e) on the basis of the written representations received from the directors as on 31st March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2020 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**; and

   (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) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company does not have any pending litigations as at 31st March 2020 which would materially impact its financial position.

      ii. The Company did not have any long-term contracts including derivative contracts as at 31st March 2020.

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the period ended 31st March 2020.

UDIN: 20082389AAAACA943B
For and on behalf of
Gupta Jalan & Associates
Chartered Accountants
FIRM REG. No. 003721N
CA Ram Niwas Jalan
(Partner)
Membership No.: 082389

Date: The 29th Day of July, 2020

ANNEXURE "A "TO THE AUDITORS' REPORT

The Annexure referred to in our report to the members of **SERVOTECH POWER SYSTEMS LIMITED** ('the Company') for the year ended on 31stMarch 2020, we report that:

1. a) The company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.

2. b) All the fixed assets have been physically verified by the management at reasonable intervals having regard to the size of the company and the nature of its assets. No serious discrepancies have been noticed on such physical verification.

   c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

3. a) The management has conducted the physical verification of inventory at reasonable intervals.

   b) The discrepancies noticed on physical verification of the inventories as compared to books records which has been properly dealt with in the books of account were not material.

3. The Company had not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act 2013. Accordingly, paragraph 3(iii) of the order is not applicable to the company.

4. In our opinion and according to the information and explanations given to us, the Company has not made any loan or investment as required under the provision of section 185 and 186 of Companies Act 2013 with respect to the loans, investments, guarantees and security.

5. The Company had not accepted any deposits from the public.

6. The company has duly maintained the cost records as per section 148 (1) of the Companies Act, 2013.

7. In respect of Statutory dues: -

   i) According to the information and explanations given to us, the company has been regular in depositing undisputed statutory dues including income tax, service tax, sales tax, any other statutory dues to the appropriate authorities, however there have been delays in certain cases. Also, no undisputed amounts payable in respect of income tax, Goods and service tax any other statutory dues were in arrears as at 31st March 2020 for a period of more than six months from the date they became payable.

   ii) According to the information and explanations given to us, the income tax department has created demand of Rs.29744736/- For the assessment year 2016-17. The company had filed an appeal before commissioner of income tax New Delhi and deposited Rs. 250000/-. The appeal is pending.

8. In our opinion and according to the information and explanation to us, the company had taken loan from financial Institution; the Company has not defaulted in the repayment of dues to banks.

9. (i) According to the information and explanations given to us, company had not raised money by way of initial public offer, therefore no further comments required.

   (ii) According to the information and explanations given to us, the company had received term loan and had not defaulted in repayment of its installments during the year.

10. According to the information and explanations given to us, no fraud by the Company or on the Company has been noticed during the course of our audit.

11. According to the information and explanations given to us, 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.

12. The company is not a Nidhi Company; therefore, the provisions of Nidhi companies are not applicable on the company.

13. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the provisions of section 177 of the Companies Act 2013 are applicable to the Company, the transactions with the related parties are in compliance with section 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the Standalone Financial Statements as required by the accounting standards.

14. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

16. The registration with Reserve Bank of India under section 45-IA of the Reserve Bank of India Act 1934 is not applicable on the company.

UDIN: 20082389AAAACA943B
For and on behalf of
Gupta Jalan & Associates
Chartered Accountants
FIRM REG. No. 003721N
CA Ram Niwas Jalan
(Partner)
Membership No.: 082389

Date: The 29th Day of July, 2020

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT

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

Opinion

We have audited the internal financial controls over financial reporting of **SERVOTECH POWER SYSTEMS LIMITED** ('the Company') as of 31st March 2020 in conjunction with our audit of the standalone Standalone Financial Statements of the Company for the year ended on that date.

In our opinion, the Company 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 31st March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control. We are of the opinion that after designing and implementation of internal control system as per guidance note on audit of internal financial controls over financial reporting issued by ICAI will not substantially impact on our opinion on internal financial control system presently implemented in the company. The present system of internal financial control is effectively prevailing in the company.

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 ('ICAI').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. The company is in process of designing internal financial control system as per guidance note on audit of internal financial control over financial reporting issued by ICAI.

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 of financial records and documents even though the company is in process of designing and implementation of internal control financial system to the extent applicable to an audit of internal financial control as prescribed in guidance note on audit of internal financial control over financial reporting and accounting standards as issued by ICAI. 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 Standalone 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 Standalone 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 Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone 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.

For and on behalf of
Gupta Jalan & Associates
Chartered Accountants
FIRM REG. No. 003721N
CA Ram Niwas Jalan
(Partner)
Membership No.: 082389

Date: The 29th Day of July, 2020

BALANCE SHEET

AS AT 31ST MARCH 2020

(In ₹)

Particulars			Note	As at 31st March 2020	As at 31st March 2019
A	**EQUITY AND LIABILITIES**				
1	**Equity**				
	i) Equity Share Capital		1	183,104,290	183,104,290
	ii) Other Equity		2	185,247,404	177,109,297
	Total	**A**		**368,351,694**	**360,213,587**
2	**Non-Current Liabilities**				
	i) Long-Term Borrowings		3	48,296,620	63,820,570
	ii) Defered Tax Liabilities			1,106,601	1,062,557
	iii) Other Long Term Liabilities		4	80,000	191,376
	iv) Long Term Provisions		5	22,747,495	32,528,697
3	**Current Liabilities**				
	i) Short Term Borrowings		6	138,734,614	91,853,067
	ii) Trade Payables				
	Of micro, small and medium enterprises		7	17,530,538	15,823,802
	Of Other than micro, small and medium			154,747,414	153,352,824
	iii) Other Current Liabilities		8	37,421,935	24,988,291
	iv) Short Term Provisions		9	2,970,000	11,500,000
	Total	**B**		**423,635,217**	**395,121,183**
	Total ₹	**(A+B)**		**791,986,910**	**755,334,770**
B	**ASSETS**				
1	**Non-Current Assets**				
	i) Property, Plant and Equipment		10		
	Tangible assets			84,270,131	81,563,219
	Intangible assets			374	374
	ii) Long Term Loans & Advances		11	10,691,139	4,980,895
	iii) Other Non Current Assets		12	85,587,589	82,503,317
2	**Current Assets**				
	i) Inventories		13	90,934,830	116,113,859
	ii) Trade Receivables		14	432,586,335	399,831,204
	iii) Cash and Cash Equivalents		15	31,437,424	29,068,170
	iv) Short-term Loans & Advances		16	56,479,087	41,273,732
	Total ₹	**(A+B)**		**791,986,910**	**755,334,770**
Corporate Information, Accounting Policies, Contingent Liabilities and Notes			25		

The accompanying notes 1 to 25 are an integral part of the financial statements.

As per our report annexed
for GUPTA JALAN & ASSOCIATES
Chartered Accountants
FRN : 03721N

CA Ram Niwas Jalan
(Partner)
M.No.- 082389

Place: Delhi
The 29th day of July, 2020

UDIN : 20082389AAAACA9438

For and on behalf of board

Raman Bhatia
(Managing Director)
DIN-00153827

Sarika Bhatia
(Whole-time Director)
DIN-00155602

Priya Pandey
(Company Secretary)
M.No.- 35815

Vikas Bhatia
(Chief Financial Officer)
(PAN- AJNPB0303P)

STATEMENT OF PROFIT & LOSS

FOR THE YEAR ENDED 31ST MARCH 2020

(In ₹)

Particulars		Note	For the year ended 31st March 2020	For the year ended 31st March 2019
I	**INCOME**			
	i) Revenue from operation	17	874,415,769	885,009,996
	iii) Other Income	18	5,314,397	5,100,683
	Total ₹	**(A)**	**879,730,166**	**890,110,680**
II	**EXPENDITURE**			
	i) Materials Consumed		359,441,958	328,977,614
	ii) Cost of Trading Goods		345,034,989	314,770,420
	iii) Changes in inventories of finished goods, work-in-process, sub-assembled products		(9,885,029)	30,459,638
	iv) Employee Benefits Expenses		46,136,089	66,686,157
	v) Finance Costs		27,736,456	23,918,275
	vi) Other Expenses		90,091,933	74,480,490
	vii) Depreciation Written/Off		8,914,793	9,806,156
	Total ₹	**(B)**	**867,471,191**	**849,098,750**
III	**Profit before exceptional and extraordinary items and taxtation**	**(A-B)**	12,258,974	41,011,930
IV	**Exceptional Items**		834,755	(756,538)
V	**Profit Before Taxation**		11,424,219	41,768,469
VI	**Tax Expenses**			
	Current Tax		2,970,000	11,500,000
	CSR Expenses		51,000	100,000
	Income tax of earlier years		221,068	-
	Deferred Tax		44,044	121,072
	Profit /(Loss) for the year from continuing operations		8,138,107	30,047,397
	Profit/ (Loss) from, discontinuing operations		-	-
	Profit/ (Loss) from, discontinuing operations (after tax)		-	-
VII	**Profit after taxtation**		**8,138,107**	**30,047,397**
VIII	**Earning Per Share**			
	Basic		0.44	1.64
	Diluted		0.44	1.64
Corporate Information, Accounting Policies, Contingent Liabilities and Notes		25		

The Accompanying notes 1 to 25 are an integral part of the financial statements.

As per our report annexed
for GUPTA JALAN & ASSOCIATES
Chartered Accountants
FRN : 03721N

CA Ram Niwas Jalan
(Partner)
M.No.- 082389

Place: Delhi
The 29th day of July, 2020

UDIN : 20082389AAAACA9438

For and on behalf of board

Raman Bhatia
(Managing Director)
DIN-00153827

Sarika Bhatia
(Whole-time Director)
DIN-00155602

Priya Pandey
(Company Secretary)
M.No.- 35815

Vikas Bhatia
(Chief Financial Officer)
(PAN- AJNPB0303P)

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH 2020

(In ₹)

	Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit before tax	11,424,219	41,768,469
	Adjustments For :		
	Depreciation and amortisation expense	8,914,793	9,806,156
	Interest expense	27,736,456	23,918,275
	Interest income	(1,679,601)	(2,875,008)
	Loss/ (profit) on sale of fixed assets	51,420	-
	Corporate Social responsibility	(51,000)	(100,000)
	Operating Profit before working capital Changes	**46,396,288**	**72,517,892**
	Adjustments For :		
	(Increase)/ Decrease in sundry debtors	(32,755,130)	36,015,854
	(Increase)/ Decrease in inventories	25,179,029	19,763,877
	(Increase)/Decrease in loans & advances and other current assets	(15,205,356)	(4,226,442)
	Increase/ (Decrease) in sundry creditors and other liabilities	7,004,969	(102,905,536)
	Cash generated From operating activities	**30,619,799**	**21,165,644**
	Less: Direct Tax Paid	3,191,068	11,500,000
	Net cash generated from/ (used in) operating activities	**27,428,732**	**9,665,644**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of fixed assets	(11,773,125)	(1,252,821)
	Proceeds from sales of fixed assets	100,000	-
	Interest received	1,679,601	2,875,008
	Decrease/ (Increase) in Long Term Loan & Advances	(5,710,244)	(1,462,555)
	Decrease/ (Increase) in Other non current assets	(3,084,273)	(1,812,130)
	Net Cash Generated from (used in) investing activities	**(18,788,041)**	**(1,652,498)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Issue of Share Capital / Share Application Money	-	-
	Share Premium Account including reserves	-	-
	Proceeds from Secured & Unsecured loans	46,881,547	(5,790,437)
	Interest / Financial Charges	(27,736,456)	(23,918,275)
	Increase/(Decrease) in Long Term Liabilities	(25,416,528)	(7,120,470)
	Net Cash Generated from (used in) Financing Activities	**(6,271,437)**	**(36,829,182)**
I	Total increase (decrease) in cash and cash equivalents during the year (A+B+C)	2,369,254	(28,816,036)
II	Cash and cash equivalents at beginning of year	29,068,170	57,884,207
III	Cash and cash equivalents as at end of the year (I+II)	**31,437,424**	**29,068,171**

As per our report annexed
for GUPTA JALAN & ASSOCIATES
Chartered Accountants
FRN : 03721N

CA Ram Niwas Jalan
(Partner)
M.No.- 082389

Place: Delhi
The 29th day of July, 2020

UDIN : 20082389AAAACA9438

For and on behalf of board

Raman Bhatia
(Managing Director)
DIN-00153827

Sarika Bhatia
(Whole-time Director)
DIN-00155602

Priya Pandey
(Company Secretary)
M.No.- 35815

Vikas Bhatia
(Chief Financial Officer)
(PAN- AJNPB0303P)

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1

A) EQUITY SHARE CAPITAL

Particulars of Authorised, Issued and Paid-up Share Capital

(In ₹)

Particulars	As at 31st March 2020	As at 31st March 2019
Authorised		
1,90,00,000 Equity Shares of ₹ 10/- each	190,000,000	190,000,000
Issued, subscribed and paid up*	183,104,290	183,104,290
1,83,10,429 (including issue of 1,02,42,600 Bonus Shares by way of capitalisation of reserves).		
Total ₹	**183,104,290**	**183,104,290**

B) Reconcilation of Number of Ordinary Shares Outstanding

Particulars	Number of Shares	Number of Shares
At Beginning of the Year : - Fully paid up	18,310,429	18,310,429
Add : Issue of Shares : - Fully paid up	-	-
At end of the Year : - Fully paid up	18,310,429	18,310,429

C) Share holders holding more than 5% of the ordinary shares in the company

S.No.	Name	Number of Shares	Number of Shares
1	Raman Bhatia	6,682,675	6,666,675
2	Raman Bhatia HUF	3,103,175	3,083,175
3	Sarika Bhatia	2,573,675	2,565,675

D) Ordinary Shares allotted as fully paid up Bonus shares for the period of five years immediately preceding 31st March

Year	2020	2019	2018	2017	2016
No of Shares	-	-	10,242,600	-	-

(E) Rights, Preferences and restictions attached to equity shares

The company has one class of equity shares having a par value of ₹ 10 per share. 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.

NOTE 2 : OTHER EQUITY

(In ₹)

Particulars	As at 31st March 2020	As at 31st March 2019
Surplus as per Statement of Profit & Loss		
Brought From Previous Year	75,230,030	45,182,633
Profit for the Year	8,138,107	30,047,397
Carried to Next Year	83,368,137	75,230,030
Share Premium Account	101,879,267	101,879,267
Total ₹	**185,247,404**	**177,109,297**

NOTE 3 : LONG TERM BORROWINGS

Secured Term Loan		
From Banks	36,683,266	36,918,979
From Non-Banking Finance Companies	2,393,683	3,681,737
Un-Secured Term Loan		
From Banks	5,142,720	8,613,354
From Non-Banking Finance Companies	4,076,950	14,606,500
Total ₹	**48,296,620**	**63,820,570**

Particulars	Repayable within 1 year	Repayable after 1 but within 5 years	Total
For the year ended 31/03/2020			
Secured Term Loan			
From Banks	2,409,960	36,683,266	39,093,226
From Non-Banking Finance Companies	1,288,053	2,393,683	3,681,736
Un-Secured Term Loan			
From Banks	6,032,241	5,142,720	11,174,961
From Non-Banking Finance Companies	10,529,550	4,076,950	14,606,500
Total ₹	**20,259,803**	**48,296,620**	**68,556,423**
For the year ended 31/03/2019			
Secured Term Loan			
From Banks	2,811,610	36,918,979	39,730,589
From Non-Banking Finance Companies	1,187,486	3,681,737	4,869,223
Un-Secured Term Loan			
From Banks	5,605,102	8,613,354	14,218,456
From Non-Banking Finance Companies	13,780,559	14,606,500	28,387,059
Total ₹	**23,384,757**	**63,820,570**	**87,205,327**

1) Various banks and Non-Banking Finance Companies had sanctioned secured term loans of ₹196.97 lacs against hypothecation of vehicles and ₹367.50/- Lacs against hypothication of properties. Vehicle & Properties loan carry different rate of interest and different amount of installments. Those loan are further secured against personal gurantees of directors of the company

NOTE 4 : OTHER LONG TERM LIABILITIES

(In ₹)

Particulars	As at 31st March 2020	As at 31st March 2019
Securities Received from Customers	80,000	191,376
Total ₹	**80,000**	**191,376**

NOTE 5 : LONG TERM PROVISIONS

Provision for warranty exceeding one year	22,747,495	32,528,697
Total ₹	**22,747,495**	**32,528,697**

NOTE 6 : SHORT TERM BORROWINGS

Working capital loans from Scheduled Banks *	71,597,149	44,411,568
Working capital loans from NBFC **	46,835,779	23,936,581
Current Maturities of Long Term Debt (including interest accrued)	20,259,803	23,384,757
Book overdraft of a Bank	41,883	120,161
Total ₹	**138,734,614**	**91,853,067**

*United bank of India had renewed fund based limit of ₹ 626 Lakhs and non fund limit of ₹ 1150 lakhs on 12.04.2018. Those are secured against hypothecation of inventories, books debts, other current assets, fixed deposits of ₹ 5 Lakhs and RD of ₹ 50,000, 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.

**The Company has entered domestic sale bills factoring agreement on 16th January 2019 of ₹ 600 Lakhs for discounting of sales invoices with IFCI Factors Limited relating to Indian Oil Corporation limited and Bharat Petroleum Corporation Limited. The Company has pledged shares owned by its directors along with their personal gurantees and post dated cheques of ₹ 500 Lakhs in favour of the lender.

NOTE 7 : TRADE PAYABLES

MSME Creditors	17,530,538	15,823,802
Other Then MSME Creditors	154,747,414	153,352,824
Total ₹	**172,277,952**	**169,176,626**

The amounts remaining unpaid to micro, small and medium enterprises at the end of the year		
- Principal	17,530,538	15,823,802
- Interest	-	-
The amount of interest paid by the buyer as per the MSME Act, 2006	-	50,400
The amount of the payments made to micro, small and medium enterprises beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSME Act, 2006	-	-

NOTE 8 : OTHER CURRENT LIABILITIES

(In ₹)

Particulars	As at 31st March 2020	As at 31st March 2019
Advance from customers & others	5,991,646	7,804,827
Expenses payable	30,639,744	15,812,151
Statutory liabilities payable	790,545	1,371,313
Total ₹	**37,421,935**	**24,988,291**

NOTE 9 : SHORT TERM PROVISIONS

Provision for taxation	2,970,000	11,500,000
Total ₹	**2,970,000**	**11,500,000**

NOTE 10 : PROPERTY, PLANT AND EQUIPMENT

(In ₹)

ASSETS	GROSS BLOCK				ACCUMULATED DEPRECIATION/AMORTISATION				NET BLOCK	
	AS AT 1ST APRIL 2019	ADDITIONS DURING THE YEAR	DELETION DURING THE YEAR	AS AT 31ST MARCH 2020	BALANCE AS AT 1ST APRIL 2019	PROVIDED DURING THE YEAR	DELETION/ ADJUSTMENTS DURING THE YEAR	BALANCE UP TO 31ST MARCH 2020	AS AT 31ST MARCH 2020	AS AT 31ST MARCH 2019
TANGIBLE										
LAND	1,809,600	0	0	1,809,600	0	0	0	0	1,809,600	1,809,600
BUILDINGS	71,319,983	0	0	71,319,983	10,121,185	2,980,381	0	13,101,567	58,218,416	61,198,798
PLANT AND MACHINERIES	16,540,669	2,576,809	0	19,117,478	9,345,918	1,441,759	0	10,787,677	8,329,801	7,194,751
COMPUTERS AND DATA PROCESSING UNITS	5,347,546	382,481	0	5,730,027	4,563,518	432,220	0	4,995,738	734,289	784,028
ELECTRIC EQUIPMENTS	650,797	7,700	0	658,497	423,457	60,694	0	484,151	174,346	227,340
FURNITURE & FITTING	6,366,409	1,263,196	460,478	7,169,126	4,680,489	617,484	309,059	4,988,915	2,180,212	1,685,920
OFFICE EQUIPMENTS	4,426,081	2,105,140	0	6,531,220	3,466,647	669,975	0	4,136,614	2,394,232	959,068
MOTOR VEHICLES	17,722,959	5,437,799	0	23,160,758	10,088,914	2,694,795	0	12,783,708	10,377,050	7,634,045
MOTORCYCLES	350,312	0	0	350,312	280,642	17,486	0	298,129	52,183	69,670
Total	**124,534,356**	**11,773,125**	**460,478**	**135,847,002**	**42,970,771**	**8,914,794**	**309,059**	**51,576,498**	**84,270,130**	**81,563,219**
INTANGIBLE										
Antivirus Software (3 years)	81,858	0	0	81,858	81,849	0	0	81,857	374	374
Total	**81,858**	**0**	**0**	**81,858**	**81,849**	**0**	**0**	**81,857**	**374**	**374**
Grand Total:	**124,616,214**	**11,773,125**	**460,478**	**135,928,860**	**43,052,620**	**8,914,794**	**309,059**	**51,658,355**	**84,270,504**	**81,563,593**
Previous year figures	123,363,393	1,252,821	0	124,616,214	33,246,465	9,806,156	0	43,052,621	81,563,593	90,116,928

NOTE 11 : LONG TERM LOANS & ADVANCES

Securities deposits	10,691,139	4,980,895
Total ₹	**10,691,139**	**4,980,895**

(In ₹)

Particulars	As at 31st March 2020	As at 31st March 2019

NOTE 12 : OTHER NON-CURRENT ASSETS

(Unsecured, considered good)

Retention and performance guarantee money	85,587,589	82,503,317
Total ₹	**85,587,589**	**82,503,317**

NOTE 13 : INVENTORIES

(As taken, valued and certified by the management)

Raw Materials	34,790,053	69,854,110
Work-in-Process	5,180,811	5,110,344
Finished Goods	50,963,966	41,149,405
Total ₹	**90,934,830**	**116,113,859**

NOTE 14 : TRADE RECEIVABLES

(Unsecured, considered good unless otherwise specified)

Outstanding for more than six months		
- Good	76,030,150	126,111,775
- Doughtful and suit filed*	18,933,826	9,981,545
Others	337,622,358	263,737,884
Total ₹	**432,586,335**	**399,831,204**

* Includes ₹ 10 733 173/- (Previous year ₹ 13,48,624/) against that the Company had filed suit for recovery against customers at district court, Delhi.

NOTE 15 : CASH AND CASH EQUIVALENTS

Cash in hand (As certified)	331,359	444,322
Balance with scheduled banks in current account	1,984,820	218,294
Fixed Deposit with Scheduled bank included interest accrued thereon*	29,121,245	28,405,554
Total ₹	**31,437,424**	**29,068,170**

*Fixed Deposits amounting to ₹ 2,13,40,291 previous year ₹ 1,87,86,021 are under lien with United Bank of India & Yes Bank as margin money against bank guarantee for performance of ₹ 11,29,37,576 previous year ₹ 10,38,76,392 issued to various customers.

Fixed Deposits amounting to ₹ 38,84,151 previous year ₹ 60,45,570 are under lien with United Bank of India & Yes Bank as margin money for issuance of letter of credit for purchases of raw materials of ₹ 3,08,98,888 previous year ₹ 5,17,44,392.

Fixed Deposit of ₹ 8,36,641 Recurring Deposit of ₹ 21,69,641/- (previous year ₹ 8,36,641 and ₹ 21,69,641 recpectively) are under lien with United Bank of India as margin money for working capital facilities.

NOTE 16 : SHORT TERM LOANS & ADVANCES

Prepaid expenses	988,492	4,723,786
Advance income tax	3,032,775	7,696,567
Advance to suppliers and others	52,457,820	28,853,378
Total ₹	**56,479,087**	**41,273,732**

(In ₹)

Particulars	As at 31st March 2020	As at 31st March 2019

NOTE 17 : REVENUE FROM OPERATION

I) Manufactured & Trading Sales (Domestic)	911,992,156	959,879,615
2) Sale of Service	35,924,575	24,141,615
	947,916,731	**984,021,229**
Less : Goods & Services tax	73,500,962	99,011,233
Net Revenue from operation (Rs.)	**874,415,769**	**885,009,996**

NOTE 18 : OTHER INCOME

Interest received	1,679,601	2,875,008
Rebate & discount	1,428,365	1,756,711
Miscellanious Income	2,206,431	468,964
Total ₹	**5,314,397**	**5,100,683**

NOTE 19 : MATERIAL CONSUMED

RAW MATERIALS		
Opening Stock	69,854,110	59,158,349
Add: Purchased during the year	730,743,458	738,974,568
	800,597,568	798,132,917
Less : Cost of Trading Goods Sold	345,034,989	314,770,420
Less : Goods & service tax	61,112,643	82,697,849
Less: Material consumed under warranty	217,924	1,832,924
Less: Closing Stock	34,790,053	69,854,110
Raw materials consumed	**359,441,958**	**328,977,614**

NOTE 20 : CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROCESS, SUB-ASSEMBLED PRODUCTS

Closing Stock		
Finished Goods	50,963,966	41,149,405
Work-in-Process	5,180,811	5,110,344
	56,144,777	46,259,749
Opening Stock		
Finished Goods	41,149,405	70,517,533
Work-in-Process	5,110,344	6,201,854
	46,259,749	76,719,387
Net Balance (₹)	**(9,885,029)**	**30,459,638**

(In ₹)

Particulars	As at 31st March 2020	As at 31st March 2019

NOTE 21 : EMPLOYEE BENEFIT EXPENSES

Directors Remuneration	5,225,806	5,825,095
Salaries & Wages	38,791,481	58,347,951
Employee Welfare Expenses	2,118,803	2,513,111
Total ₹	**46,136,089**	**66,686,157**

NOTE 22 : FINANCE COSTS

Interest Paid		
OnTerm Loan	8,817,832	12,119,120
On Working Capital Loan	9,741,617	7,590,878
Bank Charges & Other Interest	8,843,200	3,736,800
Difference in Currency Fluctuation	333,807	471,477
Total ₹	**27,736,456**	**23,918,275**

NOTE 23 : OTHER EXPENSES

(a)	**Manufacturing Expenses**		
	Power & Fuel Expenses	1,147,682	1,423,412
	Repair & Installation Expenses	4,934,654	16,018,723
	Job Work Charges	271,004	2,068,180
	Cartage Inward	419,673	309,562
	Consumable Goods	132,401	-
	Total ₹	**6,905,414**	**19,819,877**
(b)	**Administrative Expenses**		
	Printing and stationery	301,405	357,288
	Rent	6,288,344	3,682,532
	Postage, telegram and telephone expenses	703,652	872,755
	Computer and IT Expenses	1,433,969	805,571
	Electricity expenses	226,281	267,170
	Travelling and conveyance (Including Directors Tour & Travelling)	3,955,827	4,240,613
	Legal and professional charges	2,032,319	1,113,740
	Fees and subscription	660,328	443,175
	Insurance expenses	428,384	393,008
	Repairs and maintenance	2,019,178	1,779,032
	Vehicle maintenance	375,910	914,219
	General expenses	329,964	5,356,886
			-
	Auditors' Remuneration		-
	Audit Fees	400,000	400,000
		-	
	Total ₹	**19,155,562**	**20,625,987**

(In ₹)

Particulars		For the year ended 31st March 2020	For the year ended 31st March 2019
(c)	**Selling & Distribution Expenses**		
	Freight & labour charges	1,800,457	13,757,888
	Commission paid	-	242,000
	Designing charges	-	16,220
	Liquidation damage	36,511,257	3,580,915
	Research & Development Expenses	1,275,685	-
	Business promotion	1,249,096	1,775,621
	Advertisement	28,753	-
	Discount on sale	5,028,269	278,983
	Warranty expenses	18,137,442	14,383,000
	Total ₹	**64,030,958**	**34,034,626**
	Total ₹ (a + b +c)	**90,091,933**	**74,480,490**

NOTE 24 : CORPORATE SOCIAL RESPONSIBILITY

As per Provisions of section 135 of the Companies Act, 2013, the company has to incur at least 2% of average net profits of the preceeding three financial years towards Corporate Social Responsibility (CSR). Accordingly, a CSR committee has been formed for carrying out CSR activities as per the Schedule VII of the Companies Act, 2013. The Company has contributed a sum of ₹ 51000/- (Previous year ₹ 1,00,000/-) towards this cause and shown sefferetly in this Statement of Profit & Loss.

NOTE 25 : CORPORATE INFORMATION , ACCOUNTING POLICIES, CONTINGENT LIABILITIES AND NOTES

1. CORPORATE INFORMATION:

Servotech Power Systems Limited ("the Company") was incorporated on 24.09.2004 as a Private Limited Company and converted in to Public Limited Company domiciled in India on 24.05.2017. Its shares are listed on NSE SME platform. The company is primarily engaged in manufacturing of LED lights and Solar power products

2. BASIS OF PREPRATION, MEASUREMENT AND SIGNIFICANT ACCOUNTING POLICIES:

(i) Basis of preparation of Financial Statements (AS1):

The financial statements are prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on accrual basis. All amounts included in the financial statements are reported in absolute figures of Indian Rupees

(ii) Presentation and disclosure of financial statements:

During the year end 31st March, 2020, the Company has presented the financial statements as per the Schedule III notified under the Companies Act, 2013. The Company has also reclassified the previous figures years in accordance with the requirements applicable in the current year.

(iii) Use of estimates:

The preparation of financial statements requires management to make judgements, estimates and assumptions in the application of accounting policies that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, if any at the end of the reporting year. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

(iv) Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19):

The COVID-19 pandemic is an evolving human tragedy declared a global pandemic by the World Health Organisation with adverse impact on economy and business. Supply Chain disruptions in India as a result of the outbreak started with restrictions on movement of goods, closure of borders etc., in several states followed by a nationwide lockdown from the 25th of March 2020 announced by the Indian Government, to stop the spread of COVID-19. Due to this operation in all plant of company got temporarily disrupted. In light of these circumstances, the Company has considered the possible effects that may result from COVID-19 on the carrying amounts of financials assets, inventory, receivables, advances, property plant and equipment, Intangibles etc. as well as liabilities accrued. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company has used internal and external information such as term of current contracts, financial strength of the company, future volume estimates from the business etc has been reviewed by the management. The underlying data and based on current estimates the Company expects the carrying amount of these assets will be recovered and there is no significant impact on liabilities accrued. The Company will continue to closely monitor any material changes to future economic conditions.

(v) Inventories (AS 2):

Inventories of materials including stores & spares, consumables, packing materials, components, work-in-progress, and finished goods are valued at the lower of cost and estimated net realizable value. Raw material was valued at cost (first in first out basis) or realizable value whichever is lower. Cost in case of work in progress is determined on the basis of the actual expenditure attributable to the said work till the end of the reporting period. Finished goods are value lower of cost or realisable value scrap are valued at net realisable value.

(vi) Cash and Cash Equivalents (AS 3):

Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand, cheques on hand and short-term investments with an original maturity of three months or less.

(vii) Revenue recognition (AS 9):

Revenue comprises sale of materials, service income and interest. Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and that the revenue can be reliably measured. The Company collects goods and service tax, as applicable on behalf of the government and therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. The company had started making provision of late delivery charges as per terms of tendors /contracts. The deductions if any from past year supplied will be accounting for the year of settlement receipts of payments.

Sales:

Revenue from sale of goods/ services is recognized in the statement of profit and loss when the significant risks and rewards in respect of ownership of goods /services has been transferred to the buyer as per the terms of the respective sales order, and the income can be measured reliably and is expected to be received.

Interest income:

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

(viii) Tangible Fixed Assets (AS 10):

Tangible Fixed assets are carried at cost of acquisition and other applicable costs less accumulated depreciation and accumulated impairment loss, if any. The cost of fixed assets includes cost of acquisition plus, any freight, taxes, duties and other incidental expenses that are directly attributable to bring the assets to their working conditions for their intended use.

When parts of the items of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to the property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably.

Gain/loss arising from de-recognition/sale/disposal of fixed assets are measured as the difference between the net disposal/sale proceeds and the carrying amount of the assets and are recognised in the statement of profit or loss when the asset is de-recognised/disposed off.

No assets have been revalued during the year.

(ix) Foreign Exchange Transactions (AS 11):

The company has policy to recognize difference in foreign currency in relation to material in Statment of Profit & Loss and relating to Fixed Assets addition to Fixed Assets, however there was no purchase of fixed asset against which liability has been created in foreign currency. The company has transferred difference in foreign exchange to Stateement of Profit & Loss , because those related to purchase and sale of material.

(x) Government grants and subsidies (AS 12):

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

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset.

During the year, the Company has not applied for any Grants / subsidies related to the Revenue or specific Fixed Assets nor the Company has received any such Grants / subsidies during the year.

(xi) Investments (AS 13):

Investments which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. On disposal of an investment, if any, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

(xii) Retirement and other Employee benefits (AS 15):

Defined contributions to Provident Fund are charged to the statement of Profit & Loss of the year, when the employee renders the related service. There are no other obligations other than the contribution payable to the respective statutory authorities.

The company had paid ₹ 175673 as gratuity i.e. retirement benefits to its employee during the year however no certificate of actuarial valuation has been obtained. Other retirement benefits will be accounted for as and when paid. The company had not made any provision of gratuity and other retiring benifits to its employees. The same will be accounted for as and when paid

(xiii) Borrowing Costs (AS 16)

Loan processing charges paid to bank for working facilities have been charged to revenue account since the same are not attributable to the acquisition of qualifying assets as per the requirements of AS 16. Borrowing cost primarily includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings.

(xiv) Segment Reporting (AS 17):

A business segment is a distinguishable component of an enterprise that is engaged in providing an individual product or service or a group of related products or services and that is subject to risks and returns that are different from those of other business segments. Factors that should be considered in determining whether products or services are related include:

(a) the nature of the products or services;

(b) the nature of the production processes;

(c) the type or class of customers for the products or services; Segment Reporting

(d) the methods used to distribute the products or provide the services; and

(xv) Operating leases (AS 19):

Where the Company is a lessee

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on the basis of the lease (rent agreements). Initial direct costs such as legal costs, brokerage costs, etc. if any, are recognized immediately in the statement of profit and loss.

Where the Company is a lessor

Rental income from operating lease is recognized on a straight-line basis over the term of the relevant lease except where another systematic basis is more representative of the time pattern of the benefit derived from the asset given on lease.; or the payments to the lessor are structured to increase inline with expected general inflation to compensate for the lessor's expected inflationary cost increases.

(xvi) Earning/(loss) per share (AS 20):

Basic earnings/(loss) per share is computed by dividing the net profit / (loss) for the period attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

The weighted average number of equity shares outstanding during the period are adjusted for any bonus shares issued during the year and also after the balance sheet date but before the date the financial statements are approved by the board of directors for the purpose of calculating diluted earnings / (loss) per share. The net profit / (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.

The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares as appropriate. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been issued at fair value. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date.

(xvii) Taxation (AS 22):

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized. The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay

normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT credit entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period in future. Separate and detailed calculation of Deferred tax is appended in Annexure A to these notes. During the F.Y. 2019-2020, the provisions of ICDS under the Income Tax Act, 1961 have been applicable to the Company and hence the provisions of Current tax have been made after considering the effects of ICDS wherever applicable. ICDS are not to be considered for maintaining the books of accounts and preparation of Financial statements.

(xviii) Impairment of tangible and Intangible Assets (AS 28):

As per the estimates made by the management and as per the various assessments made by the management, there were no indicators whether internal or external (as provided in para 8 of AS 28) which has led to the impairment loss to any assets. Since there are no such indicators which suggest that the net value of the assets would fall significantly by passage of time and normal use, the company has not provided for any impairment loss for any assets during the current financial period. The company has chosen the "value in use" technic and as per the measurement of future cash flow, the management is of the opinion that the future cash flow and the terminal value of the assets would not be significantly less than the carrying value and hence no impairment for any assets has been provided for in the financial statements.

In the opinion of the Board of Directors and to the best of their knowledge and belief the aggregate value of the current assets, loans and advances on realization in the ordinary course of business, will not be less than the amount at which they are stated in the Balance Sheet.

(xix)Provisions and contingent liabilities, Contingent assets (AS 29):

A provision is recognized when the Company has a present obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made of the amount of obligation. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These estimates are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Provisions of various expenses are recognized in the financial statements since there exists present obligations as a result of event and the expenses are accrued and incurred during the year.

The opening balance of provisions is used during the year against the payments during the year. The closing balances of provisions are the expenses accrued during the year and provided.

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 recognized 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 recognized because it cannot be measured reliably.

The Company does not recognize a contingent liability but discloses its existence in the financial statements unless the possibility of an outflow is remote. A contingent asset is not recognized in the Financial statements and hence not disclosed.

(2) CONTINGENT LIABILITES (AS CERTIFIED)

	Particulars	Current Year 31st March 2020 (RS.)	Previous Year 31st March 2019 (RS.)
A.	Claim against the company not acknowledged as debt	Nil	Nil
B.	Outstanding Letter of Credit	Nil	Nil
C.	Bank Guarantee (Performance Guarantee)	11,29,37,576	103,876,392
	(Margin of ₹ 2,13,40,291/- previous year ₹ 1,87,86,201/-)		
D.	Estimated amount of outstanding Capital Commitment	Nil	Nil

(3) NOTES ON ACCOUNT

A. EARNING PER SHARE

Profit Attributable to Equity Shares	8,138,107	30,047,397
Weighted average no. of shares (Excluding Potential Shares)	18,310,429	18,310,429
Weighted average no. of shares (Including Potential Shares)	18,310,429	18,310,429
Basic Earning Per Share	0.44	1.64
Diluted Earning Per Share	0.44	1.64

B. CIF VALUE OF IMPORTS

Raw Materials	11,792,539	4,940,836
Fixed Assets	-	-

C. EXPENDITURE IN FOREIGN CURRENCY

Raw Materials	11,792,539	4,940,836
Advance Paid (Against Raw Material)/Web	371,627	-
Interest on Buyer Credit	-	106,771
Expenses	166,530	1,065,662

D. FOB Value of Exports

	-	-

E. RELATED PARTIES TRANSACTIONS

			Opening	Debit	Credit	Balance	
Raman Bhatia	Managing Director	Remuneration	-	3,000,000	3,000,000	-	
			.				
Sarika Bhatia	Director	Remuneration	-	2,700,000	2,700,000	-	
K K Thakur	CFO	Salary	-	224,600	224,600	-	
Priya Pandey	Company Secretary	Salary	-	540,000	540,000	-	
Manohar Lal Bhatia	Relative of director	Salary	-	294,000	294,000	-	
Rishabh Bhatia	Relative of director	Salary	-	256,000	256,000	-	
Vikas Bhatia	Relative of director	Salary	-	788,892	788,892	-	
Service Solution	Entity in which director(s) or their relatives are interested	Sales	-	50,775,904	50,775,904	-	
		Purchases	20,392,017.00	216,936,485.00	217,940,696.00	21,396,228.00	Cr.
Bhatia Electronics	Entity in which director(s) or their relatives are interested	Sales	-	100,968,133.00	100,968,133.00	-	
		Purchases	3,880,858	17,212,358	26,060,897	12,729,397	Cr.

F. The excess payment of ₹ 4,091,765/- Related Value Added Tax is recoverable from VAT department at Kundli Haryana has been shown as VAT recoverable under loan & advances. The same will be refunded/adjusted assessemt of VAT returns of financial year 2017-18

G. The excess payment of ₹ 121,526/- Related Service Tax is recoverable from Service Tax department at Kundli Haryana has been shown as Service Tax recoverable under loan & advances. The same will be refunded/adjusted assessemt of Service Tax returns of financial year 2017-18

H. The income tax department has created demand of ₹ 29,744,736/- For the assessement year 2016-17. The company had filed an appeal before commissioner of income tax New Delhi and deposited ₹ 250,000/- . The apeal is pending

I. In the opinion of the Board, the current assets, loans and advances have a value on realisation in the ordinary course of business, at least equal to the aggregate amount as shown in the Balance Sheet

J. 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.

K. Previous year figures have been regrouped/rearranged wherever found necessary.

L. Note 1 to 25 are forming part of Balance Sheet, Profit & Loss & Cash Flow Statement and have been authenticated by the directors

As per our report annexed
for GUPTA JALAN & ASSOCIATES
Chartered Accountants
FRN : 03721N

CA Ram Niwas Jalan
(Partner)
M.No.- 082389

Place: Delhi
The 29th day of July, 2020

UDIN : 20082389AAAACA9438

For and on behalf of board

Raman Bhatia
(Managing Director)
DIN-00153827

Sarika Bhatia
(Whole-time Director)
DIN-00155602

Priya Pandey
(Company Secretary)
M.No.- 35815

Vikas Bhatia
(Chief Financial Officer)
(PAN- AJNPB0303P)

SERVOTECH POWER SYSTEMS LIMITED

CIN:- L31200DL2004PLC129379
Registered Office: 806, 8th Floor, Crown Heights,
Crown Plaza, Sector-10, Rohini, New Delhi-110085
Phone: 011-41117657-58-59-60
E-mail: investor.relations@servotechindia.com; **Website-** www.servotech.in

NOTICE

NOTICE is hereby given that the 16th Annual General Meeting ("AGM") of Servotech Power Systems Limited ("the Company") will be held on Saturday, 19th December, 2020 at 11:00 A.M. ISTthrough Video Conferencing ("VC")/Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2020 together with the Report of the Board of Directors and Auditors thereon.

2. To appoint a Director in place of Mr. Nimesh Malhotra (DIN: 07104660), who retires by rotation and being eligible, offer himself for re-appointment.

   To consider and, if thought fit, to pass the following resolution as Special Resolution:

   "RESOLVED THAT pursuant to the provisions of Section(s) 149 and 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), and the Rules made thereunder, read with Schedule V of the said Act and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), consent of the Members be and is hereby accorded for re-appointment of Mr. Nimesh Malhotra (DIN : 07104660), who retires by rotation, be and is hereby re-appointed as Director of the Company, liable to retire by rotation.**"**

SPECIAL BUSINESS

3. To ratify Remuneration of M/s. N.N Sharma & Associates, Cost Auditors of the Company 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 2020-21, be and is hereby ratified and confirmed.

   RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, things and matters as may be deemed necessary, proper or expedient to give effect to this resolution and/or to make any modification as may be deemed necessary in the best interest of the Company."

4. To approve payment of remuneration to Mr. Raman Bhatia, (DIN:00153827) Managing Director and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Special Resolution:**

   "RESOLVED THAT in accordance with the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Schedule V of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and any other applicable provisions of the Act (including any statutory modification(s), clarification(s) or re-enactment(s) thereof for the time being in force),and pursuant to the recommendation of the Nomination and Remuneration Committee and approval of Board of Directors of the Company and provisions of Articles of Association of the Company, consent of the Members of the Company, be and is hereby accorded to revise the maximum remuneration to be paid to Mr. Raman Bhatia, (DIN:00153827) Managing Director of the Company for the remaining period of his present termas stated in the explanatory statement attached hereto, with the power to the Board to grant increments and alter and vary the terms and conditions including remuneration in such manner as may be agreed to between the Board of Directors and Mr. Raman Bhatia, (DIN:00153827) within and in accordance with the Act or such other applicable provisions or any amendment thereto.

   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, the aforesaid remuneration shall be paid as minimum remuneration subject to the provisions of Part II of Schedule V of the Act or any amendments 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."

5. To approve continuation of payment of remuneration to Ms. Sarika Bhatia, (DIN:00155602) Whole-time Director in excess of threshold limits and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Special Resolution:**

"**RESOLVED THAT** in accordance with the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Schedule V of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and any other applicable provisions of the Act (including any statutory modification(s), clarification(s) or re-enactment(s) thereof for the time being in force),and pursuant to the recommendation of the Nomination and Remuneration Committee and approval of Board of Directors of the Company and provisions of Articles of Association of the Company, consent of the Members of the Company, be and is hereby accorded to revise the maximum remuneration to be paid to Ms. Sarika Bhatia, (DIN:00155602) Whole-time Director of the Company for the remaining period of her present term as stated in the explanatory statement attached hereto, with the power to the Board to grant increments and alter and vary the terms and conditions including remuneration in such manner as may be agreed to between the Board of Directors and Ms. Bhatia, within and in accordance with the Act or such other applicable provisions or any amendment thereto.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, notwithstanding anything to the contrary herein contained, during her tenure, the aforesaid remuneration shall be paid as minimum remuneration subject to the provisions of Part II of Schedule V of the Act or any amendments thereto.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, things and matters as may be deemed necessary, proper or expedient to give effect to this resolution and/or to make any modification as may be deemed necessary in the best interest of the Company."

6. To approve re-appointment of Mr. Nimesh Malhotra as the Whole-time Director for a period of 3 (three) years w.e.f. 19th July, 2021 and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Special Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and any other applicable provisions of the Act (including any statutory modification(s), clarification(s) or re-enactment(s) thereof for the time being in force) and pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute) and provisions of the Articles of Association of the Company, consent of the Members of the Company be and is hereby accorded to re-appoint Mr Nimesh Malhotra (DIN:071046607) as the Whole-time Director of the Company, for a further period of 3 (three) years w.e.f. 19th July, 2021 on such terms and conditions including remuneration as stated in the explanatory statement attached hereto, with the power to the Board to grant increments and alter and vary the terms and conditions including remuneration read with the Remuneration Policy of the Company.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, notwithstanding anything to the contrary herein contained, during his tenure, the aforesaid remuneration shall be paid as minimum remuneration subject to the provisions of Part II of Schedule V of the Act or any amendments 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

PRIYA PANDEY
COMPANY SECRETARY
ICSI MEMBERSHIP NO.: A35815

Date: 18th November, 2020
Place: New Delhi

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

NOTES:-

1. In view of the outbreak of the COVID-19 pandemic, Ministry of Corporate Affairs ("MCA") has vide its General Circular(s) bearing No. 20/2020 dated 5th May, 2020read with General Circular bearing No. 14/2020 dated 8th April, 2020 and General Circular bearing No. 17/2020 dated 13th April, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC/OAVM, without the physical presence of the Shareholders at a common venue.

   Accordingly, in compliance with the applicable provisions of the Companies Act, 2013 ("Act") read with the MCA Circulars and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements Regulations, 2015 ("Listing Regulations"), the Company has decided to convene its ensuing 16th AGM through VC/OAVM, and the Shareholders can attend and participate in the ensuing AGM through VC/OAVM.

2. An explanatory statement, pursuant to Section 102 of the Companies Act, 2013 ("Act"), setting out material facts relating to the Ordinary/Special Businesses to be transacted at the Annual General Meeting ("AGM"/"Meeting") is annexed hereto.

3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

4. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 12th December, 2020 to Saturday, 19th December, 2020 (both days inclusive) the purpose of the AGM.

5. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to rndregular@gmail.com with a copy marked to evoting@nsdl.co.in.

6. 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.

7. 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.

8. In case of joint holders attending the AGM through VC/OAVM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

9. 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 15th December, 2020 through email on investor.relations@servotechindia.com. The same will be replied by the Company suitably.

10. In compliance with the aforesaid MCA Circulars and SEBI Circular dated 12th May, 2020, Notice of the AGM along with the Annual Report 2019-20 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 2019-20 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 https://www1.nseindia.com/emerge ("emerge portal") respectively, and on the website of NSDL at https://www.evoting.nsdl.com.

11. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

12. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, 1st April, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's RTA for assistance in this regard.

13. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with Bigshare in case the shares are held by them in physical form.

14. The Securities and Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members are requested to intimate changes, if any, pertaining to their name, postal address, email 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., to their DPs in case the shares are held by them in electronic form and to the Company/ Registrar and Share Transfer Agent i.e. Bigshare in case the shares are held by them in physical form.

15. As per the provisions of Section 72 of the Act, 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. The said form can be downloaded from the Company's website https://servotech.in/downloads/. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to the Company in case the shares are held in physical form.

16. Relevant documents referred to in the accompanying Notice and the Explanatory Statement are open 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. up to one day prior to date of the Meeting.

17. Since the AGM will be held through VC OAVM, the Route Map, proxy form and attendance slip are not annexed in this Notice.

18. The Company is yet to declare any dividend therefore, the provisions with respect to unpaid and unclaimed dividend vis-à-vis Investor Education and Provident Fund and their respective Rules are not applicable.

19. M/s. Gupta Jalan and Associates, Chartered Accountants, (Firm Registration No. 03721N), were appointed as Statutory Auditors of the Company from conclusion of 12th AGM till conclusion of 17th AGM of the Company, subject to ratification at every AGM of the Company at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors. The Ministry of Corporate Affairs (MCA) vide its circular dated 7th May 2018 notified various sections of the Companies (Amendment) Act, 2017, thereby modifying Section 139 of the Act, 2013. Accordingly, the requirement for ratification of appointment of Statutory Auditors by the shareholders at every AGM has been omitted; hence the same has not been put for motion as an ordinary business.

Voting through electronic means

I. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated 8th April, 2020, 13th April, 2020 and 5th May, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.

II. Mr. Debabrata Deb Nath, Partner- R&D Company Secretaries ("ICSI Membership No. 7775 and C.P. No. 8612"),has been appointed as the Scrutinizer to scrutinize the remote e-voting process and the voting at AGM in a fair and transparent manner.

III. The cut-off date for the purpose of voting (including remote e-voting) is Saturday, 12th December, 2020.

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 Wednesday, 16th December, 2020
End of remote e-voting	05:00 p.m. (IST) on Friday, 18th December, 2020

VI. During this period, Members holding shares either in physical form or in dematerialized form, as on Saturday, 12th December, 2020 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.

VII. The details of the process and the manner for remote e-voting are explained herein below:

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 : Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com/

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step: 1 is mentioned below:

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.

3. A new screen will open. You will have to enter your User ID, your Password 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 i.e. 114997 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. Your password details 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, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

   a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN,your name and your registered address.

   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.

Details on Step-2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step-1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.

2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.

3. Select "EVEN" of company i.e. 114997 for which you wish to cast your vote.

4. Now you are ready for e-Voting as the Voting page opens.

5. 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.

6. Upon confirmation, the message "Vote cast successfully" will be displayed.

7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

8. 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.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in.

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in or contact Ms. Pallavi Mhatre, Manager or Ms. Soni Singh, Asst. Manager, National Securities Depository Limited, Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013, at the designated email id – evoting@nsdl.co.in or pallavid@nsdl.co.in or SoniS@nsdl.co.in or at telephone nos.:- +91 22 24994545, +91 22 24994559, who will also address the grievances connected with the voting by electronic means.

Process for registration of email id for obtaining Annual Report and user id/password for e-voting and updation of bank account mandate:

1. In case shares are held in Physical mode, please send a request to the Registrar and Transfer Agents of the Company, Bigshare at mukesh@bigshareonline.com for providing 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) for registering email address.

   Following additional details need to be provided in case of updating Bank Account Details:

   a) Name and Branch of the Bank in which you wish to receive the dividend, if paid in the future.

   b) the Bank Account type,

   c) Bank Account Number allotted by their banks after implementation of Core Banking Solutions

   d) 9-digit MICR Code Number, and

   e) 11-digit IFSC Code

   f) a scanned copy of the cancelled cheque bearing the name of the first shareholder.

2. In case shares are held in demat mode, please contact your Depository Participant (DP) and register your email address and bank account details in your demat account, as per the process advised by your DP.

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM THRUOGH VC/OAVM ARE AS UNDER: -

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

5. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at https://www.evoting.nsdl.com under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members 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. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.

6. Members are encouraged to join the Meeting through Laptops for better experience.

7. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

8. 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.

9. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at investor.relations@servotechindia.com from Friday, 11th December, 2020 (09:00 a.m. IST) to Sunday, 13th December, 2020 (05:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

   Also, the members who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at investor.relations@servotechindia.com. The same will be replied by the company suitably.

OTHER INSTRUCTIONS

1. 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. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories, as on Saturday 12th, 2020 i.e. cut-off date only shall be entitled to avail the facility of e-Voting system during the AGM.

2. The result shall be declared not later than 48 hours from conclusion of this Annual General Meeting. The result 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.

3. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on date of Annual General Meeting i.e. Saturday, 19th December, 2020.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

ITEM NO. 3

The Board of Directors of the Company, on recommendation of the Audit Committee, at its meeting held on 12th November, 2020, had re-appointed M/s. N.N Sharma & Associates, Cost Accountants (FRN. No. 101702) as Cost Auditors for the Financial Year 2020-21 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 2020-21.

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.4 of the Notice.

The Board recommends the Ordinary Resolution set out at item no. 3 of the Notice for approval of the members.

ITEM No.: 4

Mr. Raman Bhatia was appointed as Managing Director by way of a special resolution passed by the members at Extra-Ordinary General Meeting held on 6th June, 2017 with effect from 2nd June 2017, for period of 5 (five) years upto 1st June, 2022 including the remuneration to be paid to Mr. Raman Bhatia, Managing Director.

The Managing Director has provided dedicated and meritorious services and significant contribution to the overall growth of the Company. Therefore the Board is of the view that the existing upper limit remuneration in respect of Managing Director of the Company may not be sufficient enough to pay the increased remuneration over a period of remaining term, therefore the approval of the members of the Company is sought for revision in the maximum limit of remuneration as provided in the resolution no. 4 as minimum remuneration for the remaining period of his appointment, in case of inadequacy or absence of profits.

Mr. Bhatia satisfies all the conditions set out in Section 196 of the Companies Act, 2013 ("Act") and Part-I of Schedule V to the Act for being eligible for his appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act. After the appointment of Mr. Bhatia on the Board, He has attended all the Board Meeting(s) held after his appointment as Managing Director.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Act. Details of Mr. Bhatia are provided in the "Annexure" to the Notice pursuant to the provisions of the Listing Regulations and SS-2 issued by the ICSI.

The details of remuneration payable to Mr. Bhatia are given below:

1	Gross Remuneration	Gross Annual Remuneration in the scale from Rs. 30,00,000/- p.a. to Rs. 48,00,000/- p.a. with such increments as may be decided by the Board of Directors (hereinafter referred to as "the Board" which term shall also be deemed to include the Nomination and Remuneration Committee and/or any other-subcommittee thereof constituted by the Board) within the scale from time to time during his tenure whether paid as salary and/or allowance(s) or a combination thereof
2	Perquisites	The perquisites shall be paid as per the Rules of the Company in accordance with the provisions of the Income Tax Act, 1961.
3	Commission	Commission, if any, shall be paid over and above the total remuneration as mentioned hereinabove based on the net profits of the Company, computed in accordance with the provisions of the Act, in a particular financial year as may be determined by the Board.

The Board, therefore, recommends the Special Resolution at Item No. 4 of the Notice for approval by the Members.

Except Ms. Sarika Bhatia (Spouse of Mr. Bhatia) and Mr. Bhatia himself, none of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise in the resolution set out at Item no. 4 of this Notice.

ITEM NO.: 5

Ms. Sarika Bhatia (DIN: 00155602) has been a Director since the incorporation of the Company and pursuant to the recommendation of the Nomination and Remuneration Committee, she was appointed as the Whole-time Director on the Board of the Company for a period of 5 (five) years w.e.f 21st August, 2019. Her appointment was ratified by the Members of the Company in the Annual General Meeting held on 29th September, 2019

Ms. Bhatia holds a Bachelor's Degree in Commerce and possesses more than 16 (sixteen) years of experience and knowledge in the field of Sales, Marketing, Business Operations and Development. She has been involved in the operations and administration of the Company for more than 16 years. Therefore the Board is of the view that the remuneration being paid to her as mentioned in the explanatory statement shall be paid or period of remaining term, therefore the approval of the members of the Company is sought to continue to pay to her the remuneration as provided in the resolution no. 5 as minimum

remuneration for the remaining period of her appointment, in case of inadequacy or absence of profits.

Ms. Bhatia satisfies all the conditions set out in Section 196 of the Companies Act, 2013 ("Act") and Part-I of Schedule V to the Act for being eligible for his appointment. She is not disqualified from being appointed as Director in terms of Section 164 of the Act.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Act. Details of Ms. Bhatia pursuant to the provisions of the Listing Regulations and SS-2 issued by the ICSI are provided in the "Annexure" to the Notice.

The details of remuneration payable to Ms. Bhatia are given below:

1	Gross Remuneration	Gross Annual remuneration of Rs. 27,25,000, with such increments as may be decided by the Board of Directors (hereinafter referred to as "the Board" which term shall also be deemed to include the Nomination and Remuneration Committee and/ or any other sub-committee thereof constituted by the Board) from time to time during her be paid as salary and/ or allowance(s) or a combination thereof
2	Perquisites	The perquisites shall be paid as per the Rules of the Company in accordance with the provisions of the Income Tax Act, 1961.
3	Commission	Commission, if any, shall be paid over and above the total remuneration as mentioned hereinabove based on the net profits of the Company, computed in accordance with the provisions of the Act, in a particular financial year as may be determined by the Board.

The Board, therefore, recommends the Special Resolution at Item No. 5 of the Notice for approval by the Members.

Except Mr. Raman Bhatia, Managing Director (Spouse of Ms. Sarika Bhatia) and Ms. Bhatia herself, none of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise in the resolution set out at Item no. 4 of this Notice.

ITEM NO. 2 & 6

Pursuant to the recommendation of the Nomination and Remuneration Committee, Mr. Nimesh Malhotra was appointed as the Whole-time Director of the Company on 20th July, 2019 for a period of 2(two) years upto 19th July, 2021.

Mr. Malhotra holds a Bachelor's Degree in Commerce and possesses more than 7 (seven) years of experience and knowledge in the field of Human Resource and Administration. He has been involved in the operations and administration of the Company for more than 7(seven) years and it will be in the interest of the Company to re-appoint Mr. Nimesh Malhotra as the Whole-time Director of the Company for a period of 3 (three) years with effect from 19th July, 2021 and it is proposed to continue to avail his services for a further period of 3 (three) years as the Whole-time Director with effect from 19th July, 2021 to 19th July, 2024 for carrying out the business operations of the Company

Mr. Malhotra satisfies all the conditions set out in Section 196 of the Companies Act, 2013 ("Act") and Part-I of Schedule V to the Act for being eligible for his appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act. After the appointment of Mr. Malhotra on the Board, He has attended all the Board Meeting(s) held after his appointment as Whole-time Director.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Act. Details of Mr. Malhotra are provided in the "Annexure" to the Notice pursuant to the provisions of the Listing Regulations and SS-2 issued by the ICSI.

The details of remuneration payable to Mr. Malhotra are given below:

1	Gross Remuneration	Gross Annual Remuneration of Rs. 8,15,052 for a further period of 3 (three) years, w.e.f 19th July, 2021 with such increments as may be decided by the Board of Directors (hereinafter referred to as "the Board" which term shall also be deemed to include the Nomination and Remuneration Committee and/ or any other subcommittee thereof constituted by the Board) within the scale from time to time whether paid as salary and/or allowance(s) or a combination thereof
2	Perquisites	The perquisites shall be paid as per the Rules of the Company in accordance with the provisions of the Income Tax Act, 1961.
3	Commission	Commission, if any, shall be paid over and above the total remuneration as mentioned hereinabove based on the net profits of the Company, computed in accordance with the provisions of the Act, in a particular financial year as may be determined by the Board.

The Board, therefore, recommends the Special Resolution at Item No. 2 and 6 of the Notice for approval by the Members.

Except Mr. Malhotra, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise in the resolution set out at Item no. 6 of this Notice.

STATEMENT OF INFORMATION FOR THE MEMBERS PURSUANT TO SECTION II OF PART II OF SCHEDULE V TO THE COMPANIES ACT, 2013 W.R.T. ITEM 4, 5 AND 6

1	Background details	These details form part of the disclosure required under SEBI Listing Regulations provided hereinbelow under the heading "Nature of expertise in specific functional area"
2	Past remuneration	These details form part of the disclosure required under SEBI Listing Regulations provided hereinbelow under the heading "Last Salary drawn"
3	Recognition or awards	Mr. Bhatia has been awarded with various awards namely "Chota Business Bade Sapne in 2010, Best Emerging Manufacturer of Led Lights & Solar Products In Delhi/NCR:2016, Green Entrepreneur of the Year 2016,
4	Job profile and his suitability	These details form part of the disclosure required under SEBI Listing Regulations provided hereinbelow under the heading "Nature of expertise in specific functional area"
5	Remuneration proposed	These Details form part of explanatory statement
6	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t.the country of his origin)	The exact figures are not readily available. However, the proposed remuneration is reasonably justified in comparison with the general market trends and remuneration package of top-level managerial persons having comparative qualifications and experience.
7	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Mr. Bhatia is the Promoter and Managing Director. Save as the managerial remuneration he does not have any other material pecuniary relationship with the Company.

OTHER INFORMATION

1	Reasons of loss or inadequate profits	Due to the outbreak of Covid-19 pandemic, the global economy has experienced a massive hit and the most enormously hit was the MSME sector. The on-going projects faced halts. This year has been the most full of work and effort on part of the senior management to continue to operate the Company in this adverse environment.
2	Steps taken or proposed to be taken for improvement	The Company continues to earn profit and hence there are no specific steps required to take and proposed to be taken for improvement other than working towards resolving some of the aforementioned constraints.
3	Expected increase in productivity and profits in measurable terms	The Company has earned the profit of Rs. 83 lacs approximately during the financial year ended 31st March, 2020 and the Company is expected to do well in future. The series of steps taken/to be taken by the company would increase productivity and profits. With these measures the company would expect increase in sales as well as cash accruals.

The aforesaid should also be deemed to be notice of the abstract for terms of appointment and payment of remuneration the Managing Director and Whole-time Director(s).

In term of the provision of Schedule V of the Companies Act, 2013, additional disclosure is also given under appropriate head(s) in the Corporate Governance report annexed to the director's report.

FOR AND ON BEHALF OF
SERVOTECH POWER SYSTEMS LIMITED

PRIYA PANDEY
COMPANY SECRETARY
ICSI MEMBERSHIP NO.: A35815

Date: New Delhi
Place: 18th November, 2020

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

Details of Directors seeking appointment and re-appointment at the 16th Annual General Meeting (Pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, read with Secretarial Standard -2 issued by the Institute of Company Secretaries of India)

PARTICULARS	DETAILS		
Name of Director	**Mr. Raman Bhatia**	**Ms. Sarika Bhatia**	**Mr. Nimesh Malhotra**
Director's Identification Number (DIN)	00153827	00155602	07104660
Qualifications	Bachelor's in Commerce	Bachelor's in Commerce	Bachelor's in Commerce
Date of Birth & Age		30th June, 1978 (42 years)	28th September, 1987 (33 years)
Date of First Appointment on Board	24th September, 2004	24th September, 2004	20th July, 2019
Nature of expertise in specific functional area	More than 25 years of experience in Sales, Marketing, Business Operations and Development.	More than 15 years of experience in Sales, Marketing, Business Operations and Development.	More than 6 years of experience in Human Resource Management and Administration
List of Directorships of other Boards	NIL	NIL	Servotech Solar Applications Private Limited
Chairmanship/Membership of Committees of other Boards	• Audit Committee • Stakeholders Relationship Committee • Committee of Board of Directors	• Committee of Board of Directors • Stakeholders Relationship Committee	Committee of Board of Directors
Number of Shares held in the Company	6682675	2573675	4,532
Relationship between Directors inter-se	Husband of Ms. Sarika Bhatia, Whole-time Director	Wife of Mr. Raman Bhatia, Managing Director of the Company	NIL
Last Salary Drawn (in Rs.₹)	30,00,000 p.a.	27, 25,000 p.a.	8,15,052 p.a.

NOTES

SERVOTECH POWER SYSTEMS LIMITED

CIN:- L31200DL2004PLC129379

Registered Office: 806, 8th Floor, Crown Heights,

Crown Plaza, Sector-10, Rohini, New Delhi-110085

Phone :011-41117657-58-59-60

E-mail: investor.relations@servotechindia.com ;Website- www.servotech.in