



**S&S POWER SWITCHGEAR LIMITED**

## **OUR VISION**

**“To Become Preferred Switchgear and P&C Solutions Company”**

**Annual Report 2019-2020**



TABLE OF CONTENTS		
<b>1</b>	<b>ANNUAL REVIEW</b>	Page No.
	MESSAGE FROM CHAIRMAN	.....001
	MESSAGE FROM MANAGING DIRECTOR	.....002
	OVERVIEW - INDIA & UK	.....003
<b>2</b>	<b>CORPORATE PROFILE</b>	
	CORPORATE INFORMATION	.....005
	BOARD PROFILE	.....006
	EXECUTIVE LEADERSHIP TEAM	.....007
<b>3</b>	<b>NOTICE TO MEMBERS</b>	.....008
<b>4</b>	<b>DIRECTOR'S REPORT</b>	.....020
<b>5</b>	<b>MANAGEMENT DISCUSSION ANALYSIS REPORT</b>	.....046
<b>6</b>	<b>CORPORATE GOVERNANCE REPORT</b>	
	COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE	.....057
	CERTIFICATE	.....058
	CEO / CFO CERTIFICATION	.....059
	CORPORATE GOVERNANCE REPORT	.....060
<b>7</b>	<b>INDEPENDENT AUDITOR'S REPORT – STANDALONE</b>	.....072
<b>8</b>	<b>FINANCIAL STATEMENTS STANDALONE</b>	.....080
<b>9</b>	<b>INDEPENDENT AUDITOR'S REPORT – CONSOLIDATED</b>	.....123
<b>10</b>	<b>FINANCIAL STATEMENTS CONSOLIDATED</b>	.....130
<b>11</b>	<b>FINANCIAL STATEMENTS SUBSIDIARIES</b>	.....172
<b>12</b>	<b>NOTES</b>	.....182



## MESSAGE FROM CHAIRMAN

Fellow shareholders,

Last year I said that the year 2018-19 has been amongst the most difficult that I have experienced in the 30 years that I have been associated with S&S. However, it seems that I was off the mark as 2019-20 was even worse. The economic situation, especially in the Indian Power sector continued to be badly affected, and the spread of COVID-19 made life very difficult for India and indeed for the entire world.

In India, in addition to the lack of capital and confidence, COVID-19 disrupted supply chains and lives. For us, many customers were not able to inspect materials and take delivery for goods made ready for them in Q4 of our financial year. In fact, in some cases the delivery has happened only in July/Aug of 2020, a good 5/6 months later. Obviously, this has had a dramatic effect of our operations. More than anything of course, was that people were affected everywhere-our own colleagues and their families, those of our suppliers and many others in our eco system. Lockdowns caused disruption of supply chains and the ability of goods and people to move about. To some extent our sympathies are with the local administration who were clearly ill prepared to deal with this once in a century event. I do feel that, constant and complete communication by the powers that be and creation of an apolitical task force to manage this would have helped the country deal with this situation far better.

At both the facilities we created task forces to manage the situation, encouraged and enforced 'work from home', implemented and enforced better hygiene and sanitization protocols. Though we had huge disruptions and scares, we have not had any misfortune within the any of our colleagues. However, some of our colleague's families have been impacted, as have been some of our contractors and suppliers. We have tried to help them to the best of our ability, but nothing we can do can replace their pain. Our hearts go out to them and the many others who have been infected across India and the world.

Operationally, the India business was very badly impacted by delay and deferment of orders from Bangladesh and Africa. Orders which were in the pipeline took much longer to finalise, and when they did and were due for deliveries in Q4, we got impacted by COVID-19. We have also had to deal with being effectively closed for almost all of Q1 of 2020-21. Obviously, to cushion this impact, especially in India, we have had to cut costs and postpone many expenditures that were planned. In my opinion, assuming we have lost 4 months of productive work, we will be able to salvage half of the losses incurred by better cost management. The good news is that our order book is good and we think we have enough traction with our customers to have a reasonable year, provided there are no more major disruptions.

At Acrastyle, UK, we have done better though the last two months of the FY were impacted by COVID. Here, we must acknowledge the prompt action by the UK Govt in supporting businesses through furlough and working capital support schemes. They were transparent and efficiently implemented. Internally, a more responsive management of the company resulted in better customer engagement and better orders. Though we have also started the next FY with a better order backlog, the months of April and May were impacted due to COVID. Another piece of good news is that we have settled better terms with the Pension regulator for the next three years.

In summation, were not for COVID, two of our businesses, i.e., Acrastyle UK and APIL India would have had better years than the previous one and are well positioned for the coming year, whereas the disconnector business had a very poor year, though this year looks better in spite of COVID. In the midst of all this, our SAP system has gone live and the suspension of trading of our shares in the stock exchanges has been revoked. We will progress, and hopefully complete the re-organization of our businesses to simplify the structure. All of this is because we have confidence and desire to become a better company for our customers, suppliers, employees and shareholders. Our fundamentals continue to be to do business profitably, fairly and with good customers, to keep working capital tight, develop our people and systems and work within our means. Our values of Integrity, Humility and Passion will continue to be the way we run our lives, and our businesses and deal with society.

I thank you for your support and patience and am personally grateful to all our colleagues in India and England for their sincerity and to our Directors for their guidance.

Thank you and God bless,

**Ashish Sushil Jalan**  
Chairman

## MESSAGE FROM MANAGING DIRECTOR

Greetings!

Performance of the year 2019-2020 was much below our plan. Economic slowdown in India and global market, liquidity challenges impacted order finalization in Bangladesh and Africa. Disconnecter business witnessed serious drop in order booking and hence the sale. Late orders planned to be executed in last quarter got impacted by COVID19 Pandemic (Pushed out by 3-4 months). While Toshiba Account development in APIL and better order and sale in UK has stayed overall better protection side business of the company, the switchgear business of disconnecter and MV Switchgear Service both underperformed. HHV Prime Development for MAPS project got delayed and hence execution.

Accelerated transition of Bangladesh towards GIS in Transmission sector impacted AIS demand in Bangladesh.

### India Operations – Salient Points

SAP B1 implementation in both the sites was significant improvement in control, alert and approval process in the company. A lot of processes were standardized and digitized. Integrated data was made available for quick reporting, analytics, problem solving and decision making. This has expanded the transactional capacity of the company.

Approval of Disconnecter in 6 new countries in Africa taking it to 24 countries including TANESCO in Tanzania & STEG approval in Tunisia was significant geographical expansion. This has developed very good pipeline from EPC for African Utilities.

Expanding our base of GIS LCP, CRP and SAS through Switchgear Unit and Project Division of Toshiba gave encouraging business development and expanded the customer base for APIL.

We made a breakthrough in Developing MV Switchgear Service Business in Bangladesh by securing a Spares Breaker Order from Dhaka Utility for our old HHV12 supplies.

Supply of Disconnecter project to Northern Power Grid with the help of Acrastyle UK was a good development and yielded a large disconnecter order from UK after a long time.

We secured approval of new disconnecter after improvement from EVN SPC in Vietnam and resolved the blocking issue. We are already seeing a traction now and a significant disconnecter order has been now received from Vietnam.

We are continuing to focus on becoming a global player of disconnecter supplier from 12 KV to 145 KV. We have made significant portfolio development for Bangladesh Distribution segment and extending the same to African distribution utilities and developing R3 Business has improved our offerings. We are now able to replace, retrofit and service 10 other make of disconnectors, other than S&S own make. This business has potential to drive our business significantly in future and can change the revenue mix between green projects and brown project businesses.

During the year we added 5 additional sales agent/ channel partners including in ISRAEL, Dubai and Africa- in addition to adding one in India

Our effort to make our offerings more competitive has developed our product portfolio into three platforms. This was essential to compete with Indian Competition, Chinese Competition and European Competition in different market geographies. Our value chain re-structuring operations needs to continue to improve competitiveness and specially the capacity utilization / capacity sizing in line with volume and demand. Feeder shop activities are being outsourced to reduce overall cost and to have strong focus on critical parts and Assembly Unit.

While financials of 19-20 are very bad, we took this opportunity to bring several improvements for securing 20-21 and better future performance. Opening order and order coverage for sale in Disconnecter is significantly better and almost 70% of budgeted sales are now covered by order APIL has frame contracts in place.

### UK Operations – Salient Points

Better focus by Acrastyle in developing OEM and EPC business in UK while staying connected with Distribution utilities grew the volume and order. After a long gap the newly approved RD145G disconnecter by ENA got converted into order and a major project of this product was executed in the last year for Northern Power Grid UK.

Several Organizational improvements, an attempt to supply to Bangladesh and Engineering Service at higher margin were helpful in improving performance Covid 19 had minor impact in UK.

We are expecting better order book and sale for Acrastyle in coming year 2020 - 2021.

Best wishes,

**Ashok Kumar Vishwakarma**  
Managing Director

## ANNUAL REVIEW

### STANDALONE HOLDING COMPANY S&S POWER SWITCHGEAR LIMITED (S&S PSL) PERFORMANCE – AN OVERVIEW

S&S PSL – Performance Overview		
Financial Year	Turnover (INR in Millions)	PBDIT (INR in Millions)
2015-16	16.68	5.42
2016-17	4.13	(3.30)
2017-18	7.04	0.94
2018-19	5.09	20.95
2019-20	8.56	4.65

Significant resources of the holding company are applied for the management of Indian and UK subsidiaries.

The spares, service, and retrofit business development in various states where our Circuit Breaker installed base is high, led to some inroads in order acquisition.

A new project of providing retrofit solution to Madras Atomic Power Station (MAPS) HHV PRIME was launched.

An order of 2 crores was received from MAPS. Delivery extended up to July 2021 due to COVID Crisis.

### CONSOLIDATED RESULTS OF OPERATIONS – AN OVERVIEW

Consolidated Performance Overview		
Financial Year	Turnover (INR in Millions)	PBDIT (INR in Millions)
2015-16	1,142.76	73.93
2016-17	893.97	33.01
2017-18	1,034.14	80.14
2018-19	1,034.46	(3.29)
2019-20	916.93	(43.78)

Overall Sales Volumes were down by 11% from FY 2018-19 to FY 2019-20 due to significant drop in Disconnectors Sales. 55% of the Loss is contributed by 52% Drop in Disconnector Sales Volume.

UK has a Benefit of Pension Deficit Gain and APIL Operations in India Performed Better on profitability.

### S&S POWER SWITCHGEAR EQUIPMENT LIMITED (S&S PSE) (Disconnector Business)

S&S PSE Performance Overview		
Financial Year	Turnover (INR in Millions)	PBDIT (INR in Millions)
2015-16	213.65	9.80
2016-17	313.38	8.32
2017-18	342.54	35.03
2018-19	374.62	17.21
2019-20	178.57	(24.44)

Delay in order finalisation followed by last quarter COVID impact had dropped sales volume by 52%.

We got approval from few new countries in Africa and this takes our approval to almost major parts of African market. Launch of R3(Refurbishment, Retrofit and Renovation) program will increase our retrofit & service business revenue.

### ACRASTYLE POWER (INDIA) LIMITED (APIL)

APIL Performance Overview		
Financial Year	Turnover (INR in Millions)	PBDIT (INR in Millions)
2015-16	148.03	18.07
2016-17	164.18	3.03
2017-18	175.52	18.97
2018-19	199.70	7.82
2019-20	193.82	23.36

Despite Same level of sales, profitability was increased due to increase in different product mix in business and better cost management.

### ACRASTYLE LIMITED (AL)

#### Core P&C Business – ACRASTYLE LIMITED, UK

AL, UK Performance Overview		
Financial Year	Turnover (INR in Millions)	PBDIT (INR in Millions)
2015-16	801.46	52.67
2016-17	708.75	45.99
2017-18	782.11	49.01
2018-19	537.82	(32.68)
2019-20	592.44	(20.96)

The sales increase about 10% and Loss has reduced due to Pension deficit benefit of 3,70,000 GBP (i.e. equivalent to INR 34.44 Millions).



## CORPORATE INFORMATION

### BOARD OF DIRECTOR'S & KEY MANAGERIAL PERSONNEL

Mr. ASHISH SUSHIL JALAN	NON-EXECUTIVE CHAIRMAN
Mr. AJAY KUMAR DHAGAT	INDEPENDENT DIRECTOR
Mr. DEEPAK JUGAL KISHORE CHOWDHARY	INDEPENDENT DIRECTOR
Mrs. GAYATHRI SUNDARAM	INDEPENDENT DIRECTOR
Mr. NANDAKUMAR SUNDARRAMAN	INDEPENDENT DIRECTOR
Mr. PETER JOHN WOOLRICH	DIRECTOR (up to 29.05.2019)
Mr. ASHOK KUMAR VISHWAKARMA	MANAGING DIRECTOR
Mr. GOKULANANDA SAHU	COMPANY SECRETARY AND COMPLIANCE OFFICER (w.e.f. 29th October 2019) & CHIEF FINANCIAL OFFICER (w.e.f. 14th September 2020)
Mrs. SELVI NARASIMMAN	CHIEF FINANCIAL OFFICER (up to 12th September 2020)
Mr. ARJUN SOOTA	NON-EXECUTIVE DIRECTOR (w.e.f. 14th September 2020)


<b>REGISTERED OFFICE &amp; WORKS</b> Plot No 14, CMDA Industrial Area Part – II, Chithamanur Village, Maraimalai Nagar – 603209. Kancheepuram District. Tamilnadu Tel: 044 – 4743 1625, 4743 1626 Website: <a href="http://www.sspower.com">www.sspower.com</a> E-mail: <a href="mailto:investor@sspower.com">investor@sspower.com</a>  <b>CORPORATE IDENTITY NUMBER</b> L31200TN1975PLC006966  <b>BANKERS</b> Kotak Mahindra Bank Ltd, Adyar, Chennai ICICI Bank Limited, Alwarpet, Chennai CITI BANK N.A, Anna Salai, Chennai  <b>STATUTORY AUDITORS</b> M/s C N K & Associates LLP, Chartered Accountants, Chennai	<b>SECRETARIAL AUDITORS</b> M/s BP & Associates, Company Secretaries, Chennai.  <b>INTERNAL AUDITORS</b> M/s BH & Co, Chartered Accountants, Chennai  <b>REGISTRAR &amp; SHARE TRANSFER AGENT</b> M/s. GNSA INFOTECH LIMITED, STA Department, Nelson Chambers, 4th Floor, F-Block, No:115, Nelson Manickam Road, Aminjikarai, Chennai – 600029. Tamilnadu Tel: 044 – 4296 2025   Email : <a href="mailto:sta@gnsaindia.com">sta@gnsaindia.com</a>
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### ANNUAL GENERAL MEETING

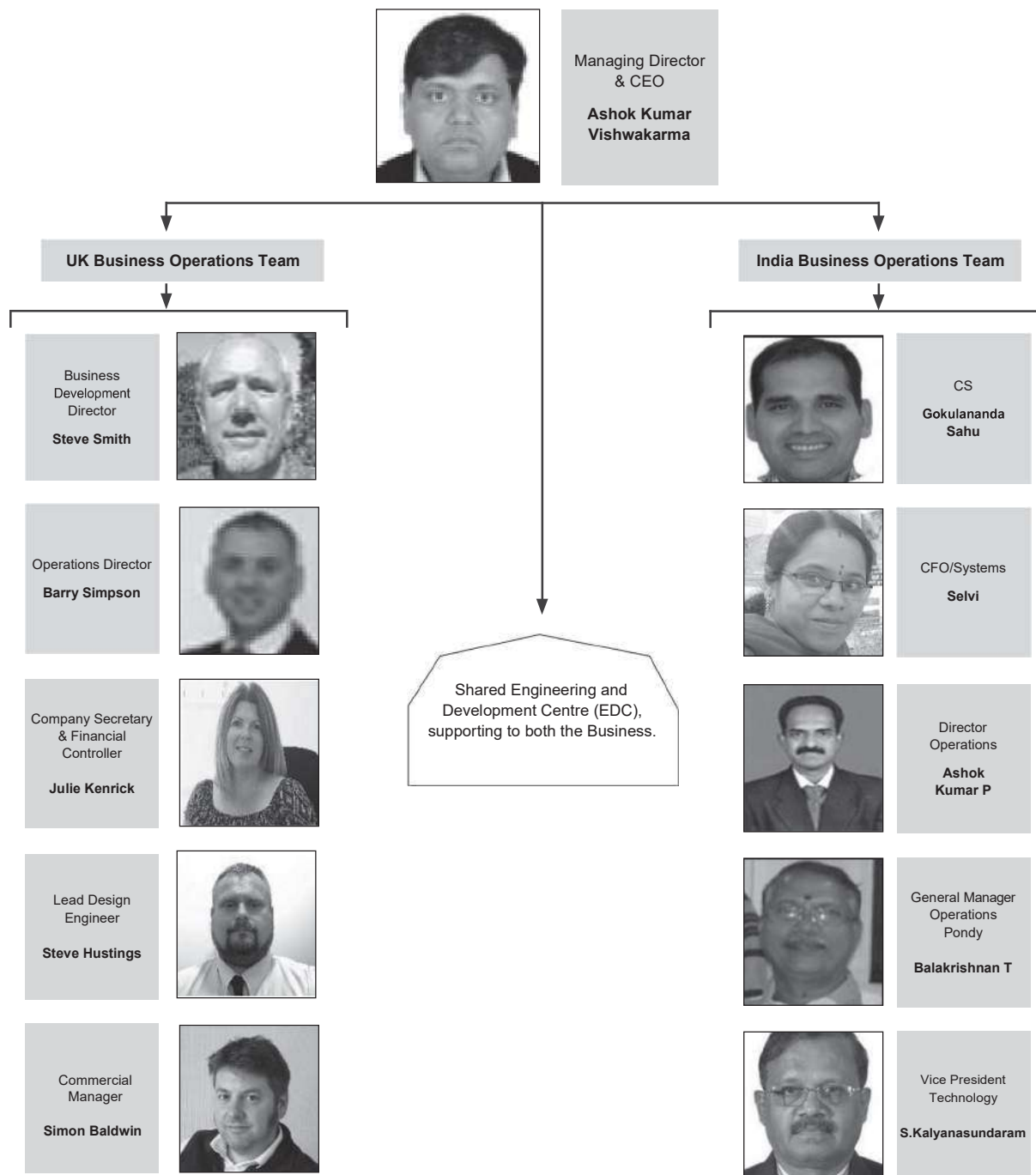
Date	: 25th of NOVEMBER 2020
DAY	: Wednesday
TIME	: 11:00 AM
VENUE	: THROUGH VC/AC

## BOARD PROFILE

### S&S POWER SWITCHGEAR LIMITED - BOARD OF DIRECTORS

<p><b>1. Mr. ASHISH SUSHIL JALAN - CHAIRMAN</b></p> <p>Mr. Ashish Jalan is a Commerce Graduate. He has to his credit over 30 years of Managerial and Administrative experience in various Industries and exposure in International business.</p>	
<p><b>2. Mr. AJAY KUMAR DHAGAT - INDEPENDENT DIRECTOR</b></p> <p>Mr. Ajay Dhagat is an Electrical Engineer from University of Jabalpur, India. He has deep domain expertise in Transmission &amp; Distribution Industry, General Management, Business Leadership and Market for over 40 years. He has held position like AREVA T&amp;D India Country President and MD and IEEMA President. He also has an international experience of handling Asia Pacific regions of Alstom T&amp;D and was located in France.</p>	
<p><b>3. Mr. DEEPAK JUGAL KISHORE CHOWDHARY - INDEPENDENT DIRECTOR</b></p> <p>Mr. Deepak Chowdhary is the Founder Owner of MPM Private Limited, Nagpur, India's pioneering manufacturer and Technical Application experts of Lustrous Carbon additives for use in Green sand molding. Mr. Chowdhary is a B.Com (Honors) graduate from Sydenham College of Commerce and Economics, Mumbai University. He has been an invitee on several Management Institutes and likes to interact with Students on Entrepreneurship.</p>	
<p><b>4. Mrs. GAYATHRI SUNDARAM - INDEPENDENT DIRECTOR</b></p> <p>Mrs. Gayathri is a Chartered Accountant and Cost Accountant. She combines a very bright academic record with best corporate exposure of over 20 years with specialization in Corporate accounting, Risk Management &amp; Treasury. Currently, a freelance Chartered Accountant, associated with M/s Profadds Consulting, handling internal and management audits up to Audit Committee presentations, for a variety of Corporates Pan-India, including listed companies.</p>	
<p><b>5. Mr. NANDAKUMAR SUNDARRAMAN - INDEPENDENT DIRECTOR</b></p> <p>Mr. Nandakumar is a Company Secretary &amp; practicing Chartered Accountant for over 40 years. He is also a DISA Certified &amp; Insolvency Professional. He has a wide knowledge &amp; expertise in Corporate Matters, Financial accounting, Taxation &amp; Statutory Audit. He is the Chairman of Audit Committee &amp; Board Sub-committees.</p>	
<p><b>6. Mr. ASHOK KUMAR VISHWAKARMA - MANAGING DIRECTOR</b></p> <p>Mr. Ashok Kumar Vishwakarma is an Engineering Graduate from NIT, Allahabad, India. He has been leading S&amp;S Power Business from last 5 years. He has over 25 years of professional experience in Indian Switchgear Industry, in Sales &amp; Marketing, Technical Development, Sourcing, Manufacturing Operations &amp; PL Management. He was earlier employed with GE, Areva T&amp;D, Alstom, GEC Alstom &amp; GEC.</p>	
<p><b>7. Mr. ARJUN SOOTA - NON-EXECUTIVE DIRECTOR (w.e.f. 14th September 2020)</b></p> <p>Mr. Arjun Soota (DIN: 08281046) 52 years old is a Post-Graduate Diploma in Business Management from XLRI Jamshedpur and B.A. (Economics) degree from Mumbai University. He is a Mumbai-based independent consultant who works with Indian and international companies in an advisory capacity in areas such as business and financial strategy, corporate finance, treasury and risk management. He has worked for over 20 years with top-tier international banks and multinational companies in various country, regional and global roles.</p>	

## THE S&S MANAGEMENT TEAM



## NOTICE TO MEMBERS

NOTICE IS HEREBY GIVEN THAT THE FORTY SECOND (42nd) ANNUAL GENERAL MEETING OF THE MEMBERS OF S&S POWER SWITCHGEAR LIMITED WILL BE HELD ON WEDNESDAY, 25TH DAY OF NOVEMBER 2020 AT 11:00 A.M. THROUGH VIDEO CONFERENCING ("VC") / OTHER AUDIOVISUAL MEANS ("OAVM") TO TRANSACT THE FOLLOWING BUSINESS:

### ORDINARY BUSINESS

**TO CONSIDER AND IF THOUGHT FIT, TO PASS THE FOLLOWING ITEMS OF BUSINESS, AS ORDINARY RESOLUTION(S):**

1. To receive, consider, and adopt the Audited Financial Statements (including the Audited Consolidated Financial Statements) for the year ended 31st March 2020 along with the notes as on that date and the reports of the Board of Directors and the Auditors thereon.  
  
**"RESOLVED THAT** the Audited Financial Statements including the consolidated financial statements for the year ended 31st March 2020 together with the Auditors Report thereon, and the Report of the Board of Directors for the financial year ended on that date be and are hereby approved and adopted"
2. To re-elect Mr. Ashish Sushil Jalan (DIN: 00031311), who retires by rotation, as a Director of the Company.  
  
**"RESOLVED THAT** Mr. Ashish Sushil Jalan (DIN: 00031311) who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company".

### SPECIAL BUSINESS

3. To Consider and approve the appointment of **Mr. Arjun Soota** (DIN: 08281046) as Non-Independent and Non-Executive of the Company and if thought fit to pass, the following resolution as **Ordinary Resolution**:  
  
**"RESOLVED THAT** pursuant to Section 152 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder including any statutory modifications(s) or re-enactment thereof and pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any Amendment thereof, Mr. Arjun Soota (DIN: 08281046) who was appointed as an Additional Director (Non-Executive and Non Independent) of the Company on the recommendation of the Nomination and Remuneration Committee and by the Board of Directors with effect from 14th September, 2020 and who holds office up to the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013, be and is hereby appointed as Non-Executive and Non Independent Director of the Company whose period of office liable to determination by retirement by rotation."
4. To Consider and approve the re-appointment of **Mr. Ajay Kumar Dhagat** (DIN: 00250792) as an Independent Director of the Company and if thought fit to pass, the following resolution as **Special Resolution**:  
  
**"RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV of the Companies Act, 2013 (the 'Act'), the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), and based on the recommendation of Nomination and Remuneration Committee and Board of Directors, Mr. Ajay Kumar Dhagat (DIN: 00250792), who was appointed as an Independent Director and holds office as an Independent Director up to 13th August 2020 and has attained the age of 75 years, being eligible for re-appointment and who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 be and is hereby re-appointed as an Independent Director of the Company to hold office for another term of 05 (five) consecutive years with effect from 14th August 2020 and shall not be liable to retire by rotation."
5. To Consider and approve the re-appointment of **Mr. Deepak Jugal Kishore Chowdhary**, (DIN: 00332918) as an Independent Director of the Company and if thought fit to pass, the following resolution as **Special Resolution**:  
  
**"RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV of the Companies Act, 2013 (the 'Act'), the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)

Regulations, 2015 (Listing Regulations), and based on the recommendation of Nomination and Remuneration Committee and Board of Directors, Mr. Deepak Jugal Kishore Chowdhary, (DIN: 00332918), who holds office as an Independent Director up to 13th August 2020 being eligible for re-appointment and who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 be and is hereby re-appointed as an Independent Director of the Company to hold office for another term of 05 (five) consecutive years with effect from 14<sup>th</sup> August 2020 and shall not be liable to retire by rotation."

6. To Consider and approve the re-appointment of **Mr. Nandakumar Sundarraman**, (DIN: 02503998), as an Independent Director of the Company and if thought fit to pass, the following resolution as **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV of the Companies Act, 2013 (the 'Act'), the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), and based on the recommendation of Nomination and Remuneration Committee and Board of Directors, Mr. Nandakumar Sundarraman, (DIN: 02503998), who holds office as an Independent Director up to 13th August 2020 being eligible for re-appointment and who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 be and is hereby re-appointed as an Independent Director of the Company to hold office for another term of 05 (five) consecutive years with effect from 14th August 2020 and shall not be liable to retire by rotation."

By Order of the board,  
For S & S Power Switchgear Limited,

Gokulananda Sahu  
Company Secretary & Compliance officer  
M. No: A43068

**Registered Office:**

Plot No.14, CMDA Industrial Area,  
Chithamanur Village, Marai Malai Nagar  
Kancheepuram-603209,  
CIN: L31200TN1975PLC006966

**Place: Chennai**

**Date: 31st October 2020**

## NOTES

1. In view of the COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its General Circular No. 20/2020 dated May 5, 2020 in relation to 'Clarification on holding of annual general meeting ('AGM') through video conferencing ('VC') or other audio visual means ('OAVM') read with General Circular No. 14/2020 dated April 8, 2020 and General Circular No. 17/2020 dated April 13, 2020 in relation to 'Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19' (collectively referred to as 'MCA Circulars') and the Securities and Exchange Board of India ('SEBI') vide its circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 in relation to 'Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 – Covid-19 pandemic' ('SEBI Circular') permitted the holding of the Annual General Meeting ('AGM'/the Meeting') through VC/OAVM, without the physical presence of the members at a common venue. In compliance with the provisions of the Companies Act, 2013 (the 'Act'), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and MCA Circulars, the 42nd AGM of the Company is being held through VC/OAVM on Wednesday, 25th November 2020 at 11.00 AM. (IST). The deemed venue for the AGM will be the place from where the Chairman of the Board conducts the Meeting.
2. Explanatory Statement pursuant to Section 102 of the Act relating to Items nos. 3 to 6 of the Notice of the 42nd AGM is annexed hereto. Also, relevant details in respect of Directors seeking re-appointment at the AGM, in terms of Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Clause 1.2.5 of Secretarial Standard - 2 on General Meetings are also annexed to this notice.
3. The Register of Members and Share Transfer Books of the Company will remain closed from **19th day of November 2020 to 25th day of November 2020 (both days inclusive)** for the purpose of Annual General Meeting.
4. 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 through VC/OAVM, whereby physical attendance of Shareholders has been dispensed with. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS AND THE SEBI CIRCULAR, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE. However, in terms of the provisions of Section 112 and 113 of the Act read with the said Circulars, Corporate Shareholders are entitled to appoint their authorised representatives to attend the AGM through VC/OAVM on their behalf and participate thereat, including cast votes by electronic means (details of which are provided separately, hereinbelow). Such Corporate Shareholders are requested to refer 'General Guidelines for Shareholders' provided in the Point No. 15 herein below, for more information.
5. The Members can join the AGM in the VC/OAVM mode 30 minutes before and 15 minutes 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 serve' basis. This will not include large Shareholders (i.e. Shareholders holding 2% or more), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairperson(s) 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 serve' basis.
6. The attendance of the Shareholders attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
7. The Shareholders, seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before 18th November 2020, through Email on **investor@sspower.com**. The same will be replied by/on behalf of the Company suitably.
8. In view of the outbreak of the COVID-19 pandemic, resultant difficulties involved in dispatching of physical copies of the Annual Report and in line with the said Circulars issued by the MCA and said SEBI Circular, the Annual Report including Notice of the 42nd AGM of the Company inter alia indicating the process and manner of e-voting is being sent only by Email, to all the Shareholders whose Email IDs are registered with the Company/Depository Participant(s) for communication purposes to the Shareholders and to all other persons so entitled. Further, in terms of the applicable provisions of the Act, SEBI Listing Regulations



read with the said Circulars issued by MCA and said SEBI Circular, the Annual Report including Notice of the 42nd AGM of the Company will also be available on the website of the Company at [www.sspower.com](http://www.sspower.com). The same can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) respectively and on the website of NSDL i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

9. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.
10. Non-Resident Indian members are requested to inform the Company's RTA immediately of:
  - a. Change in their residential status on return to India for permanent settlement.
  - b. Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
11. **SEBI HAS MANDATED SUBMISSION OF PAN BY EVERY PARTICIPANT IN THE SECURITIES MARKET. MEMBERS HOLDING SHARES IN ELECTRONIC FORM ARE, THEREFORE, REQUESTED TO SUBMIT THEIR PAN DETAILS TO THEIR DEPOSITORY PARTICIPANTS. MEMBERS HOLDING SHARES IN PHYSICAL FORM ARE REQUESTED TO SUBMIT THEIR PAN DETAILS TO THE COMPANY'S RTA.**
12. As per Regulation 40 of the SEBI Listing Regulations, as amended, transfer of securities would be carried out in dematerialised form only with effect from April 1, 2019, except in case of transmission or transposition of securities. However, members can continue to hold shares in physical form. In view of the same 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'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 the Company's RTA in case the shares are held by them in physical form.
14. Voting through electronic means

In terms of the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 (as amended from time to time) and Regulation 44 of the SEBI Listing Regulations and the said Circulars, the Company is providing the facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. The instructions for e-voting are given hereinbelow.

The Company has engaged the services of National Securities Depository Limited ("NSDL"), who will provide the e-voting facility of casting votes to a Shareholder using remote e-voting system (e-voting from a place other than venue of the AGM) ("remote e-voting") as well as e-voting during the proceeding of the AGM ("e-voting at the AGM").

Further, in accordance with Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015, the Company has fixed, 18th November 2020 as the "cutoff date" to determine the eligibility to vote by remote e-voting or e-voting at the AGM. A person whose name is recorded in the Register of Shareholders or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date, i.e. fixed 18th November 2020 as the "cutoff date", shall be entitled to avail the facility of remote e-voting or e-voting at the AGM. Only those Shareholders, who will be present at the AGM through VC/OAVM facility and who would not have cast their vote by remote e-voting prior to the AGM and are otherwise not barred from doing so, shall be eligible to vote through e-voting system at the AGM.

The Board has appointed Mr. K.J. CHANDRA MOULI, Partner of M/s. BP & ASSOCIATES, Company Secretaries, as the Scrutiniser to scrutinise the e-voting in a fair and transparent manner.

Instructions for Shareholders for remote e-voting:

The remote e-voting period begins on Friday, 20th November, 2020 at 9.00 A.M. and ends on Tuesday, 24th November, 2020 at 5.00 P.M. and the remote e-voting module shall be disabled by NSDL for voting thereafter.

#### 15. 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 [www.evoting.nsdl.com/](http://www.evoting.nsdl.com/)**

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

- (i) Visit the e-voting website of NSDL: Open web browser by typing the following URL: [www.evoting.nsdl.com/](http://www.evoting.nsdl.com/) either on a Personal Computer or on a mobile.
- (ii) Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
- (iii) 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 e-services i.e. IDEAS, you can log-in at [www.eservices.nsdl.com/](http://www.eservices.nsdl.com/) with your existing IDEAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. cast your vote electronically.

(iv) Your User ID details are given below:

Manner of holding shares	Your User ID
a) For Shareholders 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 Shareholders 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 Shareholders holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company.  For example, if folio number is 001*** and EVEN is 111111 then user ID is 11111001***.

(v) 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. You will be required to trace the Email sent to you from NSDL from your mailbox. You can open the Email and open the attachment i.e. a PDF file. The password to open the PDF file is your 8 digit client ID for NSDL account or last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The PDF file contains your 'User ID' and your 'initial password'.
  - (ii) If your Email ID is not registered, please follow steps mentioned below i.e. process for those Shareholders whose Email IDs are not registered.
- d. If you are unable to retrieve or have not received the 'initial password' or you have forgotten your password:
  - (i) If you are holding shares in your demat account with NSDL or CDSL: Click on "Forgot User



Details/Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

- (ii) If you are holding shares in physical mode: "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- (iii) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in), by mentioning your demat account number/ folio number, your PAN, your name and your registered address.
- (iv) Shareholders can also use the OTP (one time password) based login for casting the votes on the e-voting system of NSDL.
- (v) After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- (vi) Now, you will have to click on "Login" button.
- (vii) After you click on the "Login" button, Home page of e-voting will open.

**Step 2: Cast your vote electronically on NSDL e-voting system. How to cast your vote electronically on NSDL e-voting system?**

- i. 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".
- ii. After clicking 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.
- iii. Select "EVEN" of "S & S POWER SWITCHGEAR LIMITED", which is .....
- iv. Now you are ready for e-voting as the Voting page opens.
- v. 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.
- vi. Upon confirmation, the message "Vote cast successfully" will be displayed.
- vii. You can also take the printout of the votes cast by you by clicking on the "print" option on the confirmation page.
- viii. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**Procedure for registering the email addresses and obtaining the Annual Report, e-AGM notice and e-voting instructions by the Shareholders whose email addresses are not registered with the Depositories (in case of Shareholders holding shares in Demat form) or with RTA (in case the Shareholders holding shares in physical form)**

- i. Those Shareholders who have not yet registered their email addresses are requested to get their email addresses registered by following the procedure given below:
  - a. Shareholders holding shares in demat form can get their e-mail ID registered by contacting their respective Depository Participant.
  - b. Shareholders holding shares in physical form may register their email address and mobile number with Company's Registrar and Share Transfer Agent, GNSA Infotech Private Ltd by sending an e-mail request at the email ID [sta@gnsaindia.com](mailto:sta@gnsaindia.com) along with signed scanned copy of the request letter providing the email address, mobile number, self-attested PAN copy and copy of share certificate for registering their email address and receiving the Annual report, AGM Notice and the e-voting instructions. In case of any queries, shareholder may write to [sta@gnsaindia.com](mailto:sta@gnsaindia.com).

**Instructions for Shareholders for e-voting at the AGM:**

- i. The procedure for e-voting at the AGM is same as the instructions mentioned above for remote e-voting.
- ii. As mentioned hereinabove, only those Shareholders, who will be present at the AGM through VC/OAVM facility and who would not have not cast their vote by remote e-voting prior to the AGM and are otherwise not barred from doing so, shall be eligible to vote through e-voting system at the AGM.
- iii. Shareholders who have voted through remote e-voting will be eligible to attend the AGM and their presence shall be counted for the purpose of quorum, however such Shareholders shall not be entitled to cast their vote again at the AGM.

#### General Guidelines for Shareholders

- i. 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. whereby their authorised representative has been appointed to attend the AGM on their behalf, to the Company, together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutiniser by e-mail to [evoting@mehta-mehta.com](mailto:evoting@mehta-mehta.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- ii. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key-in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.

#### Other Information:

- i. In case of any queries with respect to remote e-voting or e-voting at the AGM, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on Toll free no.: 1800-222-990 or can contact NSDL on [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or contact Mr. Amit Vishal, Senior Manager – NSDL at [amitv@nsdl.co.in](mailto:amitv@nsdl.co.in)/022-24994360 or Ms. Pallavi Mhatre, Manager, NSDL at [pallavid@nsdl.co.in](mailto:pallavid@nsdl.co.in)/022-24994545 or Mr. Sagar Ghosalkar, Assistant Manager- NSDL at [sagar.ghosalkar@nsdl.co.in](mailto:sagar.ghosalkar@nsdl.co.in)/022-24994553.
- ii. Those persons, who have acquired shares and have become Shareholders of the Company after the dispatch of Notice of the AGM by the Company and whose names appear in the Register of Shareholders or Register of beneficial holders as on the cut-off date shall view the Notice of the AGM on the Company's website or on the website of NSDL. Such persons may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if he/she is already registered with NSDL for remote e-voting then he/she can cast his/her vote by using existing User ID and password and by following the procedure as mentioned above or by voting at the AGM.
- iii. Voting rights of the Shareholders shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
- iv. Every Client ID No./Folio No. will have one vote, irrespective of number of joint holders.

#### Scrutiniser's report and declaration of results

- i. The Scrutiniser shall, after the conclusion of e-voting at the AGM, first count the votes cast vide e-voting at the AGM and thereafter shall, unblock the votes cast through remote e-voting, in the presence of at least two witnesses not in the employment of the Company. He shall submit a Consolidated Scrutiniser's Report of the total votes cast in favour or against, not later than 48 (forty eight) hours of the conclusion of the AGM, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- ii. The results declared along with the Scrutiniser's Report shall be placed on the Company's website [www.sspower.com](http://www.sspower.com) and on the website of NSDL i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com). The Company shall simultaneously forward the results to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

#### 16. Attending the AGM through VC/OAVM:

##### Instructions for Shareholders for attending the AGM through VC/OAVM:

- i. Shareholders are being provided with a facility to attend the AGM through VC/OAVM through the NSDL e-voting system. Shareholders may access the same at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) under "Shareholders/members" login by using the remote e-voting credentials.
- ii. The link for VC/OAVM will be available in "Shareholders/members" login where the EVEN of Company will be displayed.
- iii. 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 hereinabove in the Notice, to avoid last minute rush. Further, Shareholders can also use the OTP based login for logging into the e-voting system of NSDL.

- iv. As mentioned above, the Shareholders can join the AGM in the VC/OAVM mode 30 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the necessary procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for Shareholders on 'first come first serve' basis.
  - v. Shareholders 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 ID mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at [investor@ssppower.com](mailto:investor@ssppower.com) till Wednesday, 18th November 2020. Those Shareholders 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.
  - vi. Please note that Shareholders 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. Shareholders are also encouraged to join the Meeting through Laptops for better experience.
  - vii. Further, Shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance in the meeting.
  - viii. Shareholders who need assistance before or during the AGM, can contact NSDL on [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or contact Mr. Amit Vishal, Senior Manager - NSDL at [amitv@nsdl.co.in](mailto:amitv@nsdl.co.in)/022-24994360 or Ms. Pallavi Mhatre, Manager, NSDL at [pallavid@nsdl.co.in](mailto:pallavid@nsdl.co.in)/022-24994545 or Mr. Sagar Ghosalkar, Assistant Manager- NSDL at [sagar.ghosalkar@nsdl.co.in](mailto:sagar.ghosalkar@nsdl.co.in)/022-24994553.
17. The Shareholders who are holding shares in dematerialised form and have not yet registered their e-mail IDs with their Depository Participant are requested to register their Email ID at the earliest, to enable the Company to use the same for serving documents to them electronically, hereafter. Shareholders holding shares in physical form may kindly provide their Email ID to the Registrar & Transfer Agent of the Company viz. GNSA Infotech Private Ltd, by sending an e-mail at [sta@gnsaindia.com](mailto:sta@gnsaindia.com). Process for those Shareholders, whose Email IDs are not registered with the Company/ Depository Participants for procuring User ID and Password and registration of Email IDs for e-voting for the resolutions set out in this Notice.
- i. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhar Card) by email to [investor@ssppower.com](mailto:investor@ssppower.com).
  - ii. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhar Card) to [investor@ssppower.com](mailto:investor@ssppower.com).
18. Shareholders are requested to quote their Folio No. or DP ID - Client ID, as the case may be, in all correspondence with the Company or the GNSA Infotech Private Limited.

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

The following Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") sets out all material facts relating to the business mentioned at Item No. 3 to 6 as given above:

### **Item No.3**

The members are informed that on the recommendation of Nomination & Remuneration Committee at their meeting held on 14th September, 2020, the Board of Directors has appointed Mr. Arjun Soota (DIN: 08281046) as an Additional Director in the capacity of Non-executive and Non-Independent Director with effect from 14th September, 2020 and he holds office up to the ensuing General Meeting of the Company.

**Mr. Arjun Soota** (DIN: 08281046) is not disqualified from being appointed as a Director in terms of Section 164 of the Act.

**Mr. Arjun Soota** (DIN: 08281046) holds a Post-Graduate Diploma in Business Management from XLRI Jamshedpur and a B.A. (Economics) degree from Mumbai University. He is a Mumbai-based independent consultant who works with Indian and international companies in an advisory capacity in areas such as business and financial strategy, corporate finance, treasury and risk management. He has worked for over 20 years with top-tier international banks and multinational companies in various country, regional and global roles.

Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that **Mr. Arjun Soota** (DIN: 08281046) is appointed as Director and the Board recommends the **Ordinary Resolution** for approval of the members.

Except **Mr. Arjun Soota** (DIN: 08281046), being the appointee, none of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 3.

### **ITEM NO.4:**

**Mr. Ajay Kumar Dhagat** (DIN: 00250792) was appointed as Independent Director of the Company for a period of 5 (five) years and his tenure ends on 13th August 2020.

As per Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), with effect from April 1, 2019, no listed company shall appoint or continue the directorship of a Non-Executive Director who has attained the age of 75 (Seventy Five) years, unless a Special Resolution is passed to that effect and justification thereof is indicated in the explanatory statement annexed to the Notice for such appointment.

As per Section 149(10) of the Companies Act, 2013, an Independent Director shall hold office for a term of 5 (five) consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing of special resolution by the Company for another term of 05 (five) consecutive years on the Board.

In line with the aforesaid provisions of the Companies Act, 2013 and in view of long, rich experience, continued valuable guidance to the management and strong Board performance of Mr. Ajay Kumar Dhagat (DIN: 00250792), the Nomination and Remuneration Committee of the Board has recommended his re-appointment as Independent Director of the Board for a second term of 05 (five) consecutive years up to 13th August 2025.

The Board based on the performance evaluation and as per the recommendation of Nomination and Remuneration Committee, considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services as an Independent Director.

Accordingly, it is proposed to re-appoint Mr. Ajay Kumar Dhagat (DIN: 00250792), as the Independent Director of the Company for an another term of 05 (five) consecutive years on the Board with effect from 14th August 2020 till 13th August 2025 and shall not liable to retire by rotation.

**Mr. Ajay Kumar Dhagat** (DIN: 00250792) is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act 2013 and has given his consent in writing to act as an Independent Director of the Company.

The Company has also received a declaration from him that he meets the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board, he fulfills the conditions specified in the Act and Listing Regulations and he is independent of the management.

Except **Mr. Ajay Kumar Dhagat**, (DIN: 00250792) none of the Directors and/or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution except and to the extent they are members of the Company.

#### ITEM NO.5:

**Mr. Deepak Jugal Kishore Chowdhary**, (DIN: 00332918) was appointed as Independent Director of the Company for a period of 5 (five) years and his tenure ends on 13th August 2020.

As per Section 149(10) of the Companies Act, 2013, an Independent Director shall hold office for a term of 5 (five) consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing of special resolution by the Company for another term of 05 (five) consecutive years on the Board.

In line with the aforesaid provisions of the Companies Act, 2013 and in view of long, rich experience, continued valuable guidance to the management and strong Board performance of **Mr. Deepak Jugal Kishore Chowdhary**, (DIN: 00332918), the Nomination and Remuneration Committee of the Board has recommended his re-appointment as Independent Director of the Board for a second term of 05 (five) consecutive years up to 13th August 2025.

The Board based on the performance evaluation and as per the recommendation of Nomination and Remuneration Committee, considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services as an Independent Director.

Accordingly, it is proposed to re-appoint **Mr. Deepak Jugal Kishore Chowdhary**, (DIN: 00332918), as the Independent Director of the Company for another term of 05 (five) consecutive years on the Board with effect from 14th August 2020 till 13th August 2025 and shall not liable to retire by rotation.

**Mr. Deepak Jugal Kishore Chowdhary**, (DIN: 00332918) is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act 2013 and has given his consent in writing to act as an Independent Director of the Company.

The Company has also received a declaration from him that he meets the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board, he fulfills the conditions specified in the Act and Listing Regulations and he is independent of the management.

Except **Mr. Deepak Jugal Kishore Chowdhary**, (DIN: 00332918), none of the Directors and/or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution except and to the extent they are members of the Company.

#### ITEM NO.6:

**Mr. Nandakumar Sundarraman**, (DIN: 02503998) was appointed as Independent Director of the Company for a period of 5 (five) years and his tenure ends on 13th August 2020.

As per Section 149(10) of the Companies Act, 2013, an Independent Director shall hold office for a term of 5 (five) consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing of special resolution by the Company for another term of 05 (five) consecutive years on the Board.

In line with the aforesaid provisions of the Companies Act, 2013 and in view of long, rich experience, continued valuable guidance to the management and strong Board performance of **Mr. Nandakumar Sundarraman**, (DIN: 02503998), the Nomination and Remuneration Committee of the Board has recommended his re-appointment as Independent Director of the Board for a second term of 05 (five) consecutive years up to 13th August 2025.

The Board based on the performance evaluation and as per the recommendation of Nomination and Remuneration Committee, considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services as an Independent Director.

Accordingly, it is proposed to re-appoint **Mr. Nandakumar Sundarraman, (DIN: 02503998)**, as the Independent Director of the Company for an another term of 05 (five) consecutive years on the Board with effect from 14th August 2020 till 13th August 2025 and shall not liable to retire by rotation.

**Mr. Nandakumar Sundarraman, (DIN: 02503998)** is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act 2013 and has given his consent in writing to act as an Independent Director of the Company.

The Company has also received a declaration from him that he meets the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board, he fulfills the conditions specified in the Act and Listing Regulations and he is independent of the management.

Except **Mr. Nandakumar Sundarraman, (DIN: 02503998)**, none of the Directors and/or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution except and to the extent they are members of the Company.

**By Order of the Board,  
For S&S POWER SWITCHGEAR LIMITED,**

**Gokulananda Sahu  
Company Secretary and Compliance Officer**

**Place: Chennai**

**M. No. A43068**

**Dated: 31st October 2020**

**PARTICULARS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT  
(AGENDA NO.3 TO 6) AS REQUIRED TO BE FURNISHED UNDER THE SECRETARIAL  
STANDARD ON GENERAL MEETINGS/REGULATION 36(3) OF THE SEBI (LISTING  
OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.**

Director's Name	Mr. ASHISH SUSHIL JALAN	Mr. Arjun Soota
Age	55 years	52 years
DIN	00031311	08281046
Qualification	B.Com	B.A. (Economics), PGDBM
Experience	Mr. Ashish Sushil Jalan is a Commerce Graduate. He has to his credit over 30 years of managerial and Administrative experience in the industry and exposure in International business.	Mr. Arjun Soota has worked for over 20 years with top-tier international banks and multinational companies in various country, regional and global roles.
Current Remuneration (Last Drawn) *	NIL	NIL
Shareholding in the Company	34,297 Equity Shares	NIL
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	There is no relationship with other Directors on the Board.	There is no relationship with other Directors on the Board.
Names of listed entities in which the person also holds the directorship and the membership of Committees of the board; and	NIL	NIL



Director's Name	Mr. Ajay Kumar Dhagat	Mr. Deepak Jugal Kishore Chowdhary
Age	75 Years	61 years
DIN	00250792	00332918
Qualification	B.E.	B.Com (Honors)
Experience	Mr. Ajay Dhagat is an Electrical Engineer from University of Jabalpur, India. He has deep domain expertise in Transmission & Distribution Industry, General Management, Business Leadership and Market for over 40 years. He has held position like AREVA T&D India Country President and MD and IEEMA President. He also has an international experience of handling Asia Pacific regions of Alstom T&D and was located in France.	Mr. Deepak Chowdhary is the Founder Owner of MPM Private Limited, Nagpur, India's pioneering manufacturer and Technical Application experts of Lustrous Carbon additives for use in Green sand molding. Mr. Chowdhary is a B.Com (Honors) graduate from Sydenham College of Commerce and Economics, Mumbai University. He has been an invitee on several Management Institutes and likes to interact with Students on Entrepreneurship.
Current Remuneration (Last Drawn) *	NIL	NIL
Shareholding in the Company	NIL	NIL
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	There is no relationship with other Directors on the Board.	There is no relationship with other Directors on the Board.
Names of listed entities in which the person also holds the directorship and the membership of Committees of the board; and	INDO-TECH TRANSFORMERS LIMITED	NIL

Director's Name	Mr. Nandakumar Sundarraman
Age	66 years
DIN	<b>02503998</b>
Qualification	Chartered Accountant, Company Secretary
Experience	Mr. Nandakumar is a Company Secretary & practicing Chartered Accountant. He has a wide knowledge & expertise in Corporate Matters, Financial accounting, Taxation & Statutory Audit. He is the Chairman of Audit Committee & Member in other Board Committees.
Current Remuneration (Last Drawn) *	NIL
Shareholding in the Company	NIL
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	There is no relationship with other Directors on the Board.
Names of listed entities in which the person also holds the directorship and the membership of Committees of the board; and	NIL

\*Does not include the Sitting fees of paid to the Directors during the Financial Year 2019-2020.

## DIRECTOR'S REPORT

Dear Shareholders,

Your Board of Directors ('Board') have immense pleasure in presenting their 42nd Annual Report of S&S Power Switchgear Limited ('S&S POWER') or 'the Company' together with the Audited Financial Statements for the year ended **31st March 2020**

In line with the requirements of the Companies Act, 2013 ("the Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the SEBI Regulations"), this report covers the Audited Financial results and other developments during the financial year from **1st April 2019 to 31st March 2020** in respect of Consolidated Performance comprising of S&S Power, its subsidiaries in India and overseas. The Consolidated entity has been referred to as '**S&S Group**' or '**the Group**' in this report.

### 1. FINANCIAL RESULTS – AN OVERVIEW

Your Company's financial performance for the year ended 31st March 2020 is summarized hereunder:

(Rs. in Lakhs)

PARTICULARS	CONSOLIDATED		STANDALONE	
	Year Ended 31-03-2020	Year Ended 31-03-2019	Year Ended 31-03-2020	Year Ended 31-03-2019
Revenue from operations	9,169	10,345	86	51
Other income	138	247	461	567
Total revenue	9,307	10,592	547	618
Expenses	10,306	10,966	672	537
Profit/ (Loss) before exceptional items and tax	(999)	(374)	(125)	81
Less: Exceptional items	572	-	572	-
Profit/ (Loss) before tax	(1,571)	(374)	(698)	81
Tax expense	34	7	6	(1)
Profit/ (Loss) for the Year	(1,537)	367	(698)	80
Other comprehensive income, net of income tax	379	(268)	-	(5)
Total comprehensive income for the Year	(1,158)	(635)	(692)	75
Earnings per share (Rs.)	(24.79)	(5.90)	(11.15)	1.29

(Rs. in Lakhs)

Details	2019-20	2018-19
<b>Indian Operations:</b>		
Revenue from Operations	3,245	4,967
Operating Profit	(702)	42
Other Comprehensive Income (OCI)	39	(6)
Net profit	(1,200)	15
<b>UK Operations:</b>		
Revenue from Operations	5,924	5,378
Operating Profit	(297)	(416)
Other Comprehensive Income (OCI)	340	(262)
Net profit	42	(650)



Details	2019-20	2018-19
<b>Consolidated</b>		
Revenue from Operations	9,169	10,345
Operating Profit	(999)	(374)
Other Comprehensive Income (OCI)	379	(268)
Net profit	(1,158)	(635)

## 2 RESULTS OF OPERATIONS

Your Company has registered consolidated revenue for the financial year ended 31st March 2020 at Rs. 9,307 Lakhs as against Rs. 10,592 Lakhs for the year ended 31st March 2019.

The Total consolidated Earnings / (Loss) before depreciation, finance costs, and taxation for the financial year ended 31st March 2020 is Rs. (1,571) Lakhs as against Rs. (374) Lakhs for the year ended 31st March 2019.

A Consolidated Loss for the year ended 31st March 2020 is Rs. 1,158 Lakhs as against loss of Rs. 635 Lakhs for the year ended 31st March 2019.

## 3. CHANGE IN THE NATURE OF BUSINESS, IF ANY

There was no change in nature of business of the Company during the year.

## 4. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There were no material changes and/or commitments between the end of the year under review and the date of this report, which could have had an impact on the Company's operation in the future or its status as a going concern. There are no significant or material orders passed by the Regulators /Courts/ Tribunals, during the year under review.

## 5. MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and analysis report which inter-alia covers the Company and its Group's financial and operational performance, Industry trends, Update on Macro Economic Indicators, Risks and Concerns, Internal control systems and their adequacy, Outlook and other material changes prepared in compliance of Regulation 34 of the SEBI Regulations forms part of the annual report, is annexed to this report.

## 6. SHARE CAPITAL

During the year under review, there was no change in the Share capital structure and the paid-up capital of the Company is Rs. 620 Lakhs as on 31st March 2020. Further the Directors state that, no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- Issue of equity shares with differential rights as to dividend, voting or otherwise;
- Issue of Shares (including Sweat Equity Shares and ESOS) to employees of the Company under any scheme;
- Provision of money for purchase of its own shares by employees or by trustees for the benefit of employees

## 7. SUBSIDIARIES/ JOINT VENTURES/ ASSOCIATES

- A list of companies which are subsidiaries/ associate to your Company is provided in Form AOC-1.
- Your Company continues to have 3 Subsidiaries in India and 2 overseas Subsidiaries and there were no changes in the status of the subsidiaries during the year under review.

- (c) A Statement containing salient features of financial statements of subsidiaries pursuant to Section 129 of the Act, read with Rule 5 of the Companies (Accounts) Rules, 2014 is annexed to this report in the prescribed Form AOC-1.

## 8. APPROPRIATIONS

### (a) Reserves

The Reserves at the end of the year 31st March 2020 is at Rs. 682 Lakhs as against the Total Reserves of Rs. 1,374 Lakhs as at 31st March 2019.

### (b) Dividend

Given the uncertain economic outlook and to continue liquidity for operations, the Board has not proposed any payment of dividend to the Shareholders for the year under review.

## 9. FINANCIAL STATEMENTS

The Standalone and Consolidated Financial Statements for the year ended 31st March 2020 have been prepared under IND AS (Indian Accounting Standards) by the Company.

In accordance with Section 136 of the Act, the audited financial statements including the consolidated financial statements and related information of the Company and audited accounts of each subsidiary are also available on the Company's website: [www.sspower.com](http://www.sspower.com).

## 10. DEPOSITS

During the year under review, your Company has not invited or accepted any deposits from public as per Section 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

## 11. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

As on the date of this Report, the Company has Seven (7) Directors consisting of Four (4) Independent Directors (1) Managing Director and (2) Non-Executive Directors.

During the year, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than the sitting fees, commission Consultancy Fee as approved by shareholders and reimbursement of expenses incurred by them for the purpose of attending meetings of the Company

(a) **Disqualification of Directors:** None of the directors are disqualified

### (b) Appointment / Resignation from the Board of Directors

During the Year under review, Mr. Peter John Woolrich (DIN: 07808275) resigned from the Board of the Company with effect from 29th May 2019 respectively. The Board places on record its sincere gratitude for the services and support rendered by the said Directors during their tenure in the Board.

### (c) Declaration by Independent Director

All Independent Directors have submitted declarations that they meet the criteria of Independence as laid down under Section 149(6) of the Act, and the SEBI Regulations.

### (d) Woman Director

In terms of the provisions of Section 149 of the Companies Act, 2013 and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has complied with the requirement of having at least one Woman Director on the Board of the Company. Mrs. Gayathri Sundaram is an Independent and Women Director of the Company.

#### (e) Changes in Key Managerial Person

During the year under review, there were changes in the Key Managerial Personnel.

- Mr. Ashok Kumar Vishwakarma, was reappointed as Managing Director w.e.f. 10th November 2019.
- Mr. Gokulananda Sahu was appointed as Company Secretary & Compliance Officer of the Company w.e.f. 29th October 2019
- Mrs. Selvi Narasimman was appointed as Chief Financial Officer of the Company w.e.f. 29th May 2019.
- Ms. Nithya Kamaraj, resigned as Company Secretary with effect from 28th June 2019.

#### (f) RETIREMENT BY ROTATION

Pursuant to Article 101 of the Articles of Association of the Company and in accordance with the Act, Mr. Ashish Sushil Jalan (DIN: 00031311), Non-Executive Director of the Company retires by rotation at the ensuing 42<sup>nd</sup> Annual General Meeting and being eligible offers himself for re-appointment. Board recommends his re-appointment as a Director for approval of members.

Further the brief profiles of Director being recommended for re-appointment is given in the Notice of 42<sup>nd</sup> Annual General Meeting being sent to the shareholders along with the Annual Report.

#### (g) REAPPOINTMENT OF INDEPENDENT DIRECTORS:

The Nomination and Remuneration Committee and the Board has recommended the reappointment of **Mr. Ajay Kumar Dhagat, Mr. Deepak Jugal Kishore Chowdhary and Mr. Nandakumar Sundarraman as Independent Director of the Company in the ensuing Annual General Meeting.**

### 12. BOARD MEETINGS

During the year, 8 (Eight) meetings of the Board of Directors were held. The details of the meetings are furnished in the Corporate Governance Report. Furthermore, the intervening gap between the Meetings was within the period prescribed under Section 173(1) of the Act.

### 13. EVALUATION OF BOARD, COMMITTEES OF DIRECTORS

Your Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which include criteria for performance evaluation of the non-executive directors. Pursuant to provisions of the Companies Act and the SEBI Regulations, the Board has carried out an annual evaluation of its own performance, the Directors individually as well as the performance of Board committees and of the Independent Directors (without participation of the relevant Director).

Further, Independent Directors at their meeting, without the participation of the Non-Independent Directors and Management considered/evaluated the Board's performance (as a whole), Performance of the Chairman and other Non-Independent Directors.

A statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual directors are specified in Nomination and Remuneration Policy.

### 14. KEY MANAGERIAL PERSONNEL

The following persons have been designated as Key Managerial Personnel of the Company pursuant to Section 2(51) and Section 203 of the Act, read with the Rules framed thereunder:

- Mr. Ashok Kumar Vishwakarma, Managing Director
- Mr. Gokulananda Sahu, Company Secretary and Compliance Officer (w.e.f. 29th October 2019)
- Ms. Selvi Narasimman, Chief Financial Officer (up to 12th September 2020)
- Ms. Nithya Kamaraj, Company Secretary and Compliance Officer (up to 28th June 2019)

## 15. POLICIES

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

The Company has set up Vigil Mechanism viz. Whistle Blower Policy to enable the employees and Directors to report genuine concerns, unethical behavior and irregularities, if any, in the Company noticed by them which could adversely affect company's operations to the Chairman of the Audit Committee. The policy is available at the Company's website ([www.sspower.com](http://www.sspower.com)).

No concerns or irregularities have been reported during the period. The Company hereby affirms that no Director/employee has been denied an access to the Chairman of the Audit Committee and that no complaints were received during the year.

### · **RISK MANAGEMENT POLICY**

The Company has already in place an integrated risk management approach through which it reviews and assesses significant risks on a regular basis to ensure that a robust system of risk controls and mitigation is in place. Through risk management approach, the Company ensures that risk to the continued existence as a going concern and to its development are identified and addressed on a timely basis.

The Company has been addressing various risks impacting the Company which is provided elsewhere in this Annual Report in Management Discussion and Analysis Report.

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

The Board has, on the recommendation of the Nomination & Remuneration Committee, formulated criteria for determining Qualifications, Positive Attributes and Independence of Directors, Key Managerial Personnel and senior management. The details of criteria laid down and the Remuneration Policy are given in the Corporate Governance Report.

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

The Company has in place, policy of prevention, prohibition and Redressal of Sexual Harassment for women at the Workplace in accordance with the requirements of the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013. It ensures prevention and deterrence of acts of sexual harassment and communicates procedures for their resolution and settlement. All women employees are covered under this policy. There were no cases/ complaints reported in this regard during the year under review.

## 17. DIRECTORS' RESPONSIBILITY STATEMENT:

In compliance with Section 134(5) of the Act, your directors, based on information made available to them, confirm the following:

- (a) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) that the directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2020 of the loss of the Company for that period.
- (c) that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Company Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) that the directors have prepared the annual accounts on a going concern basis;
- (e) that the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- (f) that the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 18. EXTRACT OF ANNUAL RETURN:

Pursuant to provisions of Section 92(3) of the Act, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in Form MGT-9 is given in Annexure I to this Report.

## 19. AUDITORS:

### Statutory Auditors

M/s CNK & Associates LLP, Chartered Accountants, Mumbai (ICAI Firm Registration No: 101961W/ W-100036) were appointed as Statutory Auditors for a term of five consecutive years to hold office until conclusion of 43rd Annual General Meeting.

Pursuant to the amendment to Section 139 of the Companies Act, 2013 effective from May 07, 2018, ratification by shareholders every year for the appointment of Statutory Auditors is no longer required and accordingly, the Notice of ensuring 42nd Annual General Meeting does not include the proposal for seeking shareholders' approval for ratification of Statutory Auditors appointment.

### Auditor's Report:

No qualification, adverse remarks or disclaimer made by the Statutory Auditors with regard to the financial statements for the financial year 2019-20.

The Statutory Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Companies Act, 2013.

There have been no instances of fraud reported by above mentioned Auditors under Section 143(12) of the Act and Rules framed thereunder either to the Company or to the Central Government during FY 2019-20.

### Secretarial Auditors and Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Act, and the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014 the Board has appointed M/s. BP & Associates, a firm of Company Secretaries in practice, to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is given in Annexure VI to this Report.

The Secretarial Auditors' have qualified their report for the following observations, which are provided below with the Management response.

SECRETARIAL AUDIT	MANAGEMENT RESPONSE
The Company has not filed e-form MGT 14 for the borrowings done during the financial year 2017-18.	The company has initiated action to complete the filing.
The Company has not filed e-form MGT 14 for an increase in remuneration for Managing Director, borrowings and security provided to wholly owned subsidiary during the Financial year 2018-19.	The company has initiated action to complete.
The Company's Website has not been updated as per the SEBI (LODR), 2015 & the Companies Act, 2013.	The Company has initiated to update the website as per the requirements.

## INTERNAL AUDITORS

Pursuant to Section 138 of the Companies Act 2013 read with rule 13 of The Companies (Accounts) Rules, 2014 and all other applicable provisions (including any amendment thereto) if any of the Companies Act 2013 M/s. BH & CO, Chartered Accountants Chennai was appointed as the Internal Auditors of the Company for the Financial Year 2019- 20.

The audit conducted by the Internal Auditors is based on an internal audit plan. These audits are based on risk based methodology and inter alia involve the review of internal controls and governance processes, adherence to management policies and review of statutory compliances. The Internal Auditors share their findings on an ongoing basis during the financial year for corrective action. The Audit Committee oversees the work of Internal Auditors.

## 20. CORPORATE GOVERNANCE

The report on Corporate Governance for the year ended 31st March 2020 pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed hereto and forms an

integral part of this Report. The Certificate from the Auditors regarding the compliance of conditions of Corporate Governance is attached to the report on Corporate Governance as an Annexure.

The Annual report of the Company contains a certificate by the Managing Director in terms of the SEBI Regulations on the compliance declarations received from the Directors and the Senior Management Personnel.

Your Company had duly complied with the requirements regarding Corporate Governance as stipulated under Regulation 24 of the SEBI Regulations.

Further as required under Regulation 17(8) of the SEBI Regulations, a certificate from the Managing Director and Chief Financial Officer of the Company with regard to the financial statements and other matters is being annexed with this Report as Annexure

## **21. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:**

### **A. Conservation of Energy**

- The Company ensures that the manufacturing operations are conducted in the manner whereby optimum utilization and maximum possible savings of energy is achieved.
- The Company is also making continuous efforts for utilizing alternate sources of energy.
- The Company has launched formal management system implementation on environment, health & safety.
- It will bring significant focus on sustainable development and energy conservation

### **B. Technology Absorption & Product Innovation**

- Company's products are manufactured by using in-house knowhow technology and no outside technology is being used for manufacturing activities.
- Company operates in a very competitive environment regular value engineering and adoption of new efficient material and manufacturing technology is a key to stay at the forefront of the cost competitiveness.

### **C. Foreign Exchange Earnings and Outgo:**

- (i) Total Foreign exchange earned in terms of actual inflows during the Financial Year - Nil
- (ii) Total Foreign exchange earned in terms of actual outgo during the Financial Year - Nil

## **22 INTERNAL FINANCIAL CONTROLS:**

The Company has well defined and adequate internal financial control system over financial reporting, commensurate with its size, scale and complexity of its operations to ensure that all the assets of the Company are safeguarded and protected against any loss and that all the transactions are properly authorised and recorded. The internal financial controls are adequate and are operating effectively so as to ensure orderly and efficient conduct of business operations.

Internal Financial controls helps the Board to monitor the state of controls in key business processes. The organization is appropriately staffed with qualified and experienced personnel for implementing and monitoring the internal control environment.

The Internal Auditors evaluates the effectiveness and adequacy of internal controls, compliance with operating systems, policies and procedures of the Company and recommends improvements, if any. Significant audit observations and the corrective/ preventive action taken or proposed to be taken by the process owners are presented to the Audit Committee. The Scope of Internal Audit is annually determined by the Audit Committee considering the inputs from the management and statutory auditors.

Capital expenditure of the Company as well as its group are monitored and controlled with reference to approved budgets. The Audit Committee reviews the overall functioning of Internal Audit on a periodical basis.

The details in respect of internal financial control and their adequacy are included in the auditors' report which forms an integral part of this report. Implementation SAP system was a significant improvement over previous year.



## 23. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The provisions of Section 135 of the Companies Act relating to Corporate Social Responsibility and related rules are not applicable to the Company. Implementation SAP system was a significant improvement over previous year.

## 24. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the year, the Company has not given any loans or guarantees or provided security and made investments under Section 186 of the Act. However, the Company has granted loans to its Subsidiaries.

## 25. RELATED PARTY TRANSACTIONS:

All the related party transactions entered during the year were on arm's length basis and in the ordinary course of business. All the related party transactions effected during the year are disclosed in the notes to the Financial Statements. Further, all related party transactions are placed before the Audit Committee and to the Board for approval.

There were no materially significant related party transactions, i.e. transactions exceeding 10% of the annual turnover of the Company as per the last audited financial statements entered into by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large and thus disclosure of related party transactions as required under Section 134(3)(h) of the Act in Form AOC-2.

Also, none of the Directors or the Key Managerial Personnel of the Company has any pecuniary relationships or transactions vis-a-vis the company.

## 26. INDUSTRIAL RELATIONS & HUMAN RESOURCE MANAGEMENT

It is firmly believed that employees of the Company and its group are the most valuable assets and key players of business success and sustained growth. The Company constantly striving to enhance the level of employee engagement and to ensure healthy career growth for employees at all levels. A diverse pool of lateral talent has been hired to enhance the bench strength. This includes professional experts with excellent academic credentials and professional track record.

The Company continued to conduct various employee benefit, recreational and team building programs to enhance employee skills, motivation as also to foster team spirit. The Company has also conducted in-house training programs to develop leadership as well as technical/functional capabilities of its employees in order to meet future talent requirements. Industrial relations were cordial throughout the year. The Company has also identified a pool of best human resources who are being groomed for future leadership roles. Structured safety programs were organised emphasizing safety of people during the year under review.

We affirm that the remuneration paid during the period under review, is as per the Remuneration Policy of the company.

## 27. MANAGERIAL REMUNERATION

During the year under review, no employees, whether employed for the whole or part of the year, was drawing remuneration exceeding the limits as laid down u/s Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Hence the details required under Section 197(12) are not required to be given. Particulars of employees as required in terms of the provisions of Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 are set out in Annexure III & IV.

## 28. LISTING OF SHARES

The shares of your Company continued to be listed at National Stock Exchange Limited and Bombay Stock Exchange Limited. Your company has received approval from Stock Exchange for revocation of suspension of trading effective from 23rd Mar 2020.

The Company has paid listing fees for the Financial Year 2019-20 to BSE Limited (BSE) & National Stock Exchange of India Ltd (NSE).

## **29. DEMATERIALIZATION OF SHARES**

As on March 31, 2020, 48,54,850 equity shares representing 78.30% of the total equity share capital of the Company were held in dematerialized form with National Securities Depository Limited (71.01%) and Central Depository Services (India) Limited (7.29%).

The shareholders can avail the facility provided by NSDL and CDSL to dematerialize their shares. Shareholders are requested to convert their physical holdings into dematerialized form to derive the benefits of holding the shares in electronic form.

## **30. COMPLIANCE WITH SECRETARIAL STANDARDS**

During the year under review, the Company has complied with all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

## **31. COST AUDITOR**

Provision of Cost Audit is not applicable to the Company.

## **32. REPORTING OF FRAUDS**

There have been no instances of fraud reported by the Statutory Auditors under Section 143(12) of the Act and Rules framed thereunder either to the Company or to the Central Government during FY 2019-20.

## **33. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS.**

There have been no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations.

## **34. PREVENTION OF INSIDER TRADING**

Your Company has adopted a code of conduct for prevention of "Insider Trading" as mandated by the SEBI and same is available on the website of the Company ([www.sspower.com](http://www.sspower.com)).

## **35. CODE OF CONDUCT**

Your Company has laid down a Code of Conduct Policy which can be accessed on the Company's website ([www.sspower.com](http://www.sspower.com)).

## **36. COVID19- PANDEMIC**

In March 2020, the World Health Organisation declared COVID-19 to be a pandemic. Consequent to this, Government of India declared a national lock down on March 24, 2020.

During this time, your Company facilitated Senior Level employees to work from home. Your Company has ensured regular communication with all stakeholders viz., Customers, Key Suppliers, Employees, Banks and Investors. Since, COVID-19 situation evolves in India and Globally, your Company will continue to closely monitor COVID-19 pandemic material impact on business operations and financial resources.

## **37. 42ND ANNUAL GENERAL MEETING THROUGH VIDEO CONFERENCE**

As per Ministry of Corporate Affairs Circular No. 20/2020 dated May 05, 2020 read with other circulars and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 regarding COVID-19 Pandemic and relaxations (e.g. VC, no physical report) thereon, your Company made arrangement to conduct 42nd AGM through



Video Conference / Other Audio Visual Means for which necessary information has been given separately in Notice of 42nd AGM.

Also, your Company will be complying with said Circulars by sending 42nd Annual Report along with Annexures by way of e-mail to the shareholders as such no physical copies shall be distributed. Those Shareholders whose email IDs are not registered, have to register their email ID with RTA of the Company.

### **38. GRATITUDE & ACKNOWLEDGEMENTS:**

Your Directors place on record their sincere & high appreciation for the unflinching commitment, dedication, hard work and valuable contribution made by the employees of the company and its subsidiaries for sustained growth of group as a whole. Your Directors also sincerely thank all the Promoters, stakeholders, Government authorities, Customers, vendors, Banks business associates, shareholders and other statutory bodies for their continued assistance, support and co-operation.

For and on behalf of the Board of Directors,

ASHISH SUSHIL JALAN  
Chairman  
DIN: 00031311

Place: Mumbai

Date: 30th July 2020

## ANNEXURE I

**FORM NO. MGT 9**
**EXTRACT OF ANNUAL RETURN**
**AS ON THE FINANCIAL YEAR ENDED ON 31st MARCH 2020**

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management & Administration) Rules, 2014



### I. REGISTRATION & OTHER DETAILS:

1.	CIN	L31200TN1975PLC006966
2.	Registration Date	01/09/1975
3.	Name of the Company	S&S POWER SWITCHGEAR LIMITED
4.	Category/ Sub-category of the Company	COMPANY LIMITED BY SHARES (INDIAN NON-GOVERNMENT COMPANY)
5.	Address of the Registered office & Contact details	PLOT NO 14, CMDA INDUSTRIAL AREA PART-II, CHITHAMANUR VILLAGE, MARAIMALAI NAGAR, PIN – 603 209. KANCHEEPURAM DT. TAMILNADU MOB: 9381747601   EMAIL: secretarial@sspower.com
6.	Whether listed company	YES
7.	Name, Address & Contact details of the Registrar & Transfer Agent, if any.	GNSA INFOTECH LIMITED, STA DEPARTMENT, NELSON CHAMBERS, FOURTH FLOOR, F-BLOCK, NO 115, NELSON MANICKAM ROAD, AMINJIKARAI, CHENNAI – 600029. TAMILNADU

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of Main Products / Services	NIC Code of the Product/ Service	% to Total turnover of the Company
1	Sale of Goods	2710 - MANUFACTURE OF SWITCHGEARS	95.42%

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary Company	% of Shares held	Applicable Section
1	S&S POWER SWITCHGEAR EQUIPMENT LIMITED	U29299TN2007PLC064927	Subsidiary Company	100%	Sec. 2(87) of the Companies Act, 2013
2	ACRASTYLE POWER (INDIA) LIMITED	U65991TN1992PLC022760	Subsidiary Company	66.67%	Sec. 2(87) of the Companies Act, 2013
3	ACRASTYLE EPS TECHNOLOGIES LIMITED	U31400TN2010PLC074998	Subsidiary Company	100%	Sec. 2(87) of the Companies Act, 2013

Sr. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary Company	% of Shares held	Applicable Section
4	ACRASTYLE SWITCHGEAR LIMITED, UNITED KINGDOM (Subsidiary of Acrastyle Power (India) Ltd)	NOT APPLICABLE	Subsidiary Company	100%	Sec. 2(87) of the Companies Act, 2013
5	ACRASTYLE LIMITED, UNITED KINGDOM (Subsidiary of Acrastyle Switchgear Limited)	NOT APPLICABLE	Subsidiary Company	100%	Sec. 2(87) of the Companies Act, 2013

#### IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

##### i) Category Wise Share Holding as on 31, March 2020

Category of shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% of change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>(A) Promoters</b>									
<b>(1) Indian</b>									
(a) Individuals/ HUF	77951	0	77951	1.26	77951	0	77951	1.26	0.00
(b) Central/State Govt.(s)									
(c) Bodies corporate	3009037	0	3009037	48.53	3009037	0	3009037	48.53	0.00
(d) FI/ Banks									
(e) Any other (Relative)									
<b>Sub-total (A)(1)</b>	<b>3086988</b>	<b>0</b>	<b>3086988</b>	<b>49.79</b>	<b>3086988</b>	<b>0</b>	<b>3086988</b>	<b>49.79</b>	<b>0.00</b>
<b>(2) Foreign</b>									
(a) Individuals (Foreign Individuals)									
(b) Bodies corporate									
(c) Institutions									
(d) QFI									
(e) Any other									
<b>Sub-total (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>
<b>Total shareholding of promoter and promoter group (A)= (A) (1)+ (A)(2)</b>	<b>3086988</b>	<b>0</b>	<b>3086988</b>	<b>49.79</b>	<b>3086988</b>	<b>0</b>	<b>3086988</b>	<b>49.79</b>	<b>0.00</b>
<b>(B) Public Shareholding</b>									
<b>(1) Institutions</b>									
(a) Mutual funds/ UTI	0	25588	25588	0.41	0	25588	25588	0.41	0.00
(b) FI/Banks	50	150	200	0.00	50	150	200	0.00	0.00

Category of shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% of change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(c) Central/ State Govt. (s)									
(d) Venture capital funds									
(e) Insurance companies	75726	0	75726	1.22	75726	0	75726	1.22	0.00
(f) FII	0	3150	3150	0.05	0	3150	3150	0.05	0.00
(g) Foreign venture capital									
(i) Any other									
<b>Sub-Total (B)(1)</b>	<b>75776</b>	<b>28888</b>	<b>104664</b>	<b>1.69</b>	<b>75776</b>	<b>28888</b>	<b>104664</b>	<b>1.69</b>	<b>0.00</b>
<b>(2) Non-institutions</b>									
(a) Bodies corporate	74238	16666	90904	1.47	71752	16616	88368	1.43	0.04
(b) Individuals - i. Individual shareholders holding nominal share capital up to Rs. 1 lacs	256420	12535	268955	4.34	271275	0	271275	4.38	0.04
Individuals - ii. Individual shareholders holding nominal share capital in excess of Rs. 1 Lacs	1323425	1305862	2629287	42.41	1329583	1296199	2625782	42.35	0.06
(c) Any Other	884	0	884	0.01	4258	0	4258	0.07	0.05
(i) Non Resident Indian	14871	3447	18318	0.30	15218	3447	18665	0.30	0.01
(ii) Unclaimed Shares	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (B)(2)</b>	<b>1669838</b>	<b>1338510</b>	<b>3008348</b>	<b>48.52</b>	<b>1692086</b>	<b>1316262</b>	<b>3008348</b>	<b>48.52</b>	<b>0.00</b>
<b>Total public shareholding (B)= (B)(1) + (B)(2)</b>	<b>1745614</b>	<b>1367398</b>	<b>3113012</b>	<b>50.21</b>	<b>1767862</b>	<b>1345150</b>	<b>3113012</b>	<b>50.21</b>	<b>0.00</b>
<b>Total (A) + (B)</b>	<b>4832602</b>	<b>1367398</b>	<b>6200000</b>	<b>100.00</b>	<b>4854850</b>	<b>1345150</b>	<b>6200000</b>	<b>100.00</b>	<b>0.00</b>

**ii) Shareholding of promoters as on 31st March 2020**

Sr. No.	Shareholder's name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No of shares	% of total shares of the company	% of shares pledged/encumbered to total share	No. of Shares	% of total shares of the company	% of shares pledged/encumbered to total shares	
<b>A</b>	<b>Promoters</b>							
1	Ashish Jalan	24165	0.39	-	24165	0.39	-	0.00
2	Sushil Kumar Jalan	11700	0.19	-	11700	0.19	-	0.00
3	Snehal Jalan	11100	0.18	-	11100	0.18	-	0.00
4	Ashish Jalan	10132	0.16	-	10132	0.16	-	0.00
5	Rekha Jalan	7000	0.11	-	7000	0.11	-	0.00
6	Rekha Jalan	6768	0.11	-	6768	0.11	-	0.00
7	Snehal Jalan	5550	0.09	-	5550	0.09	-	0.00
8	Sushil Kumar Jalan	1536	0.02	-	1536	0.02	-	0.00
9	Hamilton and Co Ltd	2230030	35.97	-	2230030	35.97	-	0.00
10	Saurabh Industries Limited	247282	3.99	-	247282	3.99	-	0.00
11	Bombay Gas Company Ltd	200000	3.23	-	200000	3.23	-	0.00
12	Woodlands Associates Private Limited	159400	2.57	-	159400	2.57	-	0.00
13	Blue Chip Business Centre Pvt Ltd	104175	1.68	-	104175	1.68	-	0.00
14	Boistur Commercial Limited	62000	1.00	-	62000	1.00	-	0.00
15	R J Investment Pvt Ltd	6150	0.10	-	6150	0.10	-	0.00
	<b>Total</b>	<b>3086988</b>	<b>49.79</b>		<b>3086988</b>	<b>49.79</b>		<b>0.00</b>

**iii) Change In Promoters' Shareholding (Please specify, if there is no change):**

Shareholder's Name	Shares Held at the		Cumulative Shareholding	
	Beginning of the Year		During the Year	
	No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
At the beginning of the year	3086988	49.79	0	0
Date wise Increase / Decrease in Promoters				
NO CHANGES				
Shareholding during the year specifying the reasons for increase / decrease				
(e.g. allotment / transfer / bonus/ sweat equity etc.):	N.A.	N.A.	N.A.	N.A.
At the end of the year	3086988	49.79	3086988	49.79

**iii) Shareholding pattern of top ten shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)**

Sr. No.	For each of the top 10 shareholders name, date & reason of change	Shareholding at the beginning		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1</b>	<b>NIKITA SAMINDRA SHAH</b>				
	At the beginning of the year	0	0.00	0	0.00
	Market Purchase 28/02/2020	47686	0.77	47686	0.77
	Market Purchase 20/03/2020	3511	0.06	51197	0.83
	Market Sales 31/03/2020	100	0.00	51097	0.82
	At the end of the year	51097	0.82	51097	0.82
<b>2</b>	<b>LIFE INSURANCE CORPORATION OF INDIA</b>				
	At the beginning of the year	43750	0.71	43750	0.71
	Date-wise increase / decrease in share- holding during the year	-	-	-	-
	At the end of the year	43750	0.71	43750	0.71
<b>3</b>	<b>SUNDAR IYER</b>				
	At the beginning of the year	36765	0.59	36765	0.59
	Date-wise increase / decrease in share- holding during the year	-	-	-	-
	At the end of the year	36765	0.59	36765	0.59
<b>4</b>	<b>THE NEW INDIA ASSURANCE COMPANY LIMITED</b>				
	At the beginning of the year	30875	0.50	30875	0.50
	Date-wise increase / decrease in share- holding during the year	-	-	-	-
	At the end of the year	30875	0.50	30875	0.50
<b>5</b>	<b>P MUKESH</b>				
	At the beginning of the year	20126	0.32	20126	0.32
	Date-wise increase / decrease in share- holding during the year	-	-	-	-
	At the end of the year	20126	0.32	20126	0.32
<b>6</b>	<b>VARSHA RAJNIKANT SANGHVI</b>				
	At the beginning of the year	18192	0.29	18192	0.29
	Date-wise increase / decrease in share- holding during the year	-	-	-	-
	At the end of the year	18192	0.29	20126	0.32
<b>7</b>	<b>RIZVANA G SOLANKI</b>				

Sr. No.	For each of the top 10 shareholders name, date & reason of change	Shareholding at the beginning		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
8	At the beginning of the year	15000	0.24	20126	0.32
	Date-wise increase / decrease in share- holding during the year	-	-	-	-
	At the end of the year	15000	0.24	20126	0.32
9	NIRALI JIGNESH GOHEL				
	At the beginning of the year	13950	0.23	8000	0.13
	Date-wise increase / decrease in share- holding during the year	-	-	-	-
10	At the end of the year	13950	0.23	20126	0.32
	SHAH DHIPAL BHADRESHBHAJ				
	At the beginning of the year	13500	0.22	13500	0.22
10	Date-wise increase / decrease in share- holding during the year	-	-	-	-
	At the end of the year	13500	0.22	20126	0.32
10	MUMTAZ N				
	At the beginning of the year	13337	0.22	13337	0.22
	Date-wise increase / decrease in share- holding during the year	-	-	-	-
	At the end of the year	13377	0.22	20126	0.32

**iv) Shareholding of Directors and Key Managerial Personnel**

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. Ashish Sushil Jalan – Promoter / Chairman				
	At the beginning of the year	34297	0.55	34297	0.55
	Changes during the year				
	At the end of the year	34297	0.55	34297	0.55

**V) INDEBTEDNESS** - Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Amount in Rs.)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	12,70,43,029	-	12,70,43,029
ii) Interest due but not paid	-	1,23,48,010	-	1,23,48,010
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	13,93,91,039	-	13,93,91,039
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	1,54,17,207		1,54,17,207
* Reduction	-			
<b>Net Change</b>	-	1,54,17,207	-	1,54,17,207
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	14,05,00,000	-	14,05,00,000
ii) Interest due but not paid	-	1,43,08,246	-	1,43,08,246
iii) Interest accrued but not due	-		-	
<b>Total (i+ii+iii)</b>	-	15,48,08,246	-	15,48,08,246

## **VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

a) *Remuneration to Managing Director, Whole-time Directors and/or Manager:*

Sr. No.	Particulars of Remuneration	Ashok Kumar Vishwakarma, Managing Director (Amount in Rs.)	Total Amount (in Rs.)
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	96,00,168	96,00,168
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - as % of profit - others, specify	-	-
5	Others, please specify	96,00,168	96,00,168
	<b>Total (A)</b>		
	Ceiling as per the Act*	1,40,00,062	1,40,00,062

The ceiling limit was approved as per the Schedule V of the Companies Act 2013 by the shareholders in the Annual General Meeting held on 19th September 2018.



**b) Remuneration to other directors**

Particulars of Remuneration	Name of Directors Amount (in Rs.)					Total Amount (in Rs.)
	Deepak Jugal Kishore Chowdhary	Nandakumar Sundarraman	Ajay Kumar Dhagat	Gayathri Sundaram	Ashish Sushil Jalan	
	Independent Directors					
Fee for attending board / committee meetings	40,000	60,000	40,000	70,000	-	2,10,000
Commission	-	-	-	-	-	-
Others, please specify	-	-	-	-		-
Total (1)	40,000	60,000	40,000	70,000	-	2,10,000
Overall Ceiling as per the Act	It is in accordance with the provisions of the Companies Act 2013					

**c) REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WT**

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount (in Rs.)
		Nithya Kamaraj (CS) up to 28.06.2019	Gokulananda Sahu (CS) w.e.f. 29.10.2019	Selvi Narasimman w.e.f. 29.05.2019	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3,41,665	24,32,628	7,64,882	35,39,175
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	others specify	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total</b>	<b>3,41,665</b>	<b>24,32,628</b>	<b>7,64,882</b>	<b>35,39,175</b>

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

For S&amp;S POWER SWITCHGEAR LTD

**ASHISH SUSHIL JALAN**

DIN: 00031311

CHAIRMAN

Place: Chennai  
Date: 30th July 2020

**FORM No. AOC-1**
**STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/ ASSOCIATE COMPANIES/ JOINT VENTURES**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of companies (accounts) rules, 2014)

**PART "A": SUBSIDIARIES**

(Information in respect of each subsidiary to be presented with Rs. in Thousands)

Sr. No.	PARTICULARS	DETAILS				
1	Name of the subsidiary	S&S Power Switchgear Equipment Ltd.	Acrastyle Power India Ltd.	Acrastyle EPS Technologies Ltd	Acrastyle Ltd., UK	Acrastyle Switchgear Ltd., UK
2	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	31-Mar-20	31-Mar-20	31-Mar-20	31-Mar-20	31-Mar-20
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in case of foreign subsidiaries	INR	INR	INR	1 GBP = 93.076	1 GBP = 93.076
4	Share Capital	12,500	59,451	500	7,903	2,83,638
5	Reserves & Surplus	(8,938)	(93,538)	(136)	(1,03,547)	(2,06,625)
6	Total Assets	2,50,622	3,09,950	735	2,79,458	1,86,154
7	Total Liabilities	2,47,060	3,44,037	371	3,75,101	1,09,141
8	Investments	-	77,013	-	-	1,86,152
9	Turnover	1,78,569	1,93,824	-	5,92,436	-
10	Profit/(Loss) before Tax	(54,511)	(74,935)	(69)	(24,386)	(5,340)
11	Provision for Taxation	1,701	1,140	-	-	-
12	Profit/(Loss) without OCI Profits	(52,163)	(73,486)	(69)	9,571	(51,228)
13	Proposed Dividend	-	-	-	-	-
14	% of shareholding	100%	67%	100%	100%	100%

**Notes:** The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations - Nil
- Names of subsidiaries which have been liquidated or sold during the year - Nil
- Both the UK subsidiaries are step down subsidiaries of the parent Company, S&S Power Switchgear Ltd through Acrastyle Power (India) Limited

**PART "B": ASSOCIATES AND JOINT VENTURES**

Statement pursuant to section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

NAME OF ASSOCIATES/ JOINT VENTURES	NIL	NIL
1. Latest Audited Balance Sheet Date	Nil	Nil
2. Shares of Associate/Joint Ventures held by the company on the year	Nil	Nil
No.		
Amount of Investment in Associates/Joint Venture		
Extend of Holding %		
3. Description of how there is significant influence	Nil	Nil
4. Reason why the Associate/Joint Ventures is not consolidated	Nil	Nil
5. Net worth attributable to shareholding as per latest audited Balance Sheet	Nil	Nil
6. Profit/Loss for the year	Nil	Nil
i. Considered in Consolidation		
ii. Not Considered in Consolidation		

- Names of Associates or Joint Venutres which are yet to commence operation - Nil
- Names of Associates or Joint Ventures which have been liquidated or sold during the year - Nil

**Note: This form is to be certified in the same manner in which the balance sheet is to be certified**
**For C N K & Associates LLP**

Chartered Accountants

Firm Registration No: 1091961W/W100036

**V Subramanian**

Partner

Membership No.: 212075

**Ashok Kumar Vishwakarma**

Managing Director

DIN: 05203223

**For S&S Power Switchgear Limited**
**Ashish Sushil Jalan**

Director

DIN: 00031311

**Selvi Narasimman**

Chief Financial Officer

**Gokulananda Sahu**

Company Secretary and Compliance Officer

M. No.: A43068

**Place:** Chennai

**Date:** 30th July 2020

**FORM NO. AOC-2**

[Pursuant to clause (h) of sub-section (3) of section 134 of the act and Rule 8(2) of the companies (accounts) rules, 2014]

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

1. Details of contracts or arrangements or transactions not at arm's length basis:-

There were no contracts or arrangements, or transactions entered during the financial year ended 31st March 2020 which were not at arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis:

The details of material contracts or arrangements or transactions at arm's length basis entered during the financial year ended 31st March 2020 are as follows:

(Rs. in Thousands)						
Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Value of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions	Amount paid as advances (if any)
1	Acrastyle Power India Limited	Sale of Goods, Materials and Services	7,200	36 Months	The related party transactions entered into during the year were in the ordinary course and at arm's length basis	NIL
2	S&S Power Switchgear Equipment Limited		27,363	36 Months	As stated above	NIL
3	Mr. Sushil Jalan		300	36 Months	As stated above	NIL
4	Mrs. Rekha Jalan					

**For S&S Power Switchgear Limited**

**Ashish Sushil Jalan**

**Chairman**

DIN: 00031311

**Place:** Mumbai  
**Date:** 30th July 2020

**ANNEXURE III TO THE DIRECTOR'S REPORT**
**Disclosures in terms of Section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

- The ratio of the remuneration of each director to the median remuneration of employees of the Company for the financial year is as follows:

Name	Designation	Remuneration paid FY 2019-20 (in Rs.)	Remuneration paid FY 2018-19 (in Rs.)	Increase in remuneration from previous year (in Rs.)	Ratio of Remuneration
ASHISH SUSHIL JALAN	Non-Executive Chairman	-	-	-	-
ASHOK KUMAR VISHWAKARMA	Managing Director	96,00,168	96,00,168	-	-
AJAY KUMAR DHAGAT	Independent Director	-	-	-	-
DEEPAK JUGAL KISHORE CHOWDHARY	Independent Director	-	-	-	-
NANDAKUMAR SUNDARRAMAN	Independent Director	-	-	-	-
GAYATHRI SUNDARAM	Independent Director	-	-	-	-

- During the year under review there was an increase in remuneration to director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year.
- During the year under review there was no increase in the median remuneration of the employees of your Company.
- As on 31st March 2020 there were 15 employees on the rolls of your Company.
- It is hereby affirmed that the remuneration paid during the year is as per the Remuneration policy of the Company.
- Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: *Average increase in remuneration is 0.7% for Managerial Personnel (KMP & Senior Management) & 6.2% for employees other than Managerial Personnel*
- The ratio of the remuneration of each director to the median employee's remuneration for the financial year and such other details: Except Mr. Ashok Kumar Vishwakarma Managing Director, no director is in receipt of remuneration except sitting fees.

Sr. No.	Name	Designation	Ratio
1.	Mr. Ashok Kumar Vishwakarma	Managing Director	12.45: 1

(For this purpose, sitting fees paid to the Directors have not been considered as Remuneration)

The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Sr. No.	Name	Designation	Ratio
1.	Mr. Ashok Kumar Vishwakarma	Managing Director	No Increase
2.	Mr. Gokulananda Sahu (from 29th October 2019)	Company Secretary	No Increase
3.	Ms. Selvi Narasimman (from 29th May 2019)	Chief Financial Officer	No Increase
4.	Ms. Nithya Kamaraj (up to 28th June 2019)	Company Secretary	No Increase

**ANNEXURE – IV TO THE DIRECTOR’S REPORT STATEMENT NO  
EMPLOYEE WERE PAID REMUNERATION OF Rs. 1.02 Crores**

In accordance with the requirement under the Companies Act, 2013, disclosures regarding the manner in which the performance evaluation is done by the Board of Directors of its own performance, performance of various committees of the directors and individual directors’ performance are made by the Board of Directors in the Board’s Report. The Policy has been made available on Company’s official website of the Company.

For and on behalf of the Board of Directors,

ASHISH SUSHIL JALAN  
Chairman  
DIN: 00031311

Place: Mumbai

Date: 30th July 2020

## **ANNEXURE V**

### **FORM NO. MR-3**

#### **SECRETARIAL AUDIT REPORT**

#### **FOR THE FINANCIAL YEAR ENDED 31st MARCH 2020**

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

To,

The Members,  
S & S Power Switchgear Limited,  
Plot No 14, CMDA Industrial Area,  
Part-II Chithamanur Village,  
Maraimalai Nagar, Chennai – 603209.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by S & S Power Switchgear Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the S & S Power Switchgear Limited books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorised representatives during the conduct of secretarial audit and as per the explanations 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 made available to us and maintained by S & S Power Switchgear Limited for the financial year ended on 31<sup>st</sup> March, 2020 according to the applicable 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. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993.
  - e. The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014;
  - f. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
  - g. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under.
- vi. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- vii. Other laws applicable to the Company as per the representations made by the Management.



With respect to Fiscal laws such as Income Tax, Value Added Tax, Central Excise Act and Service Tax Rules, Goods and Service Tax we have reviewed the systems and mechanisms established by the Company for ensuring compliances under various Acts and based on the information and explanation provided to us by the management and officers of the Company and also on verification of compliance reports taken on record by the Board of Directors of the Company, we report that adequate systems are in place to monitor and ensure compliance of fiscal laws as mentioned above.

We have also examined compliance with the applicable clauses in Secretarial Standards issued by The Institute of Company Secretaries of India have been generally complied with.

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

1. *The Company has not filed e-form MGT 14 for the borrowing done during the year 2017-18.*
2. *The Company has not filed e-form MGT 14 for an increasing in remuneration for Managing Director, borrowings and security provided to wholly owned subsidiary during the year 2018-19.*
3. *The Company has not updated its website as per the Companies Act and SEBI (LODR), 2015..*

During the period under review there were no events which required specific compliance of the provisions of

- i. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- ii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- iii. The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998

We further report that

The Board of Directors of the Company is duly constituted with the proper balance of Executive Directors and 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 notice has been given to all directors to schedule the Board Meetings, agenda and detailed notes on the agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. The majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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 following significant events have taken place:

1. REAPPOINTMENT OF Mr. ASHOK KUMAR VISHWAKARMA (DIN: 05203223) AS THE MANAGING DIRECTOR OF THE COMPANY:

Mr. Ashok Kumar Vishwakarma (DIN: 05203223), reappointed as Managing Director of the Company for a period of 3 (Three) years with effect from 10th November 2019 at the Annual General Meeting held on 22nd August 2019.

For BP & Associates  
Company Secretaries

Place: Chennai  
Date: 30th July 2020

K J Chandra Mouli  
Partner  
M No: 25315  
CP No: 15708  
UDIN: A025315B000554756

**‘ANNEXURE A’**

To

The Members,  
S & S Power Switchgear Limited,  
Plot No 14, CMDA Industrial Area,  
Part-II Chithamanur Village,  
Maraimalai Nagar, Chennai - 603209

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 processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes 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 Account 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 the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For BP & Associates  
Company Secretaries

Place: Chennai

Date: 30th July 2020

K J Chandra Mouli  
Partner  
M No: 25315  
CP No: 15708

UDIN: A025315B000554756

## MANAGEMENT DISCUSSION AND ANALYSIS

### S&S POWER GROUP TODAY AND ITS BUSINESS SEGMENT

#### Group Overview

The Company is a part of Power and T&D Equipment industry; focused on Switchgear, Protection & Control Systems, and associated products. UK and India are the two locations, generating consolidated revenue for the group.

#### Industry and Sector attractions:

Company growth is driven by development in following sectors and policies driven by governments.

#### Power

- Renewable Energy (Solar, Wind and Hydro)
- Switchyard for larger Power evacuation

#### T&D Grid

- Distribution Company reform
- Inter-Connecting Transmission Lines (Green Corridor, West Africa Power Pool etc)
- Sub-Station Automation
- 24x7 Power availability to all
- Smart City initiatives in India
- Urbanization in Bangladesh and Africa
- Rural Power development and Distribution Automation

#### Railways

- Railway Network Electrification, Freight Corridor and Metro Systems
- Conversion of Diesel track into Electrical Track

#### Industry

- Hydro OEM, Cement Industry, O&G and Metal Industry

#### OEM

- Tier 1 Electrical Equipment Manufacturing companies like GE, Toshiba etc.

#### R3 Business

- Refurbishment, Retrofit and Renovation (R3) of Disconnectors, VCBs and Control and Relay Panels
- Technical Service Selling - e.g. Engineering services, training, and technical supervision

#### COVID19 Pandemic

The operations of company in India as well as in UK were impacted due to outbreak of COVID19 global pandemic. Restrictions and shutdowns by authorities, starting third week of March 20; led to temporary shutdown of factories and re-arrangement of operations with reduced capacity. Progressively the Companies have commenced operations from May 2020.

The management have evaluated the impact of the pandemic on its business operations under various scenarios known so far. Company has currently stronger order book in India as well as in UK. 60% of Budgeted sale for 20-21 is covered by order in hand.

During lockdown period and after lockdown company has been able to maintain adequate control on assets. Special efforts were taken to manage the first 6 months of crisis period to transition the company into near normal condition.

Customers have been communicated about the force measure and where required contractual arrangement related to delivery has been re-arranged. Company has re-evaluated the impact of COVID19 on the financial results and adjusted budget. Employee cost and other expenses during peak shutdown periods and capacity loss period were reduced to minimize the impact on the company results. Provision on expected credit loss, inventory loss has been made in 19-20 accounts to cover the potential risk.

20-21 is a budget made for strict cost control and managing cash as no 1 priority for the team to ensure working capital is managed. A tight cash position is expected in Q2 and Q3 and thereafter the cash position of company should improve.

Electrical Equipment Business is a long-term business and projects are two years duration. Hence impact of COVID19 will have its ripple effect much later. At this point of time based on enquiry inflow we are not realizing a major impact. Though decision making is slowed down specially in Bangladesh and Funding constraints and disruption of work may have light interrupters.

As mentioned, the Company has five subsidiaries namely.

1. S&S Power Switchgear Equipment Limited, Pondicherry (S&SPSE)
2. Acrastyle Power (India) Limited, Maraimalai Nagar (APIL)
3. Acrastyle Switchgear Limited, United Kingdom (UK) (ASL)
4. Acrastyle Limited, United Kingdom (UK) (AL)
5. Acrastyle EPS Technologies Limited, Maraimalai Nagar (AEPS)

As required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2016 with the Stock Exchanges, a Consolidated Financial Statement of the Company and all its subsidiaries are appended to this Annual Report. The Consolidated Financial Statements have been prepared in accordance with the relevant Accounting Standards.

## **S&S POWER SWITCHGEAR LIMITED (HOLDING COMPANY)**

### **Business Model**

Servicing of Old installed base of Circuit Breakers by supplying spares and services, retrofitting old technology Circuit Breakers with Vacuum Circuit Breakers and executing extension job for old projects.

Designing, manufacturing and selling new Circuit Breaker products for indoor and outdoor applications. Focusing on Assembly Plant in-house and managing supply chain to execute new projects.

Providing after sale service, managing refurbishment projects and bundling switchgear (Control and Relay Panel, Circuit Breaker and Disconnect Switch).

### **Product lines and Service**

- Spares and Services
- Retrofit Solutions
- New Circuit Breakers
- MV Switchgear Panels

MAPS Retrofit project delivery extension has been sought till end of June 2021.

## **S&S POWER SWITCHGEAR EQUIPMENT LIMITED**

### **Business Model**

Design, Manufacture, Supply and Service of Disconnect Switches and sale through select EPCs and customers in target markets in India, Middle East & Africa, UK, ASEAN, and SAARC Countries.

### Product lines and Service

- Standard Disconnector & Earthing Switch - from 12 KV to 550 KV.
- Customized Disconnectors & Earthing Switch-from 12 KV to 550 KV
- Global Distribution class disconnectors & Earthing Switch from 12KV to 145 KV.
- R3 Business – Spares, Retrofit and Service offerings

### ACRASTYLE POWER INDIA LIMITED

#### Business Model

Design, Manufacture and supply of electrical control, relay panel and automation solutions such as Low Voltage Control Cubical (LVCC), Control & Relay Panel (CRP), LCP for Gas Insulated Switchgear (GIS) and Drive box for disconnectors.

#### Product Lines and Services

- Secondary Engineering Services
- Control and Relay Panels
- GIS Control Panel
- Low Voltage Control Cabinets
- Drive Box for Disconnector Business
- Circuit Breaker Control Panel
- Medium Voltage Switchgear Panels

**PGCIL Approval through GE will generate new opportunities through other OEMs.**

### ACRASTYLE LIMITED, U.K.

#### Business Model

Engineering, Manufacturing, Testing and Supply of Protection Systems and associated products to utilities.

#### Product lines and Service

- Engineered Protection Systems
- Standard Protection and Control Panels
- Disconnector Switch
- Retrofit and Service of Disconnectors
- Engineering Services
- Battery Charger
- NER Panels

There is no operational business activity in AEPS & ASL Legal entities.

### INDUSTRY OUTLOOK: IN CLUSTERS OF MARKET WHERE WE PLAY

There has been dramatic change in world economy and the specific countries/markets, where we do our business things didn't happen as we envisaged one year ago. While real demand for electricity exist in many emerging countries, it is still suppressed. Government regulations and fund alignment were quite disturbed last year for electrical infrastructure projects. Brexit related variations in UK made significant impact on local demand. Industry is moving more towards GIS and this has adverse impact on our AIS product lines. We are finding stiff competition with lower demand and facing margin challenges. With current product offerings we find our growth would be limited to 10% per year.

We operate in a very diverse market hence country wide outlook given below will illustrate the current situation and outlook in coming 2-3 years. Predicting beyond this time frame is quite tough at this point of time.

## INDIA MARKET

One country one Grid initiatives in India continue to drive connectivity between state grid and central grid. J&K and North East had more projects. Replacement and modernization of aging grid continued to drive demand. Investment in Solar Projects and extending electricity to every village saw investment in distribution grid.

On the whole 2019-20 saw a slowdown in transmission market. Some signs of recovery are now visible. We should see better demand this year. However, transition towards GIS technology is reducing opportunities for us, since we are focused on AIS product line. Power generation has been witnessing challenges. Stressed Asset, NPA and shift towards renewable suggest sluggish recovery in this sector. Digital GRID initiatives were led by states like Himanchal, Rajasthan, Gujrat and Maharashtra.

Digitization in grid needs adaptation of our offerings to protect our revenues in APIL business. Moving towards GIS LCP was to counter this trend.

Some of the initiatives which are going to drive demand;

1. Shift to renewable from conventional power
2. Power for all, State grid refurbishment, modernization and strengthening
3. Cross Border Power Trading, SAARC grid and neighboring countries
4. Privatization of India's Transmission Network, Power Grid Success
5. Power sector reform, Joint Ventures & investments for a Robust future and exciting current fiscal- 500B\$ Investment in renewable by 2028.

Infrastructure projects undertaken in the country such as metro rail, roads, renewables, railways, port improvement, and Smart City initiatives are the key drivers for the future growth of Switchgear, protection and control system, and associated products and services.

Electrification of Railway line and creation of freight corridor infrastructure will have demand increase for our products. RDSO approval of products would be a requirement.

Rural distribution improvement will require advance pole mounted distribution products such as load break switches, auto reclosures and simple automation solutions at low cost.

Demands from OEM will witness change in offerings as technological changes such as AIS to GIS Transition, Automated Substations, Distribution automation, Renewable Power Mix, Smart products would need change in technology and product offerings of companies with our profile.

Moving towards automation, digital and service portfolio improvement would be needed to be more successful in 2020-21.

## BANGLADESH MARKET

Bangladesh market is one of the fastest growing in South Asia. The Bangladesh Power Development Board (BPDB) – the national body that oversees power sector planning and owns significant generation capacity – has addressed the surge in power demand that has accompanied strong economic growth over the past decade by skillfully developing power system master plans.

To achieve the growth objectives, massive capacity enhancement and expansion projects of the power sector are being undertaken. It has been planned to increase the installed capacity to 24 GW by 2021, and about 8,000 km of new transmission lines and 1,20,000 km distribution lines have also been planned to be constructed by 2020.

Accelerated change in Bangladesh towards GIS in transmission substation, Chinese G2G Project sign off and hence preference to Chinese products, arrival of several strong Chinese EPC contracts have threatened our disconnecter business in Bangladesh.

We have shifted our focus to Distribution requirement which are growing. Here the competition is with Energy Pac, Kolkata DS manufacturers and Chinese suppliers. We adopted our product by bringing side break switch, bringing 25KA Dedicated product range and optimizing manual box for staying competitive in this segment of the market.

We have also focused on power plant market and industrial market in Bangladesh. By locating our country sales leader in Kolkata, we have been able to make significant progress towards increasing commercial intensity.

### **VIETNAM MARKET**

We had major development in Vietnam Market to secure re-approval from SPC. Satisfactory performance letter was obtained from 3 of the PTCs out of 4 to unblock EVN NPT restriction for transmission business. Approval from SPC, lack of preference for Chinese products, CGL supply chain disruption has developed favorable situation in this region. Country GDP has been among the highest growing in ASEAN. However, move towards GIS in Urban substations have negated the full benefit. Even then business will be doubled in this region in coming year.

### **AFRICA MARKET**

Africa business development continued to be interesting. This continent of 54 countries and divided culturally into two regions- Arab Africa and sub-Saharan Africa. Out of 54 countries we plan to do business in 40 countries. Out of 40 Countries we are now acceptable in 24 countries. We got our approval extended in six new countries of Africa -Zambia, Tunisia, Mauritania, Congo, Mali, and Tanzania.

Last three years remote working for this region has helped us to improve understanding of this market. We now adapt our strategy based on region. This market is characterized by language coming from colony days-French, Portuges and British etc. and cultural connect- Arab Africa and Sub-Saharan region.

From the power & grid point of view these are divided in 5 regions. We are adopting our strategy based on our regional understanding of market and competition.

#### **NORTH AFRICA: (6)**

TUNISIA, LIBYA, EGYPT, ALGERIA, MOROCCO, TUNISIA, WEST SAHARA

Tunisia has been our first approach country. STEG Tunisia approval is our gate for entry in North Africa. We have obtained approval for a major project working through KPTL. This is a region currently serviced by European manufacturers and there are approval barriers by utilities. L&T and KEC are our target EPC to secure approval and access in this market. Product will require some climatic approvals like ice breaking in some country. These are European price levels market with higher specification and tier 1. This is most attractive market region in this market. Extending STEG approval in other countries will be our strategy.

#### **WEST AFRICA (18)**

We have been very successful in this region. Out of 18 countries; we are already accepted in 10 countries including Senegal, Ivory Coast.

#### **SOUTH AFRICA (10)**

Leveraging ACTOM in SADC is key. We are working for Namibia and other countries. Black content route of access through ACTOM looks an interesting vehicle. Out of 16 countries we have already supplied to 6 countries.

#### **EAST AFRICA (14)**

Upper east and lower east Africa offers further segmentation in this market. With a total of 14 Countries we are already accepted in 5 countries. We have appointed a local agent here trying to activate them. We are able to access five countries in this region. Visit by our team TANESCO for approval in Tanzania and subsequent visit of 6 members of TANESCO training in our plant through L&T has positioned us strong.

#### **CENTRAL AFRICA (6)**

Out of 6 countries in this region we are servicing only 2 countries. Cameroon and Congo,

For AIS business Africa is most important growing region. It seems to be an interesting market for S&S Power with huge market potential. The main route for accessing this market for S&S Power is through Indian Origin EPC, localization of service by leveraging regional sales and service agent support.

Some of the critical steps taken towards expansion in Africa market include securing approval from ESKOM in South Africa, representation of S&S Disconnectors through agent in Eastern Africa, finalization of agreement with



SenRe Africa for representation in specific countries of Western Africa, appointment of agent for South & East Africa for representing S&S Power products and co-ordination work.

Apart from agency support, we are accessing African market through our existing relationship with Indian EPC contractors such as L&T, NCC, KEC, and KPTL. Specifically, we are accessing North African market through Acrastyle UK. We are also initiating conversations to develop relationship with new customer / EPC contractors, such as Omexom, Vinci.

Winning the business through Sterling & Wilson was a new customer addition.

Tunisia business development with STEG approval was a major development. ACTOM was activated as a potential partner in South of Africa and we initiated process for qualification in Egypt, Morocco and Algeria for transmission segment.

Western Africa Power pool has been a major focus area in the year. We are working closure to develop new customers. added NCC as a new customer and initiated dialogue with Techno electric for African projects.

## UK MARKET

Acrastyle Limited company's presence in UK market for more than 5 decades has provided very strong relationship and large installed base. Many DNOs have clear preference for Acrastyle quality and service and have long term frame contracts. Re-electrification, replacement, and refurbishment of old electrical network and substations, improvement in network efficiency and introduction of digital technology are the key drivers in the market. Expanding our base in transmission side, developing industrial market, participating in Wind energy development, expanding portfolio like Disconnecter and Engineering services, developing P&C business in UK market to OEM like GE, Mitsubishi by leveraging Minimum Viable Product (MVP) plus additional service at extra charges, and exploring medium voltage space for Panels are real opportunities in this market.

The company is planning to initiate several actions in line with its strategy for the next three years on the following vectors:

1. Localize disconnecter from 12 kV to 145 kV in UK and service Baltic countries, UK, and North Africa Market.
2. Leverage Global Supply Chain for P& C business.
3. Develop export business of P&C in Bangladesh, Myanmar, KSA, Morocco, Algeria etc. through known channels.
4. Introduce LVAC in Acrastyle Portfolio.
5. Promote Engineering Services aggressively.
6. People and Organization related initiatives - Energize the team and empower younger leaders in the system to take bigger jobs, roles and make larger impacts in the guidance of experienced leaders, and drive people engagement initiatives.

## EMERGING GROWTH OPPORTUNITIES

With an ambition to become \$ 5 Trillion economy within the next 10 years, demand for electricity is going to grow at a steady rate of 6.5% CAGR to 1630 BU till 2023. 175 GW Renewable energy power generation by 2022 is planned. To evacuate this power, we will require GRID infrastructure improvement. Rural electrification in India would drive demand,

S&S Power group envisages huge growth opportunities in the year 2019-20 for Disconnecter, and CB CRP product lines.

### 1. Market & Channel

- Large market size for disconnectors – Geographical coverage through non-Indian EPCs
- Industrial and Hydro EPC margin in India
- Global opportunities with GE
- Railway / Metro segment for Disconnecter and Circuit Breaker
- Solar Opportunities for Bundling/ Customized Panels for Solar
- Large installed base for CB & DS Both- Retrofit and Midlife extension service opportunities

- GIS – LCC Volume increase
- Distribution class disconnectors – distribution channel
- Integrate MINDCORE Technology Product for gaps
- Two New Channel Partners in India

## 2. Organization, Value Chain & Cost Structure

- In-sourcing of Base at Chennai using JOB working method (Change in supply chain model).
- Leverage global value chain
- High Infrastructure Capacity
- SAP B1 can bring organizational productivity
- Right size structure to Volume and Projects
- Insulator Freight, Drive Box Packing

## INDIA THREATS

Slowdown in solar was a bit concern. This is starting to show better trend now. In India State DISCOMs will still take some time to improve finances. India's GDP has slightly shown drop, monsoon has not been favorable, farming distress and NPA scenario in the economy pose threats and can derail the gains that opportunities create. 14 GW Gas based power plants badly affected due to high gas cost and non-availability of domestic gas.

## Overall Market Threat

### 1. Market

- Vast Market Territory with limited market intelligence mechanism- Schedule forecast reliability and missing 10-12-week executable order backlog
- Huge entry barrier in growing CRP Business as CRP & SAS direct supply in the name of Acrastyle
- GIS Transition in High Voltage Switchgear in Bangladesh, India, and Vietnam is likely to reduce access for AIS disconnectors.
- EVN NPT Unblocking Delays for Insulator Incident
- High Cost of product for India Market
- Bangladesh Market is witnessing many changing – holding ground is critical
- High Speed Execution Contracts – need faster turnaround

### 2. Technology

- Old Technology and Gap in catching up with continuously increasing standard and territory expectation.
- Low technical competency and low volume CB Supply Chain
- Continuous stress on Type Test Compliance

### 3. Organization, People & Competency

- Complex multiple legal entity structure, and too much legal compliance cost for small businesses.
- Challenges in attracting and retaining good talent
- Working Capital Issues affecting operations and Supply Chain
- Credit Rating by Banks and old suppliers not supportive and changing very slow

### 4. UK Market Slow Down and Pension Deficit related challenges

- Significant challenges have to be overcome to grow UK Order Booking
- Pension Deficit driving around 5% in cost of Goods sold is critical area to be addressed.

## IMPLEMENTATION OF SAP BUSINESS ONE 9.3 IN INDIA

In the year 2019-20, SAP went live in the month of April and May 2019 in APIL and S&S PSE. Controls were fully operational from October 2019. By the year end SAP was fully stabilized. Improvement in the basic system by implementing advanced features and introducing Mobile APP for approvals will take the benefit to the next level. Developing a data driven culture and leveraging SAP reports for monitoring, tracking and control is important

follow up actions in progress, to leverage full benefit of implementing such a system. From control point of view this has been a major step improvement.

#### KEY EVENTS DURING THE YEAR ENDED 31st MARCH 2020

Month	Internal	External
April, 2019	SAP Went live in S&S PSE & Integreatz and Tally withdrawn.	
May, 2019	SAP Went live in S&S PSE & Integreatz and Tally withdrawn.	
June, 2019		
July, 2019		.. Inhouse Product training to SENEGAL officials through KPTL .. Multi-project supply deal closed with Toshiba for a total value of Rs.4.3 Crs
August, 2019	Board Meeting was held at Pondicherry Plant	JUSNL order from GE awarded to S&S getting approval in JUSNL (Rs.1.4 Crs)
September 2019	New Finance Head Appointed with additional responsibility as Company Secretary	
October 2019		... WBPDCCL – Kolaghat & Bakreshwar (Rs.4.3 Crs.), Elephant order from GE received – Big R3 Project ...Mr. Ram (Aadi, Dubai). Appointed as sales agent for MENA & CIS ...CEPRO appointed as Sales agent for Israel Electric Company Tenders
November, 2019	successful visit was made by Mr. Kumaresh, Sr Manager-Sales & Marketing to Vietnam	TANESCO Tanzania training of 6 Engineers helped in TANZANIA business development. .. Successful completion of Bus Transfer Contact (BTC) test on RC245 in ERDA, Vadodara .. NNC has now been appointment as sales agent.
December, 2019	New Bid Risk Management and commercial finance coordinator has been deputed; Mr. Panda	Marketing consultant for Bangladesh, Nepal & Bhutan appointed, Mr. Biswajit Bandopadhyay
January, 2020	Elecrama-2020 event held in Delhi, Attended by MD, Mr. Ashok Kumar Vishwakarma himself to main customer relations	TANESCO & TRACTABEL Germany visited with L&T for Approval. CRP Order Worth more than 80L acquired from GE for APIL
February, 2020		Sterling Wilson brought Kenya Power & Lighting Company (KPLC) with WSP Consultant Limited from Malaysia visited for factory approval and FAT. ... Sterling Wilson brought Kenya Power & Lighting ... Company (KPLC) with WSP Consultant Limited from Malaysia visited for factory approval and FAT. ... Successful completion of RD420 – dielectric test in CPRI, Bangalore for validation

Month	Internal	External
March, 2020	<p>Temporary shutdown due to COVID19 Pandemic</p> <p>Board Meeting held for Initial 20-21 Budget discussion</p> <p>Temporary shutdown due to COVID19 Pandemic</p> <p>Training on Disconnecter Design and type testing held for all employees</p> <p>Training on Basic and Advanced level MS Excel training held for all employees</p> <p>SAP training provided on all modules to all SAP users</p>	<p>Temporary shutdown due to COVID19 Pandemic</p> <p>...Online inspection successfully completed in Meghnaghat 3175 &amp; Kolaghat 3185 orders</p> <p>...Training on Disconnecter Design and type testing held for all employees</p> <p>...Training on Basic and Advanced level MS Excel training held for all employees</p> <p>... Order executed directly to Albanian customer through Haem Energy, a newly formed customer</p> <p>... Revocation of suspension of trading effective from 23rd Mar 2020.</p>

## S&S POWER BUSINESS PROJECTION & STRATEGY FOR THE YEAR 2020-21

### India Operations

1. Manage the uncertainty and consequences of COVID19 Pandemic. Retain the budget sensitivity within 10%.
2. Improve Commercial Intensity in Vietnam, Bangladesh, West Africa and North Africa to secure share in a highly competitive environment. Deliver Channel, Agent and Sales team excellence. Leverage CRM Zoho BEGIN.
3. Focus on working capital management as a company wise initiative, right size fixed cost and drive cost out programs to retain margin.
4. Reduce fixed cost in APIL business to make it viable in long term. Plan MS Panel fabrication in-sourcing.
5. Create another major OEM relationship for APIL Business
6. Execute MAPS project effectively and prepare for VCB Order acquisition for SPARES, RETROFIT AND NEW PROJECTS
7. Drive Accountability and improve overall organizational productivity for staff and workmen.
8. Maintain Industrial Relations at both the sites.
9. Develop Automation Panel Capabilities in the APIL
10. Retain Critical Talents
11. Leverage SAP implementation for right sizing, transactional process excellence and de-skilling tasks.

### UK Operations

1. Strengthen geographical expansion using Global Value Chain Cost Model and Create an alternative offering design.
  - a. Minimum Viable Product – testing, as build drawing etc. as optional
  - b. Acrastyle Standard Panel Offering
2. Improve Retrofit and service opportunities further in UK
3. Look for additional product in UK – expanding range of DS for distribution market
4. Develop SAS Capabilities
5. Improve access for Indian Products in other market using Acrastyle UK as a Distribution Point. Other type of panels and solutions.
6. Reduce Supply Chain Cost by developed low cost wired cabinet for standard offerings.

### RISK AND INTERNAL CONTROLS

The Company maintains adequate internal control systems commensurate with the nature of its business and size and complexity of its operations. The internal control systems have been designed to provide reasonable assurance about recording and providing reliable financial and operational information. The Internal Control process of the Company has been robust and provides reasonable assurance on - reliability of financial information, compliances with laws and regulations in force and realization and optimization of operations. It ensures documentation and evaluation of unit and entity level controls through existing policies and procedures, primarily to identify any significant gaps and define key actions for improvement.

These systems are regularly tested for their effectiveness by Statutory and Internal Auditors. The review also helps to evaluate adequacy of segregation of duties, access rights, delegation of authority, safeguarding assets, etc. The monitoring includes an annual exercise assessing in totality, how the entire internal control system addresses risks and how individual controls interface with each other to create the entire internal control environment. A formal system exists for periodic monitoring and reporting of the results of the internal control self-assessments.

The Internal control processes were audited by the statutory auditors as part of Internal Financial controls over Financial reporting audit and termed these controls as adequate and operating effectively. In the highly networked IT environment of the Company, validation of IT security receives focused attention from IT specialist and Statutory Auditors.

The Company has appointed strong and independent internal audit firm of Chartered Accountants. Significant observations made by the internal auditors and follow up actions thereon are reported to the Audit Committee. The Audit Committee reviews the adequacy and effectiveness of the Company's internal control environment and

monitors the implementation of internal audit recommendations. During the year, the Company has taken steps to review and document the adequacy and operating effectiveness of internal controls. Transactional processes have been automated by implementing SAP B1 in the company in India and this was the first year run through SAP B1.

## OUTLOOK

- Next 5-10 years are going to be promising in Vietnam, Bangladesh, India and many African countries for electrical equipment business. UK Market will continue to be moderate or sluggish.
- Our target countries are driving electricity penetration, moving towards renewables.
- EV Cars will demand different types (New and Uneven) of electricity demand in the market.
- Cross border GRID connectivity will drive new projects.
- Battery Storage and Hybrid power generation plants will emerge more actively.
- Shift from AIS to GIS and shift towards Automation will require adaptation of our business model, offerings, and supply chain.
- Continuous investment in type testing is critical to keep high level of project qualification.

## POTENTIAL IMPACT OF COVID ON FUTURE BUSINESS

Light disruption and delay in project due to funding constraints may be seen after one-year projects, once existing one get completed. Being a long-term project, effect will not be seen immediately. Also, electricity drivers in our target countries will stay strong and hence impact of COVID19 on demand of electrical equipment in long term will not be strongly felt by our business.

## CAUTIONARY STATEMENT

Please note these forward-looking statements are subject to numerous risks and uncertainties that are difficult to foresee and actual outcome might differ.

## For and on behalf of Board

**Ashok Kumar Vishwakarma**  
Managing Director and CEO

## COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of

S&S Power Switchgear Limited

We have examined the compliance of the conditions of Corporate Governance by S&S Power Switchgear Limited ('the Company') for the year ended 31<sup>st</sup> March 2020 as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) as may be amended from time to time.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing regulations.

We further state that in respect of investor grievances received during the year ended March 31, 2020, no investor grievance is pending against the Company, as per the records maintained by the Company and presented to the Investor Grievance / Stakeholders Relationship Committee.

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

For BP & Associates,

Company Secretaries,

K J Chandra Mouli

Membership No: 25315

CP No. 15708

UDIN: A025315B000771821

Place: Chennai

Date: 25th September 2020



## CERTIFICATE

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by M/s S&S POWER SWITCHGEAR LIMITED, having its Registered office at Plot No. 14, CMDA Industrial Area, Chithamanur Village, Maraimalai Nagar – 603209, Kancheepuram District, Tamilnadu and also the information provided by the Company, its officers, agents and authorized representatives, we hereby report that during the Financial Year ended on March 31, 2020, in our opinion, none of the director on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of Company by the Board/Ministry of Corporate Affairs or any such Statutory authority.

For BP & Associates,  
Company Secretaries,

K J Chandra Mouli  
Membership No: 25315  
CP No. 15708  
UDIN: A025315B000771821

Place: Chennai  
Date: 25th September 2020

## CEO / CFO CERTIFICATION

We the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of M/s. S&S POWER SWITCHGEAR LIMITED ("the Company") to the best of our knowledge and belief certify that:

- (a) We have reviewed financial statements for the year ended 31st March 2020 and that to the best of our knowledge and belief, we state that:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) We further state that to the best of our knowledge and belief, no transactions are entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We are responsible for establishing and maintaining internal controls over financial reporting and that we have evaluated the effectiveness of internal control systems pertaining to financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee:
  - (i) significant changes, if any, in internal control over financial reporting during the year;
  - (ii) significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For S&S POWER SWITCHGEAR LIMITED

Ashok Kumar Vishwakarma  
Managing Director  
DIN: 05203223

Place: Chennai

Date: 25th September 2020

For S&S POWER SWITCHGEAR LIMITED

Gokulananda Sahu

Chief Financial Officer

## COMPLIANCE WITH THE CODE OF BUSINESS CONDUCT AND ETHICS

As provided under Regulation 26 (3) and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with S&S Power Switchgear Limited Code of Business Conduct and Ethics for the year ended 31st March 2020.

For S&S Power Switchgear Limited

**Ashok Kumar Vishwakarma**

Managing Director

DIN: 05203223

Place: Chennai

Date: 25th September 2020

## REPORT ON CORPORATE GOVERNANCE

The core principles of Corporate Governance philosophy is based on trusteeship, transparency and accountability. As a corporate citizen, our business fosters a culture of ethical behavior and disclosures aimed at building trust of our stakeholders. The Company's Code of Business Conduct and Ethics, Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Designated Persons and the Charter– Business for Peace are an extension of our values and reflect our commitment to ethical business practices, integrity and regulatory compliances.

Pursuant to the provisions of Regulation 34, Regulation 53, Schedule V and other applicable regulations (if any) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["Listing Regulations"], a report on Corporate Governance of the Company for the financial year ended 31st March 2020 is furnished below:

### 1. Company's Philosophy

Your Company's philosophy on Corporate Governance envisages attainment of the highest level of integrity, fairness, transparency, equity and accountability in all the facets of its functioning and in its interactions with shareholders, employees, government, regulatory bodies, listeners and the community at large. Your Company has been upholding fair and ethical business and corporate practices and transparency in its dealings.

Your Company reiterates its commitment to adhere to the highest standards of Corporate Governance. The Company recognizes that good Corporate Governance is a continuing exercise and is committed to pursue the highest standard of governance in the overall interest of the stakeholders.

### 2. Board of Directors

#### a. Composition and category of the Board of Directors and a number of other board of directors or committees in which a director is a member or chairperson:

Your Company believes that an active, well- informed and independent Board of Directors is vital to achieve the apex standard of Corporate Governance. The Board of Directors of the Company comprises an optimal combination of executive, non-executive and independent directors so as to preserve and maintain the independence of the Board.

As on date, the Board of Directors is comprising of 7 Directors, each being eminent persons with professional experience in varied fields. Brief profile of all the Directors of the Company has been furnished separately in the Annual Report.

The Board and Committees meet at regular intervals. Policy formulation, evaluation of performance and control functions vest with the Board, while the Committees oversee operational issues.

All statutory and other significant and material information(s) are placed before the Board to enable it to discharge its responsibilities of strategic supervision of the Company as trustees of stakeholders.

Comprehensively drafted notes for each agenda item along with background materials, wherever necessary, are circulated well in advance to the Committee / Board, to enable them for making value addition as well as exercising their business judgment in the Committee / Board meetings.

Presentations are also being made by the business heads on the Company's operations, marketing strategy, Financial Updates in Committees/ Board Meetings.

In line with the Nomination & Remuneration policy, the Directors are identified based on their qualifications, positive attributes, area of expertise, etc. Appointment of the Directors of the Company is approved by the members at their general meetings.

Also, none of the Independent Directors on the Board serve as an independent director in more than seven listed entities and none of the Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees as specified in SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, across all the Companies in which he/she is a Director. The Directors have made the necessary disclosures regarding Committee positions during the period under review.

Leave of absence was granted to the Director(s) for the Board Meeting(s), which they did not attend and sought the leave of absence from the meeting.

The Board has identified the following skill set with reference to its Business and Industry which are available to the Board:

Name of the Director	Expertise in specific functional area
Mr. Ashish Sushil Jalan	Managerial and Administrative
Mr. Ashok Kumar Vishwakarma	Sales, Marketing, Technical Development, Manufacturing Operations & P&L Management
Mr. Nandakumar Sundarraman	Financial accounting, Taxation & Statutory Audit
Mr. Deepak Jugal Kishore Chowdhary	Manufacturing and Technical applications
Mr. Ajay Kumar Dhagat	Transmission and Distribution Industry, General Management, Business Leadership and Market
Mrs. Gayathri Sundaram	Corporate Accounting, Risk Management & Treasury
Mr. Arjun Soota w.e.f. 14th September 2020	financial strategy, corporate finance, treasury, and risk management.

Details relating to the composition of the Board of Directors, number of directorships, memberships and chairmanships of the Directors of the Company in other public limited companies (as on the date of this report) are as follows:

Name of Director	Category	As on the date of the report			List of Directorship in Other Listed Companies and Category
		No of other Director ship (\$)	Committee Position (#)		
			Member	Chairman	
Mr. Ashish Sushil Jalan (DIN: 00031311)	Promoter/ Non-Executive Chairman	6	-	-	-
Mr. Ashok Kumar Vishwakarma (DIN: 05203223)	Managing Director	3	-	-	-
Mr. Deepak Jugal Kishore Chowdhary (DIN: 00332918)	Independent Director	1	-	-	-
Mr. Ajay Kumar Dhagat (DIN: 00250792))	Independent Director	4	2	-	-
Mr. Nandakumar Sundarraman (DIN: 02503998)	Independent Director	1	-	-	-
Mrs. Gayathri Sundaram (DIN: 07342382)	Independent Director	-	-	-	-

\$ Excludes Directorships in Indian Private Limited Companies, Foreign Companies, Companies u/s 8 of the Companies Act, 2013 and memberships of Managing Committees of various Chambers/bodies and Alternate Directorships.

# Committees include only Audit Committee and Stakeholders Relationship Committee.

#### Independent Directors confirmation by the Board

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations. In the opinion of the Board, the Independent Directors, fulfil the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations. A formal letter of appointment to Independent Directors as provided in the Companies Act, 2013 has been issued

- b. Attendance of each directors at the meetings of the Board of Directors, and Board Committees held during the financial year under review and at the last Annual General Meeting (AGM) are as follows:

EXCELLENCE IN SWITCHING & PROTECTION ENGINEERING

The Board met 7 times between 1st April 2019 and 31st March 2020 as given below:

Name of the Director	Designation	No of Meetings held	No of Meetings attended
Mr. Ashish Sushil Jalan	Chairman	8	7
Mr. Ashok Kumar Vishwakarma	Managing Director	8	8
Mr. Nandakumar Sundarraman	Chairman (Audit Committee)	8	6
Mr. Deepak Jugal Kishore Chowdhary	Member	8	4
Mr. Ajay Kumar Dhagat	Member	8	4
Mrs. Gayathri Sundaram	Member	8	8

The company informs the Directors through the notice of the meeting regarding the options available to them to participate through video conferencing mode in the meetings except in respect of matters not to be dealt with through video conferencing.

Apart from receiving the director's remuneration, none of the above referred Independent Non- Executive Directors have any material pecuniary relationships or transactions with the Company, its promoters, its directors, its senior management or its holding company, its subsidiaries and associates which may affect their independence.

The Company has not entered into any materially significant transactions with its Promoters, Directors or their relatives or with the Management, etc. that may have potential conflict with the interest of the Company at large.

**c. Number of meetings of the Board of Directors held and dates on which held and date of the last AGM held:**

**The board met 8 times during the year and the date are as follows:**

29th May 2019, 28th June 2019, 12th August 2019, 29th October 2019, 14th November 2019, 20th November 2019, 13th February 2020 & 02nd March 2020.

Name of the Director	Designation	Attendance at previous Annual General Meeting held on 22.08.2019
Mr. Ashish Sushil Jalan	Chairman	Yes
Mr. Ashok Kumar Vishwakarma	Managing Director	Yes
Mr. Nandakumar Sundarraman	Chairman	No
Mr. Deepak Jugal Kishore Chowdhary	Member	No
Mr. Ajay Kumar Dhagat	Member	No
Mrs. Gayathri Sundaram	Member	No

**d. Disclosure of relationships between directors inter-se:**

None of the Directors are related with each other or key managerial personnel (inter-se) within the meaning of the Listing Regulations.

**e. Number of shares and convertible instruments of the Company held by Non- Executive Directors:**

Mr. Ashish Sushil Jalan, Chairman & Non-Executive Director of the Company holds 34,297 Equity shares as on 31st March 2020 and as on the date of this Report.

**f. Weblink where details of familiarization programs imparted to independent directors is disclosed:**

[www.sspower.com](http://www.sspower.com)

#### **g. Independent Directors' Meeting:**

The Independent Directors (IDs) met on 13th February 2020 without the presence of Non-Independent Directors and members of the company in compliance with the provisions of Schedule at this meeting, the IDs inter alia evaluated the performance of the Non-Independent Directors and the Board of Directors as a whole, evaluated the performance of the Chairman of the Board and discussed aspects relating to the quality, quantity and timeliness of the flow of information between the Company, the Management and the Board.

#### **Committees of the Board**

The Board Committees have been constituted to deal with specific areas / activities which need a closer review. The Board Committees are set up under the formal approval of the Board to carry out the clearly defined roles. The minutes of the meetings of all Committees are placed before the Board for review. The Board Committees can request special invitees to join the meeting, as appropriate.

### **3. Audit Committee**

The Company recognizes that the Audit Committee is indispensable for ensuring accountability amongst the Board, the Management and the Auditors, who are responsible for sound and transparent financial reporting. The Audit Committee is responsible for overseeing the processes related to financial reporting and information dissemination. It assists the Board of Directors (Board) in its responsibility for overseeing the quality and integrity of accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements. The primary objective of the Audit Committee of the Company is to monitor and effectively supervise the financial reporting process of the Company with a view to ensure accurate, timely and proper disclosures and transparency and integrity of financial reporting.

The constitution, composition, frequency of meetings, terms of reference, role, powers, rights, authority and obligations of the Audit Committee are in conformity with the applicable provisions of the Companies Act, 2013 and Listing Regulations (including any statutory modification(s) or re-enactment or amendments thereof).

The Audit Committee comprises 4 (Four) members consist of Three Independent Non-Executive, One Non-Executive Director. All members are financially literate and possess sound knowledge of accounts, finance and audit matters. The Company Secretary of the Company acts as Secretary to the Audit Committee. The Internal Auditors of the Company attend the Meetings of the Audit Committee on invitation of the Chairman of the Committee.

The Statutory Auditors, Internal Auditors and other relevant Senior Management Persons of the Company are invited to attend the Meetings of Audit Committee.

#### **a. Brief description of terms of reference inter alia includes:**

- To oversee the financial reporting process.
- To oversee the disclosures of financial information.
- To recommend appointment / removal of statutory auditors and fixation of their fees.
- To review the quarterly/half yearly financial results and annual financial statements with the management, internal auditor and the statutory auditor.
- To consider the reports of the internal auditors and discuss their findings with the management and to suggest corrective actions wherever necessary.
- To Review with the management, statutory auditors and the internal auditors the nature and scope of audits and the adequacy of internal control systems.
- To Review major accounting policies and compliance with accounting standards and listing agreement entered into with the stock exchange and other legal requirements concerning financial statements.
- To Look into the reasons for any substantial defaults in payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividend) and creditors, if any.
- To Review related party transactions of material nature, with promoters or the management and their relatives that may have potential conflict with the interests of the Company at large.
- To investigate any matter covered under Section 177 of the Companies Act, 2013.
- To Review the financial and risk management policies.

**b. Composition, names of members and chairperson:**

The Audit Committee comprises of the following Directors as on date of the Report:

Name of the Director	Designation	No of Meetings held	No of Meetings attended
Mr. Nandakumar Sundarraman	Chairman	4	3
Mr. Deepak Jugal Kishore Chowdhary	Member	4	3
Mrs. Gayathri Sundaram	Member	4	4
Mr. Ashish Sushil Jalan	Member	4	3

**c. Meetings and attendance during the year:**

During the financial year under review, the Audit Committee met four times, i.e. on 29th May 2019, 12th August 2019, 20th November 2019 & 13th February 2020.

**4. Nomination and Remuneration Committee**

The Nomination and Remuneration committee of the Company is constituted in line with the provisions of Regulation 19 of SEBI (LODR) Regulations 2015, read with section 178 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014.

The Nomination and Remuneration Committee comprises 4 (Four) members consisting of Three Independent Non-Executive Directors, One Non-Executive Director and the Chairman being Non- Executive and Independent. The Company Secretary of the Company acts as Secretary to the Nomination and Remuneration Committee.

**a. Meetings during the year:**

During the financial year under review, the Committee met Two times, i.e. on, 28th June 2019, 29th October 2019.

**5. Remuneration of Directors**

**Remuneration to Non-Executive Directors (including Independent Directors)**

The Non-Executive Directors are paid remuneration by way of Sitting Fees. The Non- Executive Directors are paid Sitting Fees for each Meeting of the Board or Committee as attended by them. The total amount of sitting fees paid to Non-Executive Directors during the Financial Year 2019-20 was Rs.2.10 Lakh. The Non-Executive Director/Independent Directors do not have any material pecuniary relationship or transactions with the Company.

**Remuneration to Executive Director**

The appointment and remuneration of Executive Director i.e. Managing Director is governed by the recommendation of the Nomination and Remuneration Committee, Resolutions passed by the Board of Directors and Shareholders of the Company and Agreement executed between him and the Company. The remuneration package of Managing Director comprises of salary, perquisites and allowances, and contributions to Provident and other Retirement Benefit Funds as approved by the shareholders at the General Meetings. Annual increments are linked to performance and are decided by the Nomination and Remuneration Committee and recommended to the Board for approval thereof. The remuneration policy is directed towards rewarding performance, based on review of achievements. It is aimed at attracting and retaining high caliber talent.

Presently, the Company does not have any stock options scheme for its Directors.



**DETAILS OF REMUNERATION PAID TO DIRECTORS FOR THE YEAR ENDED MARCH 31, 2020:**
**a. NON-EXECUTIVE DIRECTORS**

Name of the Director	Sitting Fees (Rs.)	Commission to Non-Executive Directors (Rs.)	No. of Shares/ convertible Instruments held
Mr. Ashish Sushil Jalan	NIL	Nil	Nil
Mr. Deepak Jugal Kishore Chowdhary	40,000	Nil	Nil
Mr. Nandakumar Sundarraman	60,000	Nil	Nil
Mr. Ajay Kumar Dhagat	40,000	Nil	Nil
Mrs. Gayathri Sundaram	70,000	Nil	Nil

**b. EXECUTIVE DIRECTORS**

<b>Particulars</b>	Mr. Ashok Kumar Vishwakarma, Managing Director
<b>Term of Appointment</b>	For a period of 3 years from 10th November 2019 to 10th November 2022
<b>Salary and Allowances</b>	Rs. 96,00,168/-
<b>Commission</b>	Nil
<b>Variable Pay</b>	Nil
<b>Perquisites</b>	Nil
<b>Sitting Fees</b>	Nil
<b>No. of Shares held</b>	Nil
<b>Minimum Remuneration</b>	Mr. Ashok Kumar Vishwakarma shall be entitled to minimum remuneration comprising of salary, perquisites and benefits as per the applicable provisions of the Companies Act, 2013 in the event of inadequacy/ absence of profits.

**6. Stakeholders Relationship Committee**

The Company has always valued its investors' and stakeholders' relationships. In order to ensure the proper and speedy redressal of stakeholders' grievances, the Stakeholders Relationship Committee is constituted. Its constitution, composition, quorum requirements, frequency of meetings, terms of reference, role, powers, rights, authority and obligations are in conformity with the applicable provisions of the Companies Act, 2013 and the Listing Regulations (including any statutory modification(s) or re-enactment or amendments thereof).

The functions of the Stakeholders Relationship Committee are to review and redress

Shareholders' / Investors' query / grievance / complaint on matters relating to transfer of shares, non- receipt of balance sheet / dividend warrants, etc., and to approve transfers, transmission, consolidation and splitting of share certificates and to authorise the officials to make necessary endorsements on the share certificates.

**a. Name of the non – executive director heading the Committee:**

The Committee is headed by the Independent Non- Executive Director and comprises of the following Directors as on the date of this Report:

Name of the Director	Designation
Mr. Nandakumar Sundarraman	Chairman
Mr. Ashish Sushil Jalan	Member
Mr. Ashok Kumar Vishwakarma	Member
Mrs. Gayathri Sundaram	Member

\* During the year there were no meetings held

**b. Name and designation of Compliance Officer:**

Mr. Gokulananda Sahu, - Company Secretary is the Compliance Officer of the Company (email: secretarial@sspower.com)

**c. Details of the Shareholder's Compliant:**

Number of shareholders' complaints/queries, etc. received during the financial year 2019-2020	NIL
Number of complaints/queries, etc. not resolved to the satisfaction of shareholders as on 31st March 2020	NIL
No. of pending complaints/ queries, etc. (The complaints/ queries have been resolved in consonance with the applicable provisions of the relevant rules/ regulations and acts for the time being in force)	NIL

**d. The brief description of terms of reference of the Committee inter alia includes:**

- to consider and resolve the grievances of security holders of the Company
- to specifically look into the redressal of grievances of shareholders, debenture holders and other security holders
- to consider and resolve the grievances of the security holders of the Company including complaints related to transfer of shares, non-receipt of annual report, non-receipt of declared dividends, etc.
- to supervise the process relating to transfer, transmission, transposition, split, consolidation of securities
- to issue the duplicate share certificate(s) and supervise the process
- to supervise the process relating to re-materialization / dematerialization requests
- to oversee the performance of the Company's registrar & share transfer agents
- to implement and monitor the Company's Code of Conduct for Prohibition of Insider Trading in conformity with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended
- to make recommendations to improve service levels for stakeholders
- to carry out any other functions as authorized by the Board of Directors from time to time or as enforced by statutory/ regulatory Authorities.

**7. General Body Meetings**
**a. Annual General Meetings:**

Details of the location and time, where last three Annual General Meetings (AGMs) held and the special resolutions passed thereat are as follows:

Financial Year, Date and Time	Venue	Whether any Special Resolution Passed (Purpose)
2018-19, Forty First Annual General Meeting held on August 22, 2019	Plot No:14, CMDA Industrial Area-II, Chithamanur Village, Maraimalai Nagar-603209.	1. Re-appointment of Mr. Ashok Kumar Vishwakarma (DIN: 05203223) as a Managing Director of the company 2. Payment of consultancy charges to Mr. Ashish Sushil Jalan (Din: 00031311) chairman and non- executive director of the company for his professional services

Financial Year, Date and Time	Venue	Whether any Special Resolution Passed (Purpose)
2017-18, Fortieth Annual General Meeting held on September 19, 2018	Plot No:14, CMDA Industrial Area-II, Chithamanur Village, Maraimalai Nagar-603209.	1. Increase the remuneration of Managing Director 2. Borrowing Power to the Board of Directors 3. Powers of the Board as per section 180 (1) (a) of the Companies Act 2013 4. To grant loans to the subsidiaries pursuant to Section 185 5. Investment(s), Loans, Guarantees and security in excess of limits specified under section 186 of Companies Act, 2013
2016-17, Thirty Ninth Annual General Meeting held on August 29, 2017	Plot No:14, CMDA Industrial Area-II, Chithamanur Village, Maraimalai Nagar-603209.	Re-appointment of Managing Director

(i) Special Resolutions passed through Postal Ballot: NIL

(ii) The Person who conducted the aforesaid postal ballot exercise: N.A.

(iii) Whether any special resolution is proposed to be conducted through postal ballot: No

#### 8. Means of Communication

- Quarterly/ Half yearly/ Annual results are regularly submitted to the Stock Exchanges where the securities of the Company are listed pursuant to the Listing Regulations requirements and are published in the newspapers. The financial results are displayed on the Company's website i.e. [www.sspower.com](http://www.sspower.com)
- Newspapers wherein results normally published: Financial Express (English - all India Edition) & Maalai Sudar (Tamil, the regional language)
- Any website, where displayed: [www.sspower.com](http://www.sspower.com)
- Whether website also displays official news releases: No
- The Company has maintained a functional website [[www.sspower.com](http://www.sspower.com)] containing basic information about the Company e.g. details of its business, financial information, shareholding pattern, codes, compliance with corporate governance, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances, etc.
- Presentations made to institutional investors or to the analysts:

No presentation to any institutional investors or analysts has been made during the financial year ended 31st March 2020.

#### 9. General Shareholder Information:

(i)	Annual General Meeting	
	Date and Time	25th November 2020, 11.00 A.M.
	Venue	Registered Office: Plot No 14, CMDA Industrial Area Part-II, Chithamanur Village, Maraimalai Nagar – 603209. Kancheepuram District. Tamilnadu
(ii)	Financial Calendar (2019-20)	1st April 2019 to 31st March 2020
(iii)	Date of Book Closure	19th November 2020 to 25th November 2020 (Both days were Inclusive)
(iv)	Dividend Payment Date	No Dividend has been recommended by the Board of Directors of the Company for the year.

(v)	Listing on Stock Exchanges and Stock Code	National Stock Exchange of India Limited (NSE) – Scrip Name : S&SPOWER BSE Limited (BSE) – Scrip Code: 517273
(vi)	Listing Fees	Annual Listing Fees for the Financial Year 2019-2020 have been paid to the above Stock Exchanges.
(vii)	DEMAT ISIN No	INE902B01017
(viii)	Market Price Data	Your Company's Trading of Shares in both the exchanges has been suspended.
(ix)	Performance in Comparison to broad-based indices such as BSE Sensex, CRISIL Index etc.	Not Applicable
(x)	In case of Suspension of Trading, the Director's report shall explain the reasons thereof	NA
(xi)	Registrar to an Issue and Share Transfer Agents	M/s. GNSA INFOTCH LIMITED, STA Department, Nelson Chambers, Fourth Floor, F-Block, No: 115, Nelson Manickam Road, Aminthakarai, Chennai – 600 029. Tamilnadu.
(xii)	Share Transfer System	Requests for Share transfers received in Physical form, are processed by the Share Transfer Agent, and the share certificates are returned within a period of fifteen days from the date of receipt, subject to the documents are being valid, complete, and accurate in all respects.  Stakeholders' Relationship Committee has delegated powers to Registrar and Share Transfer Agents to effect transfer/ transmission, name deletion, renewal of shares, duplicate, etc.

**(xiii) Distribution of Shareholding as on 31st March 2020**

Slab of No. of Shareholding (Rs.)	No of Shareholders	% to No. of Shareholders	No of Shares held	(Rs.) % to Paid-up Capital
Up to 5,000	19689	96.44	1736384	28.01
5,001 to 10,000	424	2.08	331024	5.34
10,001 to 20,000	162	0.79	240887	3.89
20,001 to 30,000	51	0.25	131582	2.12
30,001 to 40,000	16	0.08	54142	0.87
40,001 to 50,000	15	0.07	68883	1.11
50,001 to 100,000	30	0.15	219914	3.55
Above 100,001	29	0.14	3417184	55.12
<b>Total</b>	<b>20416</b>	<b>100.00</b>	<b>6200000</b>	<b>100.00</b>

**(xiv) Categories of Shareholding Pattern as on 31st March 2020**

Category	No of Shareholders	% of Shareholders	No of Shares held	% of Shareholding
Promoters	11	0.05	3086988	49.79
Mutual Funds & UTI	8	0.04	25588	0.41
Banks / Financial Institutions / Ins / Govt.	6	0.03	75926	1.22
Foreign Institutional Investors	2	0.01	3150	0.05
Corporates	154	0.75	88368	1.43
Individuals / HUF	20182	98.87	2897057	46.73
NRIs / OCBs	35	0.17	18665	0.30
Others	14	0.07	4258	0.07
<b>Total</b>	<b>20412</b>	<b>100.00</b>	<b>6200000</b>	<b>100.00</b>

**(xv) Dematerialization of Shares**

As on March 31, 2020 the details of the shares of the Company held in physical and demat form are given below:

Particulars	No. of Shares	% to the capital
Shares held in Physical form	13,45,150	21.70
Shares held in DEMAT form		
NSDL	44,02,733	71.01
CDSL	4,52,117	7.29
Total	62,00,000	100.00

**(xvi) Outstanding GDRs / Warrants and Convertible Instruments**

There are no outstanding GDRs / Warrants and Convertible Instruments as at 31st March 2020.

**(xvii) Commodity price risk or foreign exchange risk and hedging activities**

There no such risk in the company. The Company does not deal with hedging activities. Hence the same is not applicable.

**(xviii) Plant Location:**

Plot No 14, CMDA Industrial Area Part-II, Chithamanur Village, Maraimalai Nagar – 603209. Kancheepuram District. Tamilnadu.

Tel: 044 4743 1625, Email : [secretarial@sspower.com](mailto:secretarial@sspower.com), [sales@sspower.com](mailto:sales@sspower.com)

**(xix) Address for Correspondence**

Shareholder correspondence should be addressed to the Company's Registrar and Transfer Agents:

M/s. GNSA INFOTCH LIMITED, STA Department,  
Nelson Chambers, Fourth Floor, F-Block,  
No: 115, Nelson Manickam Road, Aminthakarai, Chennai – 600 029. Tamilnadu.  
Ph : 044 4296 2025, Email: [sta@gnsaindia.com](mailto:sta@gnsaindia.com)

Investors may also write or contact Company Secretary and Compliance officer at:

Plot No 14, CMDA Industrial Area Part-II,  
Chithamanur Village, Maraimalai Nagar – 603209.  
Kancheepuram District. Tamilnadu.  
CIN: L31200TN1975PLC006966  
Tel: 044 4743 1625, Email: [investor@sspower.com](mailto:investor@sspower.com), [sales@sspower.com](mailto:sales@sspower.com)

**10. Other Disclosures**

- a.** Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company at large:

During the financial year under review, there were no materially significant related party transactions with the Promoters, Directors, etc. that may have potential conflict with the interests of the Company at large. The related party transactions are entered into based on business exigencies such as synergy in operations, profitability, market share enhancement etc. and are intended to further the Company's interests.

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

There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years.

During the year the company had received the in-principle approval letter for revocation of trading suspension from BSE and revocation fee of Rs.30 lakhs was the fee payable by the company in 3 equal instalments, of which the company has paid Rs.20 lakhs by 31st March 2020 within the time indicated for the payment of the first two instalments.

- c.** Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel have been denied access to the Audit Committee:

The Company has a 'Whistle Blower Policy'/'Vigil Mechanism' in place, details of which have been furnished in the Board of Directors' Report. The Board of Directors affirms and confirms that no personnel have been denied access to the Audit Committee.

- d.** Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company has complied with all the mandatory requirements of the Schedule V of the Listing Regulations. The status of compliance with the non-mandatory requirements of this clause has been detailed herein.

- e.** Web link where policy for determining 'material' subsidiaries is disclosed:

[http:// www.sspower.com](http://www.sspower.com)

- f.** Web link where policy on dealing with related party transactions:

<http:// www.sspower.com>

- g.** Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Particulars	Compliance
Number of complaints filed during the financial year	Nil
No of Complaints disposed of during the financial year	Nil
No of complaints pending as on end of the financial year.	Nil

- h.** Disclosure of commodity price risks and commodity hedging activities:

Not applicable.

- i.** Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is apart:

Details relating to fees paid to the Statutory Auditors are given in Note 33 to the Standalone Financial Statements.

- j.** Details of utilization of funds raised through preferential allotment or qualified institution placement as specified under regulation 32[7A]: NIL

11. Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) above, with reasons thereof shall be disclosed.

The Company has complied with the requirement of corporate governance report of sub paras (2) to (10) of the Schedule V of the Listing Regulations.

12. Adoption of the discretionary requirements as specified in Part E of the Schedule II of the Listing Regulations

**a. The Board:**

The Company does not defray any expenses of the Chairman's Office.

**b. Shareholder Rights:**

The Company's quarterly and half-yearly results are furnished to the Stock Exchanges and are also published in the newspapers and on the website of the Company and therefore results were not separately sent to the Members. Quarterly/ Half yearly/ Annual results of the Company are displayed on the website of the Company i.e. [www.sspower.com](http://www.sspower.com)

**c. Audit qualifications:**

No qualification, adverse remarks or disclaimer made by the Statutory Auditors with regard to the financial statements for the financial year 2019-20.

**d. Separate posts of Chairman and CEO:**

The Board of Directors of the Company comprises of the Non-Executive Chairman. The Managing Director message of the Company has been given as a separate report.

**e. Reporting of Internal Auditor:**

The Internal Auditor reports directly to the Audit Committee.

13. Disclosures of the compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub - regulation (2) of regulation 46

The Company has complied with the corporate governance requirements specified in regulation of 27 and clauses (b) to (i) of sub - regulation (2) of regulation 46.

**DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT / UNCLAIMED SUSPENSE ACCOUNT UNDER SCHEDULE V (F) OF THE LISTING REGULATIONS**

As confirmed by the R & TA, M/s. GNSA Infotech Ltd., the Company does not have any Demat Suspense Account/Unclaimed Suspense Account.

**DECLARATION BY THE MANAGING DIRECTOR UNDER SCHEDULE V (D) OF THE LISTING REGULATIONS REGARDING ADHERENCE TO THE CODE OF CONDUCT**

A Code of Conduct for the Directors and Senior Management Personnel has already been approved by the Board of Directors of the Company. As stipulated under the provisions of sub-clause (II) E of Clause 49 of the Listing Agreement and Regulation 26(3) of Listing Regulations with stock exchanges, all the Directors and the designated personnel in the Senior Management of the Company have affirmed compliance with the said code for the year ended 31st March 2020.

For and on behalf of the Board of Directors and  
Senior Management Personnel

Place: Chennai  
Date: 25th September 2020

Ashok Kumar Vishwakarma  
Managing Director  
DIN: 05203223



## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF S&S POWER SWITCHGEAR LIMITED

#### REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

##### Opinion

We have audited the accompanying Standalone Financial Statements of **S&S Power Switchgear Limited** ('the Company'), which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the statement of Cash Flows for the year then ended and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India of the state of affairs of the Company as at 31<sup>st</sup> March 2020, the loss and total comprehensive income, the changes in equity and its 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. 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 opinion on Standalone Financial Statements.

##### Going Concern

We draw attention to Note 47 in the Standalone financial statements, which indicates that the accounts are prepared on a going concern basis due to continued financial support of the promoters. The Standalone financial statements do not include any adjustments that would results from the withdrawal of support which is described in the Note 47.

##### Emphasis of Matter

We draw attention to our observation in Going concern paragraph above whereby, inspite of the factor mentioned therein, the results are prepared on going concern basis.

On account of our inability to conduct a physical verification as on 31st March, 2020 owing to the lockdown restrictions imposed by the Government as well as absence of the said verification procedures undertaken by the Company, we have relied on details as provided by the management and related adjustments to confirm the existence and condition of inventory at the year- end;

Our opinion is not modified in respect of these matters.

##### Key Audit Matters

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

We have determined the matters described below to be the key audit matters to be communicated in our report.



Key audit matter	How our audit addressed the key audit matter
<p>Impairment testing of investments in subsidiaries</p> <p>Refer Note 6 and 7 to the accompanying standalone financial statements</p> <p>As at 31 March 2020, the carrying amount of investment in subsidiaries viz Acrastyle Power (India) Limited, Acrastyle EPS Technologies Limited and S&amp;S Power Switchgear Equipment Limited is Rs 1,30,199 thousands. Further the company has also advanced loans to these subsidiaries and the amount due along with interest accrued thereon as at 31st March 2020 (net of provisions) is Rs 1,17,831 thousands. Acrastyle Power (India) Limited further has invested in two subsidiaries viz Acrastyle Limited, UK and Acrastyle Switchgear Limited, UK.</p> <p>As required under Ind-AS, the management has performed an impairment assessment and has estimated the recoverable amount of its investment in the subsidiaries using applicable valuation models, which is complex and involves the use of significant management estimates and assumptions that are dependent on expected future market and economic conditions.</p> <p>Considering the materiality of the amounts involved, the significant management judgement required in estimating the quantum of diminution in the value of investment and such estimates and judgements being inherently subjective, this matter has been identified as a key audit matter for the current year audit.</p>	<p>Our procedures included, but were not limited to the following:</p> <ul style="list-style-type: none"> <li>· Obtained an understanding of management's process and evaluated design and tested operating effectiveness of controls around identification of indicators of impairment under Ind AS, and around valuation of the business of the subsidiaries to determine recoverable value of the said investment and loans granted;</li> <li>· Assessed the appropriateness of methodology and valuation model used by the management to estimate the recoverable value of investment in the subsidiaries and loans granted;</li> <li>· Assessed the professional competence, objectivity and capabilities of the valuation specialist engaged by the management;</li> <li>· Assessed the reasonableness of assumptions relating to revenue growth rate, gross margins, discount rates etc. based on historical results, current developments and future plans of the business estimated by management using expertise of our valuation specialist on required parameters;</li> <li>· Assessed cash flow forecasts to ensure consistency with current operations of the Company and performed sensitivity analysis on key assumptions used in management's calculated recoverable value.</li> </ul> <p>Based on our procedures, we also considered the adequacy of disclosures in respect of investment in the said subsidiaries and loans granted in the notes to the standalone financial statements.</p>

### Information other than the Standalone Financial Statements and Auditor's report thereon

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

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

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

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

### Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company

in accordance with the Ind AS and other accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgement 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 and Board of Directors are 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

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

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

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

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

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

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The Balance sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Change in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of accounts;
  - d. In our opinion, the aforesaid Standalone Financial Statements comply with Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. On the basis of the written representations received from the directors as on 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 with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - g. As required by Section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.
  - h. With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, (as amended), in our opinion and to the best of our information and according to the explanations given to us:
    - (i) The Company has disclosed the impact of pending litigations on its financial position in the Standalone Financial Statements – Refer note 42 to the Standalone Financial Statements;
    - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - (iii) There were no amounts that were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2020.

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

**V Subramanian**  
Partner  
Membership number: 212075  
UDIN: 20212075AAAACG4796

Place: Chennai  
Date: 30th July 2020

## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in Independent Auditor's Report of even date to the members of S&S Power Switchgear Limited ("the Company") on the standalone financial statements for the year ended 31st March, 2020)

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of property, plant and equipment.
- (b) As informed to us, the company has a phased programme of physical verification of its fixed assets so as to cover all assets once in three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets;
- (c) The Company has provided the title deeds in respect of freehold land and building which are in the name of the Company as at the Balance Sheet date.
- (ii) The inventory has been physically verified by the Management at reasonable intervals during the year and no material discrepancies have been noticed on such verification. Our attendance at the physical inventories done by the Management was impracticable under the lockdown restriction imposed by the Government and we have therefore, relied on related alternate audit procedures to obtain comfort over the existence and condition of the inventory at the year end. Our opinion is not modified in respect of this matter.
- (iii) The Company has granted unsecured loans, to the parties covered in the register maintained under Section 189 of the Act.

In respect of the aforesaid loans, the terms, and conditions under which such loans were granted are not prejudicial to the Company's interest.

The aforesaid loans and interest are repayable on demand. The Company has not demanded the repayment of the said loans and hence there does not arise a situation for commenting on the regularity of repayment of principal and payment of interest.

In respect of the aforesaid loans, there is no amount which is overdue as at the year end.

- (iv) In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees and security.
- (v) In our opinion and as explained to us, the Company has not accepted any deposits during the year and therefore, the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder are not applicable to the Company.
- (vi) According to the information and explanations given to us, the Company is not required to maintain cost records pursuant to the Companies (Cost Records and Audit) Amendment Rules, 2016, and prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act 2013;
- (vii) (a) According to the information and explanation given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, Income tax, Duty of Customs, Goods and Service Tax and other material statutory dues as applicable with appropriate authorities. However, we noticed delays in such remittances extending to maximum of 90 days.

There were no undisputed amounts payable in respect of provident fund, Sales Tax, Service Tax, value added tax, goods and service tax and other material statutory dues in arrears as at 31st March, 2020 for a period of more than six months from the date they became payable.

- (c) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income tax, excise duty and customs duty as at 31st March, 2020 which have not been deposited on account of a dispute, are as follows: (Refer note 42 to the Financial Statements)

(Rs. In Thousands)

Name of the Statute	Nature of Dues	Amount	Period to which the amount relates	Forum where the matter is pending
Central Excise Act, 1944	Excise Duty	34,190	1993 to 1997	The Company has obtained favourable Order from CESTAT. The Orders were announced in the open court. However, the company is yet to receive the written order copy.
Foreign Trade Policy	Differential Customs Duty	17,247	1998 to 1999	DGFT – Delhi
Income Tax Act, 1961	Tax on waiver of principal portion of loans by bankers	9,298	AY 2007-08	ITAT – Chennai

- (viii) According to the records of the Company examined by us and the information and explanations given to us, the Company has not borrowed from financial institutions, bank or government as at the balance sheet date. The Company has not issued any debentures. Therefore, the provisions of clause 3 (viii) of the order are not applicable to the company;
- (ix) According to the records of the Company examined by us and the information and explanation given to us, the Company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company;
- (x) During the course of our examination of the books of account and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any incidence of fraud on or by the Company noticed or reported during the year, nor we have been informed of any such case by the management;
- (xi) In our opinion and according to Information and explanations given to us, the managerial remuneration has been paid in accordance with requisite approvals mandated by the provisions of section 197 read with Schedule V of the Companies Act, 2013;
- (xii) The Company is not a Nidhi company and therefore the provisions of clause 3 (xii) of the order are not applicable to the company;
- (xiii) In our opinion and according to information and explanations given to us, the company is in compliance with the provisions of section 177 and 188 of the Companies Act, 2013 where applicable, for all the transactions with the related parties and the details of related party transactions have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards;
- (xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore clause 3(xiv) is not applicable to the Company;
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, during the year, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, clause 3(xv) of the Order is not applicable to the Company;
- (xvi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

**For C N K & Associates LLP**

Chartered Accountants  
FRN: 101961W/W-100036

**V Subramanian**

Partner  
Membership number: 212075  
UDIN: 20212075AAAACG4796

Place: Chennai  
Date: 30th July 2020



## **ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT**

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of S&S Power Switchgear Limited ("the Company") on the Standalone Financial Statements for the year ended 31st March 2020]

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

We have audited the internal financial controls with reference to Standalone Financial Statements of **S&S Power Switchgear Limited** (the "Company") as of 31st March 2020 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

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

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to Standalone Financial Statements 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 with reference to financial statements that were operating effectively for ensuring the orderly and efficient conduct of the Company's 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 Act.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing specified under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the 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 with reference to Standalone Financial Statements were established and maintained and if such controls operated effectively in all material respects.

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

#### **Meaning of Internal Financial Controls with reference to Financial Statements**

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

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and

expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and

3. Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Financial Statements.

### **Inherent Limitations of Internal Financial Controls with reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to Financial Statements, 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 with reference to Financial Statements to future periods are subject to the risk that internal financial control with reference to Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at 31st March 2020, based on the internal control with reference to Standalone Financial Statements 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 ICAI.

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

Chartered Accountants

FRN: 101961W/W-100036

### **V Subramanian**

Partner

Membership number: 212075

UDIN: 20212075AAAACG4796

Place: Chennai

Date: 30th July 2020

## S&S POWER SWITCHGEAR LIMITED

### STANDALONE BALANCE SHEET AS AT 31st MARCH 2020

(Rs.in Thousands)

Sr. No.	Particulars	Note No.	As at 31.03.2020	As at 31.03.2019
<b>(1)</b>	<b>ASSETS</b>			
<b>(a)</b>	<b>Non-current assets</b>			
(a)	Property, Plant and Equipment	4	31,302	27,399
(b)	Other Intangible assets	5	1,841	1,300
(c)	Investments in Subsidiaries	6	1,30,199	1,87,420
<b>(d)</b>	<b>Financial Assets</b>			
(i)	Loans and Deposits	7	1,19,914	1,19,005
(e)	Deferred tax assets (net)	8	6,542	5,990
(f)	Non-Current tax assets	9	4,629	4,825
(g)	Other non-current assets	10	-	356
	<b>Total Non Current Assets</b>		<b>2,94,427</b>	<b>3,46,295</b>
<b>(2)</b>	<b>Current assets</b>			
(a)	Inventories	11	2,427	3,103
<b>(b)</b>	<b>Financial Assets</b>			
(i)	Trade receivables	12	15,209	12,848
(ii)	Cash and cash equivalents	13	3,085	135
(iii)	Bank Balances other than Cash and Cash Equivalents	14	251	251
(iv)	Loans	15	5	52
(c)	Current Tax Assets (Net)	16	11,064	6,236
(d)	Other current assets	17	6,361	7,778
	<b>Total Current Assets</b>		<b>38,402</b>	<b>30,403</b>
	<b>Total Assets</b>		<b>3,32,829</b>	<b>3,76,698</b>
<b>(1)</b>	<b>EQUITY AND LIABILITIES</b>			
<b>(a)</b>	<b>Equity</b>			
(a)	Equity Share capital	18	62,000	62,000
(b)	Other Equity	19	68,155	1,37,364
	<b>Total Equity</b>		<b>1,30,155</b>	<b>1,99,364</b>
<b>(2)</b>	<b>LIABILITIES</b>			
<b>(a)</b>	<b>Non-current liabilities</b>			
(a)	Financial Liabilities			
(i)	Other Financial Liabilities	20	2,611	-
(b)	Provisions	21	20,326	19,699
	<b>Total Non Current Liabilities</b>		<b>22,937</b>	<b>19,699</b>
<b>(3)</b>	<b>Current liabilities</b>			
(a)	Financial Liabilities			
(i)	Borrowings	22	1,54,808	1,39,391
(ii)	Trade payables			
-	Due to Micro and Small Enterprises	23		
-	Due to other than Micro and Small Enterprises	23	5,556	4,605
(iii)	Other Financial Liabilities	24	2,318	-
(b)	Provisions	25	193	178
(c)	Other current liabilities	26	16,862	13,461
	<b>Total Current Liabilities</b>		<b>1,79,737</b>	<b>1,57,635</b>
	<b>Total Equity and Liabilities</b>		<b>3,32,829</b>	<b>3,76,698</b>

The accompanying notes referred to above which form an integral part of the Standalone financial statements

As per our attached report of even date  
**For C N K & Associates LLP**  
**Chartered Accountants**  
**Firm Registration No.: 101961W/W100036**

For and on behalf of the Board of Directors

**V Subramanian**  
Partner  
Membership No.: 212075

**Ashok Kumar Vishwakarma**  
Managing Director  
(DIN No: 05203223)

**Ashish Sushil Jalan**  
Director  
(DIN No: 00031311)

**Place: Chennai**  
**Date: 30th July 2020**

**Selvi Narasimman**  
Chief Financial Officer

**Gokulananda Sahu**  
Company Secretary and Compliance Officer  
M. No.: A43068



## S&S POWER SWITCHGEAR LIMITED

### STATEMENT OF STANDALONE PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2020

(Rs. in Thousands)

Sr. No.	Particulars	Note No.	31.03.2020	31.03.2019
<b>1</b>	<b>INCOME</b>			
a.	Revenue from Operations	27	8,561	5,093
b.	Other Income	28	46,087	56,726
	<b>Total Income (a+b)</b>		<b>54,648</b>	<b>61,819</b>
<b>2</b>	<b>EXPENSES</b>			
a.	Cost of materials consumed	29	9,527	2,654
b.	Changes in Inventories of Finished goods and work-in-progress	30	(891)	-
c.	Employee benefits expense	31	22,792	19,156
d.	Finance costs	32	12,500	11,206
e.	Depreciation and Amortization expense	33	4,717	1,624
f.	Other expenses	34	18,574	19,056
	<b>Total expenses (sum of a to f)</b>		<b>67,219</b>	<b>53,696</b>
<b>3</b>	<b>Profit/(loss) before exceptional item and tax (1-2)</b>		<b>(12,571)</b>	<b>8,123</b>
<b>4</b>	Exceptional Item		57,221	-
<b>5</b>	<b>Profit/(loss) before tax (3-4)</b>		<b>(69,792)</b>	<b>8,123</b>
<b>6</b>	Tax expense:			
	(1) Current tax	38	560	(87)
	(2) Deferred tax		833	-
	(3) Short/Excess Provision of earlier years		(833)	-
	(4) MAT Credit Entitlement			
	<b>Total of Taxes 6</b>		<b>560</b>	<b>(87)</b>
<b>7</b>	<b>Profit/(loss) for the year (5+6)</b>		<b>(69,232)</b>	<b>8,036</b>
<b>8</b>	<b>Other Comprehensive Income</b>			
	A (i) Items that will not be reclassified to profit or loss			
	- Remeasurement of Defined benefit plans	38 b	31	(689)
	A (ii) Income tax relating to items that will not be reclassified to profit or loss			
	- Remeasurement of Defined benefit plans	38 b	(8)	179
	<b>Total other comprehensive income</b>		<b>23</b>	<b>(510)</b>
<b>9</b>	<b>Total comprehensive income for the period (7+8)</b>		<b>(69,209)</b>	<b>7,526</b>
<b>10</b>	Earnings per equity share of face value of Rs. 10 each			
	- Basic & Diluted		(11.17)	1.30
The accompanying notes referred to above which form an integral part of the Standalone financial statements				

As per our attached report of even date

For **C N K & Associates LLP**  
the Board of Directors Chartered Accountants  
Firm Registration No.: 101961W/W100036

For and on behalf of

**V Subramanian**  
Partner  
Membership No.: 212075

**Ashok Kumar Vishwakarma**  
Managing Director  
(DIN No: 05203223)

**Ashish Sushil Jalan**  
Director  
(DIN No: 00031311)

Place: Chennai  
Date: 30th July 2020

**Selvi Narasimman**  
Chief Financial Officer

**Gokulananda Sahu**  
Company Secretary and Compliance Officer  
M. No.: A43068

**S&S POWER SWITCHGEAR LIMITED**  
**STATEMENT OF STANDALONE CASH FLOWS FOR THE YEAR ENDED 31st MARCH 2020**

(Rs. in Thousands)

Notes	Particulars	Year ended 31.03.2020	Year ended 31.03.2019
<b>A</b>	<b>Cash flow from operating activities</b>		
	<b>Net Profit before Tax</b>	<b>(69,792)</b>	<b>8,123</b>
	<i>Adjustments for:</i>		
	Finance costs	12,500	11,206
	Depreciation and amortisation expense	4,717	1,624
	Provisions - Others	642	519
	Interest income	(11,524)	(11,318)
	Fair valuation of Lease rental deposit	(203)	(109)
	Remeasurement of defined benefit plan	31	(689)
	Exceptional Item - Impairment in Value of Investments	57,221	-
	<b>Operating profit before working capital changes</b>	<b>(6,408)</b>	<b>9,356</b>
	<b>Movements in working capital:</b>		
	(Increase)/decrease in inventories	676	(1,309)
	(Increase)/decrease in trade receivables	(2,361)	10,336
	(Increase)/decrease in other assets	(3,364)	(1,677)
	Increase /(decrease) in trade payables	951	(10,083)
	Increase /(decrease) in other liabilities	3402	(27)
	<b>Cash generated from operations</b>	<b>(7,105)</b>	<b>6,596</b>
	<b>Add/(Less):</b>		
	Direct taxes paid (Net of refund)	196	-
	<b>Net cash from operating activities (A)</b>	<b>(6,909)</b>	<b>4,469</b>
<b>B</b>	<b>Cash flows from investing activities</b>		
	Payment for Property, Plant and Equipment	(669)	(2)
	Payment for Intangibles	(948)	(1)
	Loans to Subsidiaries	(909)	3,180
	Interest received	11,524	11,651
	Investment in bank deposit	(0)	(3)
	<b>Net cash (used in) investing activities (B)</b>	<b>8,998</b>	<b>14,825</b>
<b>C</b>	<b>Cash flow from financing activities</b>		
	Borrowings From related parties	15,417	-
	Interest paid	(12,500)	(11,206)
	Payment for borrowings to Related Parties	-	(8,179)
	Payment of Lease Liability	(2,056)	-
	<b>Net cash (used in) financing activities (C)</b>	<b>862</b>	<b>(19,385)</b>
	<b>NET INCREASE IN CASH AND CASH EQUIVALENTS [(A) + (B) + (C)]</b>	<b>2,950</b>	<b>(91)</b>
	<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>		
	Balances with banks in current accounts and deposit accounts	62	137
	Cash on hand	73	88
	<b>CASH AND CASH EQUIVALENTS AS PER NOTE 13</b>	<b>135</b>	<b>225</b>
	<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>		
	Balances with banks in current accounts and deposit accounts	3,065	62
	Cash on hand	20	73
	<b>CASH AND CASH EQUIVALENTS AS PER NOTE 13</b>	<b>3,085</b>	<b>135</b>
The accompanying notes referred to above which form an integral part of the Standalone financial statements			

**Notes:**

- 1 The Cash Flow statement has been prepared under the indirect method as set out in Indian Accounting Standards (IND AS 7)- Statement of Cash Flow.
- 2 The Figures in brackets represents cash outflow.
- 3 Previous period figures have been regrouped / reclassified, wherever necessary to confirm to current year presentation.
- 4 Changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes:

**Reconciliation of liabilities arising from financing activities**

Particulars	As at 01.04.2019	Cash flow	Foreign Exchange movement	As at 31.03.2020
Current borrowing	1,39,391	15,417	-	1,54,808

Particulars	As at 01.04.2018	Cash flow	Foreign Exchange movement	As at 31.03.2019
Current borrowing	1,47,570	(8,179)	-	1,39,391

The accompanying notes referred to above which form an integral part of the Standalone financial statements

As per our attached report of even date

**C N K & Associates LLP**

Chartered Accountants

Firm Registration No.: 101961W/W100036

For and on behalf of the Board of Directors

**V Subramanian**

Partner

Membership No.: 212075

**Ashok Kumar Vishwakarma**

Managing Director

(DIN No: 05203223)

**Ashish Sushil Jalan**

Director

(DIN No: 00031311)

**Selvi Narasimman**

Chief Financial Officer

**Gokulananda Sahu**

Company Secretary and Compliance Officer

**Place: Chennai**

**Date: 30th July 2020**

M. No.: A43068

## S&S POWER SWITCHGEAR LIMITED

### STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31st MARCH 2020

(Rs. in Thousands)

**a Equity Share Capital**

Particulars	Amount
Balance at 31st March 2018	62,000
Changes in equity share capital during the year	-
Balance at 31st March 2019	62,000
Changes in equity share capital during the year	-
Balance at 31st March 2020	62,000

**b Other Equity**

Particulars	Reserves and Surplus			Total Equity
	Securities Premium	General Reserve	Retained Earnings	
<b>As at 31st March 2018</b>	<b>1,84,000</b>	<b>47,812</b>	<b>(1,01,974)</b>	<b>1,29,838</b>
Profit for the year FY 2018-19			8,036	8,036
Remeasurement of Net defined benefit liability/ (asset) (net of tax)			(510)	(510)
<b>Total comprehensive income for the year</b>			<b>7,526</b>	<b>7,526</b>
<b>As at 31st March 2019</b>	<b>1,84,000</b>	<b>47,812</b>	<b>(94,448)</b>	<b>1,37,364</b>
Profit for the year FY 2019-20			(69,232)	(69,232)
Remeasurement of Net defined benefit liability/ (asset) (net of tax)			23	23
<b>Total comprehensive income for the year</b>			<b>(69,209)</b>	<b>(69,209)</b>
<b>As at 31st March 2020</b>	<b>1,84,000</b>	<b>47,812</b>	<b>(1,63,657)</b>	<b>68,155</b>
The accompanying notes referred to above which form an integral part of the Standalone financial statements				

As per our attached report of even date

**C N K & Associates LLP**

Chartered Accountants

Firm Registration No.: 101961W/W100036

For and on behalf of the Board of Directors

**V Subramanian**

Partner

Membership No.: 212075

**Ashok Kumar Vishwakarma**

Managing Director

(DIN No: 05203223)

**Ashish Sushil Jalan**

Director

(DIN No: 00031311)

**Selvi Narasimman**

Chief Financial Officer

**Gokulananda Sahu**

Company Secretary and Compliance Officer

Place: Chennai

Date: 30th July 2020

M. No.: A43068

# **S&S POWER SWITCHGEAR LIMITED**

## **NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2020**

**All amounts are Rs. in Thousands unless otherwise stated**

### **1. Corporate Information**

S & S Power Switchgear Limited (the 'Company') is a Public Limited Company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on Bombay Stock Exchange and the National Stock Exchange. The Company is engaged in designing, manufacturing and selling new circuit breaker products, servicing of old installed base of circuit breakers.

The Company has its registered office & manufacturing plant located at Maraimalai Nagar (near Chennai) Tamil Nadu India.

### **2. Basis of Preparation**

#### **A. Statement of Compliance**

The Standalone Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act as amended from time to time

The financial statements were authorized for issue by the Company's Board of Directors on 14th July 2020

Details of the Company's accounting policies are included in Note 3.

#### **B. Functional and presentation currency**

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest thousands, unless otherwise indicated.

#### **C. Current and non-current classification**

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest thousands, unless otherwise indicated.

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

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The Company has identified twelve months as its operating cycle.

#### D. Basis of Measurement

The Standalone Financial Statements have been prepared on the historical cost basis except for investments in mutual funds, non-trade equity shares, bonds and provision for employee defined benefit plans, which are measured at fair values at the end of each reporting period

Item	Measurement basis
Certain financial assets and liabilities (including derivatives instrument)	Fair value
Net defined benefit (asset)/liability	Fair value of plan assets less present value of defined benefit obligations

#### E. Use of estimates and judgements

A liability is treated as current when:

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosure of contingent liabilities on the date of financial statements. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in current and future periods.

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgements, which have significant effect on the amounts recognized in the financial statement:

##### Property, plant and equipment

External adviser or internal technical team assesses the remaining useful lives and residual value of property, plant and equipment. Management believes that the assigned useful lives and residual value are reasonable.

##### Intangibles

Internal technical or user team assesses the remaining useful lives of Intangible assets.

Management believes that assigned useful lives are reasonable.

##### Income taxes

Management judgement is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements.

##### Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

##### Allowance for uncollected accounts receivable and advances

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible. Impairment is made on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

##### Insurance claims

Insurance claims are recognized when the Company has reasonable certainty of recovery.

Subsequently any change in recoverability is provided for.

##### Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31st March 2020 is included in the following notes:

- Note 37 – measurement of defined benefit obligations: key actuarial assumptions;
- Note 42 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;

#### **Allowances for Inventories**

Management reviews the inventory age listing on a periodic basis. This review involves comparison of the carrying value of the aged inventory items with the respective net realizable value. The purpose is to ascertain whether an allowance is required to be made in the financial statements for any obsolete and slow-moving items. Management is satisfied that adequate allowance for obsolete and slow-moving inventories has been made in the financial statements

#### **F. Measurement of fair values**

A number of the Company's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

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

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

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

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

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

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

The Company has an established control framework with respect to the measurement of fair values.

This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing service, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Note 39 – financial instruments;

### 3. Significant Accounting Policies

#### 3.1 Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at cost, which includes capitalized borrowing costs, less accumulated depreciation, and impairment loss, if any. Cost includes purchase price, including non-refundable duties and taxes, expenditure that is directly attributable to bring the assets to the location and condition necessary for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located, if any.

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

Spare parts are treated as capital assets in accordance with Ind AS when they meet the definition of property, plant and equipment. Otherwise, such items are classified as inventory.

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

Any gains or losses on their disposal, determined by comparing sales proceeds with carrying amount, are recognized in the Statement of Profit or Loss.

#### Subsequent expenditure

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

#### De-recognition

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from its use. Any gain or loss arising from its de-recognition is measured as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss when the asset is de-recognised.

#### Depreciation methods, estimated useful lives and residual value

Depreciation on property, plant and equipment is provided using the straight-line method based on the life and in the manner prescribed in Schedule II to the Companies Act, 2013, and is generally recognized in the statement of profit and loss. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term. In the case of lease hold improvements, depreciation is provided over primary lease period or useful life of the asset whichever is less. Freehold land is not depreciated.

Depreciation on property, plant and equipment is provided based on the useful life and in the manner prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, where the useful life of the property, plant and equipment have been determined by the Management based on the technical assessment / evaluation:

Category of property, plant and equipment	Useful Life in Years	
	As per Schedule II	As per Company's Assessment
Buildings	30	30
Electrical installations	10	3
Furniture and fittings	10	3
Equipment and appliances	5	7
Plant and Machinery	15	6
Computers	3	6



Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed of). Individual assets costing less than Rs.10,000 are fully depreciated in the year of purchase.

Leasehold rights for land are amortized on a straight line basis over the primary lease period.

### 3.2 Intangible Assets

Intangible assets are recognized only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably.

An intangible asset is an identifiable non-monetary asset without physical substance. Intangible assets are initially measured at its cost and then carried at the cost less accumulated amortisation and accumulated impairment, if any

- i. Intangible Assets are stated at cost of acquisition less accumulated amortization and accumulated impairment, if any.
- ii. Intangible assets are amortized on a straight-line basis as under:
  - a. Software costing up to Rs. 25,000/- is amortized out in the year of acquisition. Other Software acquired is amortized over its estimated useful life of 5 years;
  - b. Intellectual Property is amortized over its estimated useful life of 2 years

The estimated useful life of the intangible assets and the amortization period are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

#### Research and Development expenses

Expenditure on research activities is charged to Statement of Profit and Loss in the period in which it is incurred.

An internally generated intangible asset arising from development is recognised if, and only if, all of the following have been demonstrated:

- Technical feasibility of completing the intangible asset to show its availability for use or sale;
- Intention to complete the intangible asset and its use or sell;
- Ability to use or sell;
- How it will generate future economic benefits;
- Availability of technical, financial and other resources to complete the development phase; and
- Ability to measure reliably the expenditure attributable to development phase.

The amount initially recognised is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no intangible asset can be recognised, development expenditure is charged to Statement of Profit and Loss in the period in which the same are incurred.

Subsequent to its initial recognition, the development expenditure recognised as an assets are reported at cost less accumulated amortization and impairment loss, on the same basis as intangible assets that are acquired separately.

#### De-recognition of intangible assets

Intangible asset is de-recognised on disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the Statement of Profit and Loss when the asset is de-recognized.

### 3.3 Impairment of Tangible and Intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of

the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit (CGU) to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGU, or otherwise they are allocated to the smallest group of CGU for which a reasonable and consistent allocation basis can be identified.

An intangible asset not yet available for use is tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

The Company's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss.

Impairment loss recognized in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

### 3.4 Non-current assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any resultant loss on a disposal group is allocated first to goodwill, and then to remaining assets and liabilities on pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, and biological assets, which continue to be measured in accordance with the Company's other accounting policies. Losses on initial classification as held for sale and subsequent gains and losses on remeasurement are recognised in Standalone Statement of Profit and Loss.

Once assets classified as held-for-sale, then Property, Plant and Equipment, Investment Property and Other Intangible Assets are no longer required to be depreciated or amortised

### 3.5 Foreign currency transactions and balances

Transactions in foreign currency are initially recorded at the functional currency spot rates at the date the transaction first qualifies for recognition.

At each balance sheet date, the foreign currency monetary items are reported at the functional currency spot rates of exchange. Exchange differences that arise on settlement or on translation of monetary items are recognized as income or expenses in the Statement of Profit and Loss, except exchange differences arising from the translation of the following items which are recognized in OCI:

- equity investments at fair value through OCI (FVOCI); and
- qualifying cash flow hedges to the extent that the hedges are effective.

Non-monetary items which are carried at historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Forward exchange contracts entered into to hedge and manage foreign currency exposures relating to highly probable transactions or firm commitments are marked to market and resulting gains or losses are recorded in the statement of profit and loss.

### 3.6 Financial Instruments

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

#### i. Financial Assets

##### a. Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established

by regulation or convention in the marketplace (regular way trades) is recognised on the trade date i.e. the date that the Company commits to purchase or sell the asset.

#### **b. Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in three categories:

##### **- Financials Assets at Amortised Cost**

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

After initial measurement, debt instruments at amortised cost are subsequently measured at amortised cost using the effective interest rate method, less impairment, if any.

##### **- Financial assets at fair value through Other Comprehensive Income (FVOCI)**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### **- Financial assets at fair value through Profit or Loss (FVTPL)**

Financial assets which are not classified in any of the above categories are subsequently fair valued through profit or loss.

#### **c. De-recognition**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset, and the transfer qualifies for de-recognition under Ind AS 109.

#### **d. Impairment**

The Company recognizes loss allowances using the Expected Credit Loss (ECL) model for the financial assets which are not fair valued through Profit and Loss / OCI. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is treated as an impairment gain or loss in Statement of Profit and Loss.

### **ii. Financial Liabilities**

#### **a. Initial recognition and measurement**

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Financial liabilities are classified, at initial recognition, as at fair value through profit and loss or as those measured at amortised cost.

#### **b. Subsequent measurement**

The subsequent measurement of financial liabilities depends on their classification as follows:

##### **- Financial liabilities at fair value through Profit and Loss:**

Financial liabilities at fair value through profit and loss include financial liabilities held for trading. The Company has not designated any financial liabilities upon initial recognition at fair value through profit and loss.

##### **- Financial liabilities measured at Amortised Cost**

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method except for those designated in an effective hedging relationship.

### c. De-recognition

A financial liability (or a part of a financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

## 3.7 Inventories

Inventories are measured at lower of cost and net realizable value. Cost of inventories is determined on a First in First Out (FIFO)/ weighted average basis respectively (as mentioned below), after providing for obsolescence and other losses as considered necessary. Cost includes expenditure incurred in acquiring the inventories, reduction and conversion costs and other costs incurred in bringing them to their present location and condition. In the case of work-in-progress and finished goods, cost includes an appropriate proportion of fixed production overheads based on normal operating capacity and, where applicable, excise duty.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

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

Items of Inventory are valued on the principle laid down by the Ind AS 2 on Inventories on the basis given below:

(a) Raw Materials, Stores & Spares (that are not capitalized) and Fuel	Lower of cost (determined on weighted average basis) and net realizable value
(b) Packing Material	Lower of cost (determined on FIFO basis) and net realizable value
(c) Work-in-Progress	Lower of cost and net realizable value. Cost includes direct materials, labour and a proportion of manufacturing overheads based on normal operating capacity.
(d) Finished Goods	Lower of cost and net realizable value. Cost includes direct materials, labour, a proportion of manufacturing overheads based on normal operating capacity and excise duty

## 3.8 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at bank and on hand and short-term deposits with original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of presentation in the Statement of Cash flows, Cash and cash equivalents comprises cash at bank and on hand, demand deposits and short-term (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

## 3.9 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

### Current Income Tax

Income tax expense comprises of current tax and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity/OCI, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted on the reporting date.

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

### Deferred Tax

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

## 3.10 Revenue recognition

### Sale of goods

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

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

Revenue is recognisable to the extent of the amount that reflects the consideration (i.e. the transaction price) to which the Company is expected to be entitled in exchange for those goods or services excluding any amount received on behalf of third party (such as indirect taxes). The transaction price is determined on the basis of agreement entered into with the customer.

The Company satisfies the performance obligation and recognises revenue over time, if one of the criteria prescribed under Ind AS 115 - "Revenue from Contracts with Customers" is satisfied. If a performance obligation is not satisfied over time, then revenue is recognised at a point in time at which the performance obligation is satisfied.

The Company recognises revenue for performance obligation satisfied over time only if it can reasonably measure its progress towards complete satisfaction of the performance obligation. The Company would not be able to reasonably measure its progress towards complete satisfaction of a performance obligation if it lacks reliable information that would be required to apply an appropriate method of measuring progress. In those circumstances, the Company recognises revenue only to the extent of cost incurred until it can reasonably measure outcome of the performance obligation.

### Income from Services

Revenue from service contracts are recognized net of GST, when all the following conditions are satisfied.

- The amount of revenue can be measured reliable
- It is probable that the economic benefits associated with the transaction will flow to the Company
- The stage of completion of transaction at the end of the reporting period can be measured reliably.
- The cost incurred for the transaction and the cost to complete the transaction can be measured reliably

### Rent

Rental Income is recognized on accrual basis in accordance with terms of respective rent agreements.

### Dividend and Interest income

Dividend income from investments is recognized when the Company's right to receive payment is established. Interest income is recognized using effective interest method and subject to the following conditions:

- It is probable that the economic benefits associated with the transaction will flow to the Company.
- The amount of revenue can be measured reliably.

### 3.11 Employee Benefits

#### Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to recognized provident funds and approved superannuation schemes which are defined contribution plans are recognized as an employee benefit expense and charged to the statement of profit and loss as and when the services are received from the employees.

#### Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of gratuity plan, which is a defined benefit plan, and certain other defined benefit plans is calculated for each plan by estimating the amount of future benefits that the employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. An unrecognized past service costs and the fair value of any plan assets are deducted.

The discount rate is the yield at the reporting date on risk free government bonds that have maturity dates approximating the terms of the Company's obligations. The calculation is performed annually by a qualified actuary using the projected unit credit method. In case of funded defined benefit plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans, to recognize the obligation on net basis.

#### Retirement and other employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, performance incentive, paid annual leave, bonus, leave travel assistance, medical allowance, contribution to provident fund and superannuation etc. recognized as actual amounts due in period in which the employee renders the related services.

- i. A retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss for the year when the contribution to the fund accrues. There are no obligations other than the contribution payable to the recognized Provident Fund.
- ii. A retirement benefit in the form of Superannuation Fund is a defined contribution scheme and the contribution is charged to the statement of profit and loss for the year when the contribution accrues. There are no obligations other than the contribution payable to the Superannuation Fund Trust. The scheme is funded with Insurance Company in the form of a qualifying insurance policy.
- iii. Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. The Company has established a gratuity trust to provide gratuity benefit through annual contributions to a Gratuity trust which in turn contributes to Life Insurance Corporation of India (LIC). Under this plan, the settlement obligation remains with the Gratuity trust. Life Insurance Corporation of India administers the plan and determines the contribution premium required to be paid by the trust.
- iv. Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end.

Actuarial gains/losses are recognized immediately in the statement of other comprehensive income.

### 3.12 Provisions (other than for employee benefits) and Contingencies:

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the



obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the Statement of profit and loss net of any reimbursement.

### **Contingent liabilities**

Contingent liability is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- A present obligation arising from past events, when no reliable estimate is possible;

A possible obligation arising from past events, unless the probability of outflow of resources is remote.

### **3.13 Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction, or production of qualifying assets, that necessarily take a substantial period to get ready for their intended use or sale, are added to the cost of those assets, until the assets are substantially ready for their intended use or sale.

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

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

### **3.14 Leases**

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

#### **Company as a lessee**

##### **A. Lease Liability**

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

##### **B. Right-of-use assets**

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

#### **Subsequent measurement**

##### **A. Lease Liability**

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

##### **B. Right-of-use assets**

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

#### **Impairment**

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis

unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

### **Short term Lease**

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

### **As a lessor**

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

Lease income is recognised in the statement of profit and loss on straight line basis over the lease term.

### **Transition to Ind AS 116**

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Company has adopted Ind AS 116, effective annual reporting period beginning 1st April 2019 and applied the standard prospectively to its leases.

### **3.15 Earnings per share**

Basic earnings per share are calculated by dividing the profit/ (loss) from continuing operations and the total profit/ (loss) attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

For calculating diluted earnings per share, the profit/(loss) from continuing operations and the total profit/(loss) attributable to equity shareholders by the weighted average number of shares outstanding during the period after adjusting the effects of all dilutive potential equity shares.

### **3.16 Cash Flow Statement**

Cash and cash equivalents include cash at bank and cash in hand and highly liquid interest-bearing securities with maturities of three months or less from the date of inception/acquisition.

The Cash Flow Statement is prepared by using the "indirect method" set out in Ind AS 7 on "Cash

Flow Statements" and presents the cash flows during the period by operating, investing and financing activities of the company.



## S&S POWER SWITCHGEAR LIMITED

### NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2020

#### 4. Property, plant and equipment

(Rs. in Thousands)

Cost or deemed cost	Land	Building	Right of Use Asset	Plant and Equipment	Furniture and Fixtures	Office Equipment	Computers	Total
Balance as at 1st April, 2018	14,998	14,664	-	377	-	109	558	30,706
Additions	-	-	-	-	613	280	324	1,217
Disposals/ Adjustments	-	-	-	-	-	-	-	-
Balance as at 31st March, 2019	14,998	14,664	-	377	613	389	882	31,923
Additions	-	-	7,544	570	99	-	-	8,213
Disposals/ Adjustments	-	-	-	-	-	-	-	-
Balance as at 31st March, 2020	14,998	14,664	7,544	947	712	389	882	40,136

Accumulated depreciation	Land	Building	Right of Use Asset	Plant and Equipment	Furniture and Fixtures	Office Equipment	Computers	Total
Balance as at 1st April, 2018	-	2,552	-	205	-	35	124	2,916
Depreciation expense	-	1,276	-	103	65	44	120	1,608
Eliminated on disposals of assets	-	-	-	-	-	-	-	-
Balance as at 31st March, 2019	-	3,828	-	308	65	79	244	4,524
Depreciation expense	-	1,276	2,533	157	136	57	151	4,310
Eliminated on disposals of assets	-	-	-	-	-	-	-	-
Balance as at 31st March, 2020	-	5,104	2,533	465	201	136	395	8,834

Carrying amount/ Net block	Land	Building	Right of Use Asset	Plant and Equipment	Furniture and Fixtures	Office Equipment	Computers	Total
Balance as at 1st April, 2018	14,998	12,112	-	172	-	74	434	27,790
Balance as at 31st March, 2019	14,998	10,836	-	69	548	310	638	27,399
Balance as at 31st March, 2020	14,998	9,560	5,011	482	511	253	487	31,302

**Footnotes:**

- 1) No Property, Plant and Equipment were pledged as security for liabilities during any part of current and comparative period
- 2) No Borrowing Costs is Capitalised during the current and comparative period
- 3) No Impairment Loss is Recognised during the current and comparative period

**5. Intangible assets**

(Rs. in Thousands)

<b>Cost or deemed cost</b>	<b>Softwares</b>	<b>Total</b>
Balance as at 1st April, 2018	16	<b>16</b>
Additions	1,311	<b>1,311</b>
Disposals	-	-
Balance as at 31st March, 2019	1,327	<b>1,327</b>
Additions	948	<b>948</b>
Disposals	-	-
Balance as at 31st March, 2020	2,275	<b>2,275</b>

<b>Accumulated amortisation</b>	<b>Softwares</b>	<b>Total</b>
Balance as at 1st April, 2018	11	<b>11</b>
Amortisation expense	16	<b>16</b>
Eliminated on disposals of assets	-	-
Balance as at 31st March, 2019	27	<b>27</b>
Amortisation expense	407	<b>407</b>
Eliminated on disposals of assets	-	-
Balance as at 31st March, 2020	434	<b>434</b>

<b>Carrying amount</b>	<b>Softwares</b>	<b>Total</b>
<b>Balance as at 1st April, 2018</b>	<b>5</b>	<b>5</b>
<b>Balance as at 31st March, 2019</b>	<b>1,300</b>	<b>1,300</b>
<b>Balance as at 31st March, 2020</b>	<b>1,841</b>	<b>1,841</b>

**Footnotes:**

- 1) No Borrowing Costs is Capitalised during the current and comparative period
- 2) No Impairment Loss is Recognised during the current and comparative period

**6. Investments in Subsidiaries**
**(Rs. in Thousands)**

Particulars	As at 31.03.2020	As at 31.03.2019
Unquoted Investments in Subsidiaries:		
(i) Acrastyle Power (India) Limited	1,28,272	1,28,272
Less: Impairment	(56,721)	-
(ii) Acrastyle EPS Technologies Limited	500	500
Less: Impairment	(500)	-
(iii) S&S Power Switchgear Equipment Limited	58,648	58,648
<b>Total</b>	<b>1,30,199</b>	<b>1,87,420</b>
<b>Aggregate amount of quoted investments</b>	<b>-</b>	<b>-</b>
<b>Aggregate amount of unquoted investments</b>	<b>1,30,199</b>	<b>1,87,420</b>
<b>Aggregate amount of impairment in value of investments</b>	<b>57,221</b>	<b>-</b>

**6.1 Name of the Investee and percentage of shares held in Investee Company:**

Non Trade Equity Investments in Subsidiaries:	Number of shares as at 31.03.2020	Number of shares as at 31.03.2019
- S&S Power Switchgear Equipment Limited (Share 100%)	12,50,000	12,50,000
- Acrastyle Power India Limited - (Share 67%)	39,74,950	39,74,950
- Acrastyle EPS Technologies Limited (Share 100%)	5,000	5,000

**7. Loans & Deposits (Non-current)**

Particulars	As at 31.03.2020	As at 31.03.2019
<b>(a) EMD's and Security Deposits:</b>		
Earnest Money Deposits	2,309	2,236
Security Deposits	1,391	1,391
Other Deposits	243	239
Deposits against leased premises	1,418	1,236
Less: Provision for doubtful deposits and Advances	(3,278)	(2,945)
<b>Total (a)</b>	<b>2,083</b>	<b>2,157</b>
<b>(b) Loan to Subsidiaries including interest accrued thereon - (See Note below)</b>		
Loans to related Parties	1,17,831	1,16,848
<b>Total (b)</b>	<b>1,17,831</b>	<b>1,16,848</b>
<b>Break Up:</b>		
(i) Loans Receivables considered good - Secured;	-	-
(ii) Loans Receivables considered good - Unsecured;		
S&S Power Switchgear Equipment Limited	66,728	60,798

(Rs. in Thousands)

Particulars	As at 31.03.2020	As at 31.03.2019
(iii) Loans Receivables which have significant increase in Credit Risk;	-	-
Acrastyle Power (India) Limited	71,784	76,731
(iv) Loans Receivables - credit impaired	-	-
Less: Provision on above	(20,681)	(20,681)
<b>Total (b)</b>	<b>1,17,831</b>	<b>1,16,848</b>
<b>Total (a)+(b)</b>	<b>1,19,914</b>	<b>1,19,005</b>

The Company has extended interest bearing loans to its subsidiaries Acrastyle Power (India) Limited and S&S Power Switchgear Equipment Limited for supporting their business operations.

### 8. Deferred tax Assets (net)

Particulars	As at 31.03.2020	As at 31.03.2019
Liabilities allowable on payment basis	6,382	5,967
Expected credit loss	160	23
<b>Total</b>	<b>6,542</b>	<b>5,990</b>

### Movement in Deferred tax Assets(net)

Particulars	Liabilities allowable on payment basis	Expected credit loss
<b>Balance at 31st March 2018</b>	<b>5,875</b>	<b>23</b>
(Charged)/Credited to profit or loss	(87)	-
(Charged)/Credited to other comprehensive income	179	-
<b>Balance at 31st March 2019</b>	<b>5,967</b>	<b>23</b>
<b>Balance at 1st April 2019</b>	<b>5,967</b>	<b>23</b>
(Charged)/Credited to profit or loss	423	137
(Charged)/Credited to other comprehensive income	(8)	-
<b>Balance at 31st March 2020</b>	<b>6,382</b>	<b>160</b>

### 9. Non-Current tax assets

Particulars	As at 31.03.2020	As at 31.03.2019
Advance Income Tax (Net) - Non Current	4,629	4,825
<b>Total</b>	<b>4,629</b>	<b>4,825</b>

### 10. Other Non - Current Assets

Particulars	As at 31.03.2020	As at 31.03.2019
Prepaid - Lease Rent	-	356
<b>Total</b>	<b>-</b>	<b>356</b>

## 11. Inventories

(Rs. in Thousands)

Particulars	As at 31.03.2020	As at 31.03.2019
Raw materials and components	1,536	3,103
Work in Progress	891	-
<b>Total</b>	<b>2,427</b>	<b>3,103</b>

No inventories were pledged as security for liabilities during the current and comparable period.

Nil amount of inventories were written down to net realisable value during the current and comparable period. Similarly, Nil amount of reversal of write down was accounted during the current and comparable periods.

## 12. Trade Receivables

Particulars	As at 31.03.2020	As at 31.03.2019
(a) Trade Receivables considered good - Secured;	-	-
(b) Trade Receivables considered good - Unsecured;	-	-
<u>Unsecured, considered good</u>	16,243	13,356
(c) Trade Receivables which have significant increase in Credit Risk	-	-
(d) Trade Receivables - credit impaired.	-	-
<u>Doubtful</u>	71,065	71,065
<u>Less: Allowance for Bad and doubtful debts</u>	(72,099)	(71,573)
<b>Total</b>	<b>15,209</b>	<b>12,848</b>

### Notes :

1. In determining the allowances for doubtful trade receivables, the Company has used practical expedient by computing the expected credit loss allowance for trade receivables based on provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in provision matrix.

### 2. Movement in the expected credit loss allowance

Particulars	As at 31.03.2020	As at 31.03.2019
Opening provision	(71,573)	(81,169)
Add: Additional provision made	(526)	-
Less: Reversal of provision made	-	9,596
<b>Closing provision</b>	<b>(72,099)</b>	<b>(71,573)</b>

## 13. Cash & Cash equivalents

Particulars	As at 31.03.2020	As at 31.03.2019
<b>Cash and cash equivalents</b>		
(i) Cash on hand	20	73
(ii) Balances with banks		
In current account	3,065	62
<b>Total</b>	<b>3,085</b>	<b>135</b>

**14. Bank balances other than Cash & Cash Equivalents**

(Rs. in Thousands)

Particulars	As at 31.03.2020	As at 31.03.2019
Deposit Accounts	251	251
<b>Total</b>	<b>251</b>	<b>251</b>

**15. Loans**

Particulars	As at 31.03.2020	As at 31.03.2019
(Unsecured, considered good, unless stated otherwise)		
Loan to Employees	5	52
<b>Total</b>	<b>5</b>	<b>52</b>

**16. Current Tax Assets (Net)**

Particulars	As at 31.03.2020	As at 31.03.2019
Advance Income Tax (Net) - current	11,064	6,236
<b>Total</b>	<b>11,064</b>	<b>6,236</b>

**17. Other Current Assets**

Particulars	As at 31.03.2020	As at 31.03.2019
<b>Advances other than capital advances:</b>		
-Advance to suppliers	212	-
-Advance to employees	454	375
-Less: Provision on Advance to Employees	(285)	-
-Advance to related parties	51	1
Balance with statutory authorities	5,000	5,000
Prepaid Expenses	249	544
Other receivables	680	1,858
<b>Total</b>	<b>6,361</b>	<b>7,778</b>

**18. Share capital**

(Rs. in Thousands)

Particulars	As at 31.03.2020	As at 31.03.2019
<b>Authorised Shares</b>	1,00,000	1,00,000
i. 10,000,000 equity shares of Rs 10/- each	1,00,000	1,00,000
ii. 1,000,000 preference shares of Rs 100/- each		
	<b>2,00,000</b>	<b>2,00,000</b>
<b>Issued Shares</b>		
i. 6,200,108 equity shares of Rs 10/- each	62,001	62,001
	<b>62,001</b>	<b>62,001</b>
<b>Subscribed and fully paid-up shares</b>		
i. 6,200,000 equity shares of Rs 10/- each	62,000	62,000
<b>Total</b>	<b>62,000</b>	<b>62,000</b>

**18.1 Reconciliation of number of shares outstanding at the beginning and end of the year:**

Subscribed and Fully Paid up share capital:	No of Shares	Amount
<b>Balance as at 1st April, 2019</b>	<b>62,00,000</b>	<b>62,000</b>
Add / (Less): Changes during the year	-	-
<b>Balance as at 31st March, 2020</b>	<b>62,00,000</b>	<b>62,000</b>

**Terms/rights attached to equity shares**

- The Company has only one class of share referred to as equity shares having a par value of Rs. 10/-. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends if any, in Indian rupees. The dividend proposed, if any, by the Board of Directors is subject to the approval of the Shareholders at the ensuing Annual General Meeting, except in case of interim dividend.
- In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amount. The distribution will be proportionate to the number of equity shares held by the shareholders.
- There is no change in issued and paid up share capital during the year.
- During the 5 years immediately preceding the balance sheet date, there were no equity shares allotted as fully paid up pursuant to contract without payment being received in cash, no bonus shares were issued and there was no buy-back of equity shares of the Company.

**18.2 Details of shareholders holding more than 5% shares**

Equity share of Rs.10 each fully paid up with voting rights	Number of fully paid equity shares	% Holding
<b>Hamilton and Company Limited</b>		
<b>As at 31st March, 2019</b>	22,30,030	35.97%
<b>As at 31st March, 2020</b>	22,30,030	35.97%

**19. Other Equity**

(Rs. in Thousands)

Particulars	As at 31.03.2020	As at 31.03.2019
Securities premium	1,84,000	1,84,000
General Reserves	47,812	47,812
Retained Earnings	(1,63,657)	(94,448)
<b>Total</b>	<b>68,155</b>	<b>1,37,364</b>

**19.1**

Securities premium	As at 31.03.2020	As at 31.03.2019
Balance as at beginning of the year	1,84,000	1,84,000
Add/(Less): Movement during the year	-	-
<b>Balance as at end of the year</b>	<b>1,84,000</b>	<b>1,84,000</b>

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

**19.2**

General Reserve	As at 31.03.2020	As at 31.03.2019
<b>Balance as at beginning of the year</b>	<b>47,812</b>	<b>47,812</b>
Add/(Less): Movement during the year	-	-
<b>Balance as at end of the year</b>	<b>47,812</b>	<b>47,812</b>



The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act 1956. Mandatory transfer to general reserve is not required under the Companies Act 2013.

**19.3**

(Rs. in Thousands)

Retained earnings	As at 31.03.2020	As at 31.03.2019
<b>Balance as at beginning of the year</b>	<b>(94,448)</b>	<b>(1,01,974)</b>
Profit for the year	(69,232)	8,036
Remeasurement of Net defined benefit liability/(asset) (net of tax)	23	(510)
<b>Balance as at end of the year</b>	<b>(1,63,657)</b>	<b>(94,448)</b>

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

**20 Other Financial Liabilities - Non Current**

Particulars	As at 31.03.2020	As at 31.03.2019
Lease Liability under AS 116	2,611	-
<b>Balance as at end of the year</b>	<b>2,611</b>	<b>-</b>

**21 Provisions (Non-current)**

Particulars	As at 31.03.2020	As at 31.03.2019
Provision for employee benefits	3,079	2,452
Provision for Customs Duty on Malaysian Exports	17,247	17,247
<b>Total</b>	<b>20,326</b>	<b>19,699</b>

**Provision for Customs Duty on Malaysian Exports:**

Particulars	As at 31.03.2020	As at 31.03.2019
<b>Balance as at beginning of the year</b>	<b>17,247</b>	<b>17,247</b>
Additional provisions recognized during the year	-	-
Reductions resulting from payments/ others	-	-
<b>Balance as at end of the year</b>	<b>17,247</b>	<b>17,247</b>

**22 Current Borrowings (Unsecured)**

Particulars	As at 31.03.2020	As at 31.03.2019
Dues to Related Parties	1,47,274	1,32,534
Other inter corporate deposits	7,534	6,857
<b>Total</b>	<b>1,54,808</b>	<b>1,39,391</b>

**23 Trade payables**

Particulars	As at 31.03.2020	As at 31.03.2019
Trade payables:		
- Dues to micro and small enterprises (Refer note below)	-	-
- Other than micro and small enterprises *	5,556	4,605
<b>Total</b>	<b>5,556</b>	<b>4,605</b>

\*Includes Trade payables to related party Rs. 374 (31st March 2019: Rs. 364)

**Footnotes:**

Details of dues to Micro, Small and Medium Enterprise under the Micro, Small and Medium Enterprise Development Act 2006

Particulars	As at 31.03.2020	As at 31.03.2019
i. The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;	(interest Rs. Nil)	(interest Rs. Nil)
ii. The amount of interest paid by the buyer under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
iii. the amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	-	-
iv. The amount of interest accrued and remaining unpaid at the end of accounting year; and	-	-
v. The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

A) The information regarding Micro Enterprises and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

**24 Other Financial Liabilities - Current**

Particulars	As at 31.03.2020	As at 31.03.2019
Lease Liability under IND AS 116	2,318	-
<b>Total</b>	<b>2,318</b>	<b>-</b>

**25 Current Provisions**

Particulars	As at 31.03.2020	As at 31.03.2019
For Employee benefits		
Provision for employee benefits - Current	110	95
Provision for bonus and ex-gratia	83	83
<b>Total</b>	<b>193</b>	<b>178</b>

**26 Other current liabilities**

(Rs. in Thousands)

Particulars	As at 31.03.2020	As at 31.03.2019
Employee dues	2,540	1,024
Statutory Dues	1,618	1,751
Revenue received in advance	2,961	11
Other Liabilities	3,293	4,225
Rental Deposits	6,450	6,450
<b>Total</b>	<b>16,862</b>	<b>13,461</b>

**27 Revenue From Operations**

Particulars	31.03.2020	31.03.2019
a) Sale of Products		
Manufactured Goods	8,169	5,093
b) Sale of Services	392	-
<b>Total</b>	<b>8,561</b>	<b>5,093</b>

**28 Other Income**

Particulars	31.03.2020	31.03.2019
a) <u>Interest Income</u>		
From Bank	-	8
From Inter-Corporate Deposit	11,342	11,310
On fair valuation of Lease deposit	182	333
b) <u>Sale of Services</u>		
Corporate Shared Services	21,600	21,600
d) <u>Lease Rental income</u>	12,963	12,930
e) <u>Other gains and losses</u>		
Provisions and Liabilities written back	-	10,545
<b>Total</b>	<b>46,087</b>	<b>56,726</b>

**29 Cost of material consumed**

Particulars	31.03.2020	31.03.2019
Opening Stock of Raw Material	3,103	1,794
Add: Purchases	7,960	3,963
Less: Closing Stock of Raw Material	(1,536)	(3,103)
<b>Total</b>	<b>9,527</b>	<b>2,654</b>

### 30 Changes in Inventories of Finished goods, Stock-in-Trade and work-in-progress

Particulars	31.03.2020	31.03.2019
Inventories at the end of the year		
Work-in-progress	891	-
<b>Total</b>	<b>891</b>	<b>-</b>
Inventories at the beginning of the year		
Work-in-progress	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>(Increase)/ Decrease in work in progress</b>	<b>(891)</b>	<b>-</b>

### 31 Employee Benefits Expense

Particulars	31.03.2020	31.03.2019
Salaries, Wages, Bonus and other benefits	20,699	17,274
Contribution to Provident Fund and other funds	1,186	948
Gratuity	590	500
Staff Welfare and amenities	317	434
<b>Total</b>	<b>22,792</b>	<b>19,156</b>

### 32 Finance Cost

Particulars	31.03.2020	31.03.2019
Other Borrowing costs - Interest on ICDs	11,772	11,162
Other interest expenses	728	44
<b>Total</b>	<b>12,500</b>	<b>11,206</b>

### 33 Depreciation and Amortization expenses

Particulars	31.03.2020	31.03.2019
Depreciation on Property, Plant and Equipment	1,778	1,608
Amortization on Intangible Assets	407	16
Amortization on Right of use Assets	2,532	-
<b>Total</b>	<b>4,717</b>	<b>1,624</b>

### 34 Other Expenses

Particulars	31.03.2020	31.03.2019
Power and Fuel	215	187
<b><u>Repairs and Maintenance:</u></b>		
Buildings	5	12
Other Assets	1,846	657

Particulars	31.03.2020	31.03.2019
Printing and Stationery	1,115	889
Postage Expenses	9	186
Payment made to auditors	468	491
Insurance	19	162
Commission on sales	114	205
Advertisement and Sales Promotion expenses	16	140
Board Meeting Expenses	280	277
Rent	300	3,144
Rates & Taxes	647	6
Travelling & Conveyance expenses	1,716	2,162
Communication expenses	254	262
Legal and Professional Fees	2,479	1,162
Sitting fees to Directors	210	130
Consultancy Charges	5,085	4,381
Listing Fees	1,796	2,974
Expected Credit Loss - Receivables & Advances	860	-
Bank Charges	13	23
Sundry balances written off (Net)	-	1
Miscellaneous expenses	1,127	1,605
<b>Total</b>	<b>18,574</b>	<b>19,056</b>

**Note:**

Payment to auditors comprise	31.03.2020	31.03.2019
<b>Payment made to auditors:</b>	<b>468</b>	<b>491</b>
For audit	350	350
For tax audit	60	50
Certification, taxation and others	15	-
Reimbursement of Expenses	43	91

**35 Related party disclosures**

Particulars		Ownership Interest	
		31.03.2020	31.03.2019
<b>1 Relationships:</b>			
<b>a) Subsidiary Companies:</b>			
Acrastyle EPS Technologies Limited	India	100%	100%
Acrastyle Power India Limited	India	67%	67%
S&S Power Switchgear Equipment Limited	India	100%	100%
Acrastyle Switchgear Limited, U.K.	United Kingdom	67%	67%
Acrastyle Limited, U.K.	United Kingdom	67%	67%
<b>b) Key Managerial Personnel (KMP):</b>			
Mr. Ashish Sushil Jalan	Chairman		
Mr. Ashok Kumar Vishwakarma	Managing Director		
Mr. Gokulananda Sahu (from 29th October 2019)	Company Secretary		

Particulars		Ownership Interest	
		31.03.2020	31.03.2019
Mrs. Selvi Narasimman (from 29th May 2019 to 12th September 2020)	Chief Financial Officer		
Ms. Nithya Kamaraj (up to 28th June 2019)	Company Secretary		
<b>c) Relatives of KMP:</b>			
Mr. Sushil Jalan	Father of Mr. Ashish Sushil Jalan		
Mrs. Rekha Jalan	Mother of Mr. Ashish Sushil Jalan		
<b>d) Enterprise over which KMP or relative has significant influence:</b>			
Bombay Gas Holdings and Investments Private Limited	Private company in which the APIL's directors is member		
Hamilton Research and Technology Private Limited	Private company in which the APIL's directors is member		
Bombay Gas Company Limited	Public Company in which the APIL's director is also a director		
RPIL Signalling Systems Limited	Public Company in which the APIL's director is also a director		
Hamilton & Company Limited	Public company in which director holds > 2%		

**35 (1) Transactions carried out with related parties referred in 1 above, in ordinary course of business:**

(Rs. in Thousands)

Nature of transactions	Related parties			
	Referred in 1(a) above	Referred in 1(b) above	Referred in 1(c) above	Referred in 1(d) above
<b>Sales:</b>				
Goods, Materials and Services	34,200 (34,200)	- (-)	300 (-)	- (-)
Reimbursement of expenses:	- (-)	648 (765)	- (-)	- (-)
Purchases/Other services:	10 (149)	900 (300)	- (-)	- (-)
Remuneration:	- (-)	12,833 (10,426)	- (-)	- (-)
Directors sitting fees:	- (-)	- (30)	- (-)	- (-)
Loans and Advances received:	1,01,174 (-)	- (-)	- (-)	1,30,500 (1,500)
Interest income:	10,270 (11,310)	- (-)	- (-)	- (-)
Interest expenses:	- (-)	- (-)	- (-)	9,241 (9,662)

Previous year's figures are in ( )

**35(2) Balances outstanding**

(Rs. in Thousands)

Nature of outstanding balances	As at 31.03.2020	As at 31.03.2019
<b>Investments:</b>		
Subsidiaries	1,87,420	1,87,420
<b>Trade and Other receivables:</b>		
Subsidiaries	10,648	1,44,561
<b>Trade and other payables:</b>		
Subsidiaries	374	364
KMP	1,059	2,522
Entity over which KMP has significant influence	1,47,275	1,32,534

**36 Earnings per share (EPS)**

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

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

**i. Profit attributable to Equity holders of Company**

(Rs. in Thousands)

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>Profit attributable to equity holders of the Company for basic and diluted earnings per share</b>	<b>(69,240)</b>	<b>8,036</b>

**ii. Weighted average number of ordinary shares**

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Number of issued equity shares at 1st April	62,00,000	62,00,000
Effect of shares issued	-	-
Nominal value per share	10	10
<b>Weighted average number of shares at 31st March for basic and diluted earnings per shares</b>	<b>62,00,000</b>	<b>62,00,000</b>
<b>Basic earnings per share (in Rs)</b>	<b>(11.17)</b>	<b>1.30</b>

**37 Employee benefits**
**[A] Defined contribution plans:**

The Company makes contributions towards provident fund to defined contribution retirement benefit plan for qualifying employees. The provident fund contributions are made to Government administered Employees Provident Fund. Both the employees and the Company make monthly contributions to the Provident Fund Plan equal to a specified percentage of the covered employee's salary.

The Company recognised Rs.11,86,248 (31st March 2019: Rs. 9,47,672) for provident fund contributions in the Statement of Profit and Loss.

**[B] Defined benefit plan:**

The Company makes annual contributions to Employees' Gratuity Fund which is administered by the Life Insurance Corporation of India. Having regard to the assets of the gratuity fund and the return on the



investment the company does not expect any deficiency as at the year end. The scheme provides for payment to vested employees as under:

- i) On normal retirement / early retirement / withdrawal / resignation: As per the provisions of Payment of Gratuity Act, 1972 with vesting period of 5 years of service.
- ii) On death in service: As per the provisions of Payment of Gratuity Act, 1972 without any vesting period.

**Investment risk:**

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create plan deficit.

**Interest risk:**

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the plan assets.

**Longevity risk:**

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

**Salary risk:**

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at 31st March, 2020

(Rs. in Thousands)

a) Changes in present value of obligations (PVO)	Gratuity - Funded as on	
	As at 31.03.2020	As at 31.03.2019
PVO at the beginning of the year	2,508	1,904
Interest cost	174	123
Current service cost	427	393
Benefits paid	(249)	(586)
Actuarial (Gains)/Losses	(23)	674
<b>PVO at the end of the year</b>	<b>2,837</b>	<b>2,508</b>
b) Fair value of plan assets:	Gratuity - Funded as on	
	As at 31.03.2020	As at 31.03.2019
Fair value of plan assets at the beginning of the year	259	146
Adjustment to opening fair value of plan assets	7	(15)
Return on plan assets	10	15
Other (charges) / income	-	-
Contributions by the employer	-	699
Benefits paid	(249)	(586)
<b>Fair value of plan assets at the end of the year</b>	<b>27</b>	<b>259</b>

(Rs. in Thousands)

c) Amount to be recognised in the balance sheet:	Gratuity - Funded as on	
	As at 31.03.2020	As at 31.03.2019
PVO at the end of period	2,836	2,508
Fair value of planned assets at end of year	27	259
Funded status	(2,809)	(2,249)
Net asset/(liability) recognised in the balance sheet	(2,809)	(2,249)
d) Expense recognised in the statement of profit or loss:	Gratuity - Funded as on	
	As at 31.03.2020	As at 31.03.2019
Current service cost	427	393
Net interest	174	123
Return on plan assets	(10)	(15)
Adjustment to opening fair value of plan assets	-	-
<b>Expense recognised in the statement of profit or loss</b>	<b>591</b>	<b>501</b>
e) Other comprehensive income (OCI):	Gratuity - Funded as on	
	As at 31.03.2020	As at 31.03.2019
Actuarial (Gain)/Loss recognised for the period	(31)	689
Total actuarial (Gain)/Loss recognised in OCI	(31)	689
f) Actual return on the plan assets:	Gratuity - Funded as on	
	As at 31.03.2020	As at 31.03.2019
Return on plan assets	10	15
g) Asset information:	Gratuity - Funded as on	
	As at 31.03.2020	As at 31.03.2019
Total amount	27	259
Gratuity fund	100%	100%
h) Assumption as at:	Gratuity - Funded as on	
	As at 31.03.2020	As at 31.03.2019
Mortality	IALM (2006-08) Ult.	IALM (2006-08) Ult.
Interest/Discount rate	6.44%	7.29%
Rate of increase in compensation	8%	8%
Employee attrition rate	5%	5%

**i) Expected Payout:**

Year	(Rs. In Thousands)
Expected Outgo FY 2020-21	98
Expected Outgo FY 2021-22	143
Expected Outgo FY 2022-23	565
Expected Outgo FY 2023-24	126
Expected Outgo FY 2024-25	392
Expected Outgo FY 2025-26 to FY 2029-30	1,978

#### j) Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

	DR: Discount Rate		ER: Salary Escalation Rate	
PVO	PVO DR + 1%	PVO DR - 1%	PVO ER + 1%	PVO ER - 1%
	2,755	2,921	2,919	2,756

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

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

Total employee benefit liabilities	Note	31.03.2020	31.03.2019
Provision for employee benefits	21 & 25	(2,809)	(2,249)

#### 38 Tax Expense

(a) Amounts recognised in profit and loss

(Rs. in Thousands)

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
<b>Deferred tax expense</b>		
Origination and reversal of temporary differences	560	(87)
<b>Tax expense recognised in the income statement (A + B)</b>	<b>560</b>	<b>(87)</b>

Note:

The Deferred tax asset arising out of unused tax loss and unused tax credits has not been recognized considering the fact that the company has continuously suffered losses for the past 3 years

(b) Amounts recognised in other comprehensive income

(Rs. in Thousands)

Particulars	For the year ended 31.03.2020			For the year ended 31.03.2019		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit plans	31	(8)	23	(689)	179	(510)
	<b>31</b>	<b>(8)</b>	<b>23</b>	<b>(689)</b>	<b>179</b>	<b>(510)</b>

**(c) Reconciliation of effective tax rate**

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
	(Rs. in Thousands)	(Rs. in Thousands)
<b>Profit before tax</b>	<b>(12,571)</b>	<b>8,123</b>
Tax expense/(Deferred Tax Asset) using the Company's domestic tax rate	(3,268)	2,112
<b>Tax effect of:</b>		
Deferred Tax Asset not recognized in view of continued accumulated losses	3,268	-
Deferred Tax Liability not recognized in view of continued accumulated losses	-	(2,112)
Reversal of Deferred tax assets on account change in tax rates	-	-
Deferred tax assets on account of Provisions	560	(87)
<b>Income tax expense</b>	<b>560</b>	<b>(87)</b>

**Note:** The tax rate used for reconciliation above is the corporate tax rate of 26% payable by corporate entities in India on taxable profits.

**39 Financial instruments**
**A. Capital Management:**

The Company's policy is to maintain a strong capital base so as to ensure that the Company is able to continue as going concern to sustain future development of the business. The Company monitors the return on capital as well as the level of dividends to ordinary shareholders.

**Its guiding principles**

- (i) Maintenance of financial strength to ensure the highest ratings;
- (ii) Ensure financial flexibility and diversify sources at financing;
- (iii) Manage Company exposure in forex to mitigate risks to earnings;
- (iv) Leverage optimally in order to maximum shareholders returns while maintaining strength and flexibility of the balance sheet.

The policy is also adjusted based on underlying macro-economic factors affecting business environment, financial and market conditions.

The gearing ratio at the end of the reporting period are as under:

Particulars	Rs. In Thousands	
	As at 31.03.2020	As at 31.03.2019
Total Borrowings	1,54,808	1,39,391
Less: Cash and cash equivalent	(3,084)	(135)
<b>Adjusted net debt</b>	<b>1,51,724</b>	<b>1,39,256</b>
Total equity	1,30,124	1,99,364
Adjusted net debt to adjusted equity ratio	1.17	0.70

**B. Valuation:**

All financial instruments are initially recognised and subsequently re-measured at fair value as described below:

- (i) The fair value of investment in quoted Equity shares, Bonds, Government Securities and Mutual funds is measured at quoted price or NAV
- (ii) The fair value of Forward Foreign Exchange contracts is determined using forward exchange rates at the balance sheet date.

- (iii) All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.
- (iv) The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

**C. Fair value measurement hierarchy:**

Particulars	As at 31.03.2020	As at 31.03.2019
	Carrying amount	Carrying amount
<b>Financial assets</b>		
At FVTPL	Nil	Nil
At FVTOCI	Nil	Nil
<b>At Amortised cost</b>		
Trade receivables	15,209	12,848
Cash and cash equivalents	3,084	135
Bank balances other than above	251	251
Other financial assets	5	52
<b>Financial liabilities</b>		
<b>At Amortised cost</b>		
Borrowings	1,54,808	1,39,391
Trade payables	5,556	4,605

The financial instruments are categorised into three levels based on the inputs used to arrive at fair value measurements as described below:

- i. **Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices.
- ii. **Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. In the case of the mutual funds are valued using the closing NAV. In the case of Derivative contracts, the Company has valued the same using the forward exchange rate as at the reporting date.
- iii. **Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3. The Company owns unlisted equity shares in companies, which are non-profit companies providing facilities for treating effluents generated during its manufacturing process. In the absence of any observable market data in relation to the said companies, the same have been categorised as Level 3. Considering the objective of investment and materiality, its fair value have been considered same as cost as at the reporting date.

## 40 Financial risk management

### Risk management framework

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

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

The audit committee oversees how the management monitors compliance with the Company's risk management policies, procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

The Company has exposure to the following risks arising from financial instruments:

- A) Credit risk;
- B) Liquidity risk;
- C) Market risk; and
- D) Interest rate risk

#### A. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and investment in debt securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful trade receivables and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

#### Trade and other receivables

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

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

- (i) Actual or expected significant adverse changes in business;
- (ii) Actual or expected significant changes in the operating results of the counterparty;
- (iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations;
- (iv) Significant increase in credit risk on other financial instruments of the same counterparty;
- (v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

#### Financial risk management (continued)

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

The Company measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends.

(Rs. in Thousands)

Ageing of Trade receivables	As at 31.03.2020	As at 31.03.2019
0-3 months	91	6,239
3-6 months	1,343	2,325
6 months to 12 months	-	3,358
beyond 12 months	85,873	72,499

Ageing of Trade receivables	As at 31.03.2020	As at 31.03.2019
Allowance for doubtful trade receivables (Expected credit loss allowance)	(72,099)	(71,573)
<b>Total</b>	<b>15,208</b>	<b>12,848</b>

Financial Assets are considered to be of good quality and there is no significant increase in credit risk.

(Rs. in Thousands)

Movement in provisions of doubtful debts	As at 31.03.2020	As at 31.03.2019
Opening provision	(71,573)	(81,169)
Add: Additional provision made	526	-
Less: Reversal of Provision Made	-	9,596
Closing provision	(72,099)	(71,573)

### Loans

In the case of loans to concerned employees, the same is managed by establishing limits. (Which in turn based on the employees salaries and number of years of service put in by the concern employee)

### Cash and cash equivalents

The Company held cash and cash equivalents of Rs. 30,84,423 at 31st March, 2020 (31st March, 2019: Rs. 13,4,623). The cash and cash equivalents are held with bank and financial institution counterparties with good credit ratings.

## B. Liquidity risk

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

### Exposure to liquidity risk

(Rs. in Thousands)

Particulars	31st March, 2020			31st March, 2019		
	Carrying amount	Contractual cash flows		Carrying amount	Contractual cash flows	
		Up to 1 year	More than 1 year		Up to 1 year	More than 1 year
<b>Non-derivative financial liabilities</b>						
Current borrowings	1,54,808	1,54,808	-	1,39,391	1,39,391	-
Trade and other payables	5,556	5,556	-	4,605	4,605	-
	<b>1,60,364</b>	<b>1,60,364</b>	<b>-</b>	<b>1,43,996</b>	<b>1,43,996</b>	<b>-</b>

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.



(Rs. in Thousands)

	31st March, 2020			31st March, 2019		
	Carrying amount	Contractual cash flows		Carrying amount	Contractual cash flows	
		Up to 1 year	More than 1 year		Up to 1 year	More than 1 year
<b>Non-derivative financial assets</b>						
Investments						
Trade receivables	15,209	15,209	-	12,848	12,848	-
Cash and cash equivalents	3,085	3,085	-	135	135	-
Bank balances other than above	251	251	-	251	251	-
Loans and advances	5	5	-	52	52	-
	<b>18,550</b>	<b>18,550</b>	<b>-</b>	<b>13,286</b>	<b>13,286</b>	<b>-</b>

**Note:**

The current liabilities include inter corporate deposits from related parties which are repayable on demand. Based on past experience, the Company does not expect immediate demand for repayment of such deposits

**C. Market risk**

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

**D. Currency risk**

The Company is not exposed to the foreign currencies transactions hence the disclosure is not applicable

**E. Interest rate risk**

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates, in cases where the borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates. The Company's investments are primarily in fixed rate interest bearing investments. Hence, the Company is not significantly exposed to interest rate risk. Also, there is no material interest risk relating to the Company's financial liabilities.

**41 Capital Commitments**

(Rs. in Thousands)

Particulars	31st March, 2020	31st March, 2019
Estimated amount of contracts remaining to be executed on capital account	Nil	Nil

## 42 Contingent liabilities and pending proceedings

### I. Contingent liabilities

(Rs. in Thousands)

Particulars	31.03.2020	31.03.2019
<b>1. Other contingent liabilities</b>		
a) For the non-redemption of the advance licenses, consequent interest and penalty in the event of the appeals of the company made by way of writ petitions being decided against the company / the application made with the Grievance redressal committee being turned down. Further the company has represented before the Ministry of Commerce for redressal of grievance through appropriate directions to Director General of Foreign Trade. The Grievance redressal committee appreciating the genuine hardships faced by the company directed us to approach DGFT for closure. We have been following with DGFT for resolution and do not foresee any additional liability on account of penalties and interest.  The Company has already fully provided for 100% of the customs duty benefit availed on the advance license.	Amount unascertained in respect of interest and penalty	Amount unascertained in respect of interest and penalty
b) For Asst. year 2007-08, Department has filed an appeal against the CIT(A)'s order directing the deletion of addition made representing waiver of principal portion of loans from banks and financial institutions and the consequential tax demand is Rs. 9,298/- The said appeal is pending as at the reporting date.	9,298	9,298

#### Note

The Company is a party to various legal proceedings in the normal course of business and does not expect the outcome of these proceedings to have any material adverse effect on its financial conditions, results of operations or cash flows. Further, claims by parties in respect of which the Management have been legally advised that the same are frivolous and not tenable, have not been considered as contingent liabilities as the possibility of an outflow of resources embodying economic benefit is highly remote.

There are numerous interpretative issues relating to the Supreme Court (SC) Judgement on PF dated 28th February 2019. The company will update its provision, on receiving further clarity on the subject.

In respect of the items above, further cash outflows in respect of contingent liabilities are determinable only on receipt of judgements/decisions pending at various forums/authority. The company does not expect the outcome of matters stated above to have a material adverse effect on the company's financial conditions, result of operations or cash flows.

### 43 IND AS 116 Lease

Effective 1st April 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1st April 2019 using the modified retrospective method. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended 31st March 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended 31st March 2019.

On transition, the adoption of the new standard resulted in recognition of 'Right of Use' asset of Rs. 6985, and a lease liability of Rs.6985. The effect of this adoption is insignificant on the profit before tax, profit for the period and earnings per share.

The changes in the carrying value of right of use (ROU) assets & Lease Liability for the year ended 31st March 2020 are given below:

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
ROU Balance at the beginning of the year	-	-
Add: Additions	6,985	-
Less: Amortisation cost accrued during the year	(2,328)	-
<b>ROU Balance at the end of the year</b>	<b>4,657</b>	-
Lease Liabilities at the beginning of the year	-	-
Add: Additions	6,985	-
Add: Interest cost accrued during the year	728	-
Less: Payment of lease liabilities	(2,784)	-
<b>Lease Liabilities at the end of the year</b>	<b>4,929</b>	-
Current Lease Liabilities	2,318	-
Non-current Lease Liabilities	2,611	-
<b>Total Lease Liabilities</b>	<b>4,929</b>	-

#### 44 CSR Expenditure

The Company does not meet the turnover and net worth criteria specified under Section 135 of the Companies Act, 2013 to constitute a Corporate Social Responsibility Committee. Thus, provisions of Section 135 and disclosure requirements specified therein are not applicable to the company.

#### 45 Ind AS 115 Disclosures

(Rs. in Thousands)

Note No.	Particulars	Year ended 31.03.2020	Year ended 31.03.2019
<b>a</b>	Details of revenue from contracts with customers recognised by the Company, net of indirect taxes in its statement of Profit and loss.		
	<b>Revenue from contracts with customers</b>		
	<b>(Transferred at point in time)</b>		
	Sales of Circuit Breaker	8,561	5,093
	<b>Total revenue from contracts with customers</b>	<b>8,561</b>	<b>5,093</b>
<b>b</b>	<b>Disaggregate Revenue</b>		
	The table below presents disaggregated revenues of the Company from contracts with customers by geography/ offerings/ contract-type/market. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of its revenues and cash flows are affected by industry, market and other economic factors.		
	<b>Total revenue from contracts with customers</b>		

Note No.	Particulars	Year ended 31.03.2020	Year ended 31.03.2019
	India	8,561	5,093
	Export (Including deemed export)	-	-
	<b>Total</b>	<b>8,561</b>	<b>5,093</b>
<b>c</b>	<b>Reconciliation between revenue with customers and contracted price:</b>		
	Revenue as per contracted price	8,561	5,093
	<b>Less: Adjustments</b>		
	Sales return	-	-
	Discounts/ Rebates	-	-
	<b>Revenue from contracts with Customers</b>	<b>8,561</b>	<b>5,093</b>
<b>d</b>	<b>Contract balances</b>		
	The following table provides information about receivables from contracts with customers:		
	<b>Particulars</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.2019</b>
<b>i</b>	Trade receivables	87,308	84,421
	Allowance as per Expected credit loss model	(72,099)	(71,573)
	<b>Total</b>	<b>15,209</b>	<b>12,848</b>
	Trade receivables are non-interest bearing and are generally on terms of 0 to 180 days.		

#### 46 Disclosures pursuant to Securities and Exchange Board of India (Listing Obligation and Disclosures and Disclosures Requirements) Regulations, 2015 and Section 186 of the Companies Act, 2013.

- For details of investments made refer Note 6
- For details of loans given to related parties refer Note 7
- There are no guarantees issued by the Company in accordance with Section 186 of the Companies Act, 2013 read with rules issued thereunder.

#### 47 Going Concern:

As on 31 March 2020, the Company's current liabilities exceeds its current assets mainly due to the loans granted by the promoter group for sustaining the business operations. The Company has also suffered losses over the last few years. The promoter group has in principle committed to extend continuous support to enable the long-term operations of the company. Hence the accounts are prepared on a Going concern basis.

#### 48 Segment Information

As permitted by paragraph 4 of Ind AS-108, 'Operating Segment', if a single financial report contains both consolidated financial statements and the separate financial statements of the parent, segment information need be presented only on the basis of the consolidated financial statements. Thus, disclosures required by Ind-AS 108 are given in consolidated financial statements.

**49 Events occurring after the Balance sheet date:**

No adjusting or significant non-adjusting events have occurred between the reporting date (31st March 2020) and the report release date.

Previous year figures have been regrouped/reclassified to confirm to current year classification

**Signature to notes 1 to 49**

The accompanying notes are an integral part of the financial statements

As per our attached report of even date

**C N K & Associates LLP**
**Chartered Accountants**
**Firm Registration No.: 101961W/W100036**
**For and on behalf of the Board of Directors**
**V Subramanian**

Partner

Membership No.: 212075

**Ashok Kumar Vishwakarma**

Managing Director

(DIN No: 05203223)

**Ashish Sushil Jalan**

Director

(DIN No: 00031311)

**Selvi Narasimman**

Chief Financial Officer

**Gokulananda Sahu**

Company Secretary and Compliance Officer

**Place: Chennai**
**Date: 30th July 2020**

M. No.: A43068

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF S&S POWER SWITCHGEAR LIMITED

#### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying Consolidated Financial Statements of S&S Power Switchgear Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), which comprise the Consolidated Balance Sheet as at 31st March 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow for the year ended and notes to the Consolidated Financial Statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on Separate Financial Statements / Consolidated Financial Statements and on the other financial information of the subsidiaries the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India of the consolidated state of affairs (consolidated financial position) of the Group as at 31<sup>st</sup> March 2020, its consolidated Loss and consolidated total comprehensive income / (loss) (consolidated financial performance), the consolidated changes in equity and its consolidated cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the independence requirements that are relevant to our audit of Consolidated Financial Statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our opinion on Consolidated Financial Statements.

#### Going concern

We draw attention to note 48 in the Consolidated financial statements, which indicates that the accounts are prepared on a going concern basis due to continued financial support of the promoters. The Consolidated Financial Statements do not include any adjustments that would result from the withdrawal of support which is described in the note 48.

#### Emphasis of Matter

We draw attention to our observation in Going concern paragraph above whereby, inspite of the factor mentioned therein, the results are prepared on going concern basis.

On account of our inability to conduct a physical verification as on 31st March, 2020 owing to the lockdown restrictions imposed by the Government as well as absence of the said verification procedures undertaken by the Company, we have relied on details as provided by the management and related adjustments to confirm the existence and condition of inventory at the yearend;

Our opinion is not modified in respect of these matters.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgement and based on the consideration of the reports of the other auditors on separate financial statements / consolidated financial statements and on the other financial information of the subsidiaries, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the following key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
<p><b>Revenue Recognition (as described in Note 3(III), 27, 45)</b></p> <p>We have identified revenue recognition cut-off in a subsidiary company S&amp;S Power Switchgear Equipment Limited, as a key audit matter since the variety of terms that define when control is transferred to the customer, as well as the high value of the transactions near the period end, give rise to the risk that revenue is not recognized in the correct period.</p>	<p><b>Our audit procedures included the following:</b></p> <p>Considered the appropriateness of the company's revenue recognition accounting policies and assessing compliance with the policies in terms of Ind AS 115</p> <p>Performed walkthroughs and test of controls, automated as well as manual, around dispatches and deliveries, of the revenue recognition processes and assessed the design and operating effectiveness of key controls</p> <p>Selected a sample of sales made pre and post year end and agreed the date of revenue recognition to the contract terms as per the agreement and third party delivery documents such as bills of lading, Lorry receipts, Shipping bills etc. to confirm sales are recognised according to contract obligations</p> <p>Reviewed appropriate correspondences and certificates from customers in case of bill and hold cases</p>
<p><b>Assessment of carrying value of goodwill as per Ind AS 36 (Refer Note 6 to the Consolidated financial Statements)</b></p> <p>The Group has a goodwill balance of Rs. 2,66,284 thousands as at March 31, 2020 relating to the acquisition of certain subsidiaries, each of which is considered as a Cash Generating Unit (CGU).</p> <p>For the year ended March 31, 2020, the Group performed an assessment of the carrying value of goodwill as required under Ind AS 36 by:</p> <ol style="list-style-type: none"> <li>Calculating the recoverable amount for each CGU using discounted cash flow model or earnings multiple model</li> <li>Comparing the recoverable amount of the respective carrying amount of assets and liabilities</li> </ol> <p>The preparation of discounted cash flows requires assumptions for projections of cash flows for a specific period, typically for 5 years.</p> <p>We considered the carrying value of goodwill as a key audit matter, considering its significance to the consolidated financial statements, and where applicable, the Management judgement involved in estimating future cash flows, particularly with respect to factors such as discount rates, cash flow projections and terminal growth rate.</p>	<p><b>Our audit procedures included the following:</b></p> <p>Our audit procedures in relation to assessment of carrying value of goodwill arising on consolidation of subsidiaries, included the following:</p> <ol style="list-style-type: none"> <li>Understood and performed procedures to assess the design and test the operating effectiveness of relevant controls related to the annual evaluation on assessment of carrying value of goodwill.</li> <li>Together with external valuation experts, evaluated the assumptions and methodologies used in the DCF and earnings multiple models, in particular those relating to the cash flow projections used, discount rates and terminal growth rates applied, by <ul style="list-style-type: none"> <li>Evaluating the reasonableness of the cash flow projections by comparing with the approved budgets, previous year performance and our knowledge and understanding of current business conditions.</li> <li>Determining a range of acceptable discount rates and terminal growth rates, with reference to valuations of similar companies and other relevant external data and comparing this range to the discount rates and terminal growth rates adopted by the Company.</li> </ul> </li> <li>Tested the arithmetical accuracy of the calculations carried out by the Management.</li> </ol> <p>Based on above procedures performed, we found the management's assessment of carrying value of goodwill to be reasonable.</p>



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

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

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

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

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

**Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these Consolidated Financial Statements in terms of requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income / (loss), consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the Companies included in the group are also responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgement and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, respective management and Board of Directors of the Companies included in the Group are responsible for assessing the ability of the respective companies included in the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the companies included in the Group or to cease operations, or has no realistic alternative but to do so;

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of the Group.

**Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a

material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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

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

### Other Matters

We did not audit the financial statements of 2 step down subsidiaries included in the Consolidated Financial Statements, whose financial statements reflect total assets of Rs. 586,417 thousands (before eliminating inter-company balances) as at March 31, 2020, and liabilities of Rs. 4,83,049 thousands as at 31<sup>st</sup> March, 2020, total revenue of Rs 5,92,436 thousands and total comprehensive loss of Rs. 41,657 thousands for the year ended 31<sup>st</sup> March, 2020, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us, and our opinion on the consolidated financial

statements in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

The aforesaid subsidiaries which are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries located outside India from the accounting principles generally accepted in their respective countries to the accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion, and matters identified and disclosed under key audit matters section above, in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

Our opinion on the Consolidated Financial Statements and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on our audit and on the consideration of the reports of the other auditors on Separate Financial Statements / Consolidated Financial Statements and other financial information of the subsidiaries, we report, to the extent applicable, that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid Consolidated Financial Statements;
  - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
  - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
  - d. In our opinion, the aforesaid Consolidated Financial Statements comply with Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. On the basis of the written representations received from the directors of the Holding Company as on 31<sup>st</sup> March, 2020 taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiary companies, covered under the Act, none of the directors of the Group companies, covered under the Act, are disqualified as on 31<sup>st</sup> 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 with reference to Consolidated financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A";
  - g. As required by Section 197(16) of the Act, based on our audit, we report that the Holding Company, three subsidiary Companies covered under the Act paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.
  - h. With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements/consolidated financial statements as also the other financial information of the subsidiaries:

- (i) The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer note 43 to the Consolidated Financial Statements;
- (ii) The Group does not have any long-term contracts including derivative contracts for which there were material foreseeable losses;
- (iii) There were no amounts that were required to be transferred to the Investor Education and Protection Fund by the Group during the year ended 31st March 2020.

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

**V Subramanian**  
Partner  
Membership number: 212075  
UDIN: 20212075AAAACJ3007

Place: Chennai  
Date: 30th July 2020

## **ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT**

[Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of S&S Power Switchgear Limited ("the Company") on the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2020]

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act**

We have audited the internal financial controls with reference to financial statements of **S&S Power Switchgear Limited** (hereinafter referred to as "Parent") and its subsidiary companies incorporated in India as of 31st March, 2020 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

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

The Management of the Parent and its subsidiary company, which are companies incorporated in India, is responsible for establishing and maintaining internal financial controls based on the internal control criteria established by the Company considering the essential components of internal controls 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 respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the Parent and its subsidiary company, incorporated in India based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing specified under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, both issued by the 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 with reference to financial statement 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated Financial Statements, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.

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

### **Meaning of Internal Financial Controls with reference to Consolidated Financial Statements**

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

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 financial statements.

### **Inherent Limitations of Internal Financial Controls with reference to financial statements**

Because of the inherent limitations of internal financial controls with reference to Consolidated Financial Statements, 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 with reference to Consolidated Financial Statements to future periods are subject to the risk that the internal financial control with reference to Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the parent and its subsidiary company, which are companies incorporated in India, has in all material respects, an adequate internal financial controls with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at 31<sup>st</sup> March, 2020, based on the internal control with reference to Consolidated Financial Statements 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 ICAI.

**For C N K & Associates LLP**

Chartered Accountants

FRN: 101961W/W-100036

**V Subramanian**

Partner

Membership number: 212075

UDIN: 20212075AAAACJ3007

Place: Chennai

Date: 30th July 2020

## S & S POWER SWITCHGEAR LIMITED

### CONSOLIDATED BALANCE SHEET AS AT 31st MARCH 2020

(Rs. in Thousands)

Particulars	Note No	As at 31.03.2020	As at 31.03.2019
<b>ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, Plant and Equipment	4	1,34,870	1,19,635
(b) Other Intangible assets	5	4,703	5,305
(c) Goodwill on Consolidation	6	2,66,284	3,14,897
(d) Financial Assets			
(i) Non Current Loans	7	6,555	6,575
(e) Deferred tax assets (net)	8	4,873	2,732
(f) Other non-current assets	9	-	1,381
(g) Non Current Tax Assets (Net)	10	4,992	-
<b>Total Non-current assets</b>		<b>4,22,277</b>	<b>4,50,525</b>
<b>(2) Current assets</b>			
(a) Inventories	11	1,93,423	1,17,936
(b) Financial Assets			
(i) Trade receivables	12	2,50,619	3,01,912
(ii) Cash and cash equivalents	13	8,047	9,327
(iii) Bank balances other than Cash and Cash Equivalents	14	21,741	15,824
(iv) Loans	15	5	52
(c) Current Tax Assets ( Net)	16	11,850	11,847
(d) Other current assets	17	69,329	69,797
<b>Total current assets</b>		<b>5,55,014</b>	<b>5,26,695</b>
<b>Total Assets</b>		<b>9,77,291</b>	<b>9,77,220</b>
<b>EQUITY AND LIABILITIES</b>			
<b>(1) Equity</b>			
(a) Equity Share capital	18	62,000	62,000
(b) Other Equity	19	(61,738)	62,685
Equity Attributable to owners		262	1,24,685
(c) Non Controlling Interest		8,236	10,198
<b>Total Equity</b>		<b>8,498</b>	<b>1,34,883</b>
<b>(2) Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Other Financial Liabilities	20	10,130	-
(b) Provisions	21	2,22,140	2,47,960
<b>Total Non Current Liabilities</b>		<b>2,32,270</b>	<b>2,47,960</b>
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	22	2,19,040	2,99,301
(ii) Trade payables			
- Due to Micro and Small Enterprises	23	7,517	5,688
- Due to other than Micro and Small Enterprises	23	3,14,468	2,61,375
(iii) Other financial liabilities	24	1,54,825	-
(b) Short term provisions	25	1,097	1,199
(c) Other current liabilities	26	39,576	26,814
<b>Total Current Liabilities</b>		<b>7,36,523</b>	<b>5,94,377</b>
<b>Total Equity and Liabilities</b>		<b>9,77,291</b>	<b>9,77,220</b>

The accompanying notes referred to above which form an integral part of the consolidated financial statements

As per our attached report of even date

C N K &amp; Associates LLP

Chartered Accountants

Firm Registration No.: 101961W/W100036

**V Subramanian**

Partner

Membership No.: 212075

Place: Chennai

Date: 30th July 2020

For and on behalf of the Board of Directors

**Ashok Kumar Vishwakarma**

Managing Director

(DIN No: 05203223)

**Selvi Narasimman**

Chief Financial Officer

**Ashish Sushil Jalan**

Director

(DIN No: 00031311)

**Gokulananda Sahu**

Company Secretary and Compliance Officer

M. No.: A43068



## S & S POWER SWITCHGEAR LIMITED

### CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH 2020

(Rs. in Thousands)

Particulars		Note No	Year Ended 31.03.2020	Year Ended 31.03.2019
<b>1</b>	<b>INCOME</b>			
a.	Revenue From Operations	27	9,16,926	10,34,460
b.	Other Income	28	13,805	24,738
	<b>Total Income (a+b)</b>		<b>9,30,731</b>	<b>10,59,198</b>
<b>2</b>	<b>EXPENSES</b>			
a.	Cost of materials consumed	29	5,96,010	6,27,108
b.	Changes in Inventories of Finished goods, Stock-in-Trade and work-in-progress	30	(20,047)	15,921
c.	Employee benefits expense	31	2,92,592	2,93,635
d.	Finance costs	32	37,268	25,178
e.	Depreciation and amortization expense	33	18,846	8,925
f.	Other expenses	34	1,05,934	1,25,825
	<b>Total expenses sum of (a to f)</b>		<b>10,30,603</b>	<b>10,96,592</b>
<b>3</b>	<b>Profit/(loss) before tax (1-2)</b>		<b>(99,872)</b>	<b>(37,394)</b>
<b>4</b>	<b>Exceptional Item - Impairment on Investment in Subsidiary</b>		<b>57,221</b>	<b>-</b>
<b>5</b>	<b>Profit/(loss) before tax after exceptional items (3-4)</b>		<b>(1,57,093)</b>	<b>(37,394)</b>
<b>6</b>	<b>Tax expense:</b>			
	(1) Current tax	38	3,401	788
	(2) Deferred tax		833	-
	(3) Short/(Excess) provision for tax- Previous years		(833)	-
	(4) MAT Credit Entitlement			
<b>7</b>	<b>Profit/(loss) for the period (5+6)</b>		<b>(1,53,692)</b>	<b>(36,606)</b>
<b>8</b>	<b>Other Comprehensive Income</b>			
	A (i) Items that will not be reclassified to profit or loss			
	- Remeasurement of Defined benefit plans		1,327	(872)
	- Remeasurement of Defined benefit plans-AL UK		33,957	(23,484)
	A (ii) Income tax relating to items that will not be reclassified to profit or loss		(345)	227
	B (i) Items that will be reclassified to profit or loss from UK			
	- Exchange differences in translating the financial statement of foreign subsidiaries		2,936	(2,671)
	B (ii) Income tax relating to items that will be reclassified to profit or loss			
	<b>Total other comprehensive income (A (i - ii) + B(i - ii))</b>		<b>37,875</b>	<b>(26,800)</b>
<b>9</b>	<b>Total comprehensive income for the period (7+8)</b>		<b>(1,15,817)</b>	<b>(63,406)</b>
<b>10</b>	<b>Profit / (Loss) Attributable to:</b>			
	Owners of the Company		(1,42,992)	(20,630)
	Non- Controlling Interest		(10,700)	(15,976)
<b>11</b>	<b>Total comprehensive income attributable to</b>			
	Owners of the Company		(1,17,395)	(38,920)
	Non- Controlling Interest		1,577	(24,486)
<b>12</b>	<b>Paid up Equity Share Capital (Face value per share of Rs. 10 each)</b>		<b>620</b>	<b>620</b>
<b>13</b>	<b>Earnings per equity share of face value of Rs. 10 each</b>			
	- Basic and Diluted		(24.79)	(5.90)

The accompanying notes referred to above which form an integral part of the consolidated financial statements

As per our attached report of even date

**C N K & Associates LLP**

Chartered Accountants

Firm Registration No.: 101961W/W100036

**V Subramanian**

Partner

Membership No.: 212075

Place: Chennai

Date: 30th July 2020

For and on behalf of the Board of Directors

**Ashok Kumar Vishwakarma**

Managing Director

(DIN No: 05203223)

**Selvi Narasimman**

Chief Financial Officer

**Ashish Sushil Jalan**

Director

(DIN No: 00031311)

**Gokulananda Sahu**

Company Secretary and Compliance Officer

M. No.: A43068

## S & S POWER SWITCHGEAR LIMITED

### CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31st MARCH 2020

(Rs. in Thousands)

	Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
<b>A</b>	<b><u>Cash flow from operating activities</u></b>		
	Profit before tax	(1,57,093)	(37,394)
	<b>Adjustments for:</b>		
	Finance costs	37,268	25,178
	Depreciation and amortisation expense	18,846	8,925
	Provisions - Others	(25,922)	-
	Interest income	(1,438)	1,900
	Remeasurement of defined benefit plan	35,284	(24,356)
	Other Non-Cash Adjustment	38,815	1,000
	Movement in FCTRS	2,936	(2,671)
	Operating profit before working capital changes	(51,304)	(27,418)
	<b>Movements in working capital:</b>		
	(Increase)/decrease in inventories	(75,487)	11,555
	(Increase)/decrease in trade receivables	51,293	25,408
	(Increase)/decrease in other assets	(3,099)	(28,025)
	Increase /(decrease) in trade payables	54,922	14,111
	Increase /(decrease) in other financial liabilities	1,64,955	15,253
	Increase /(decrease) in other current liabilities	12,762	(12,715)
	<b>Cash generated from operations</b>	<b>1,54,042</b>	<b>(1,831)</b>
	Direct taxes paid (net)	-	-
	<b>Net cash from operating activities (A)</b>	<b>1,54,042</b>	<b>(1,831)</b>
<b>B</b>	<b><u>Cash flows from investing activities</u></b>		
	Payment for property, plant and equipment (PPE) (including Capital work-in-progress)	(32,315)	(272)
	Payment for intangible asset	(999)	1,160
	Proceeds from disposals of PPE	-	(3,803)
	Payment for security deposits	-	(318)
	Interest Received	1,438	1,873
	Proceeds received from sale of current investments	-	290
	Investment in bank deposit	(5,917)	(2,915)
	<b>Net cash (used in) investing activities (B)</b>	<b>(37,793)</b>	<b>(3,985)</b>
<b>C</b>	<b><u>Cash flow from financing activities</u></b>		
	Borrowings	-	3,238
	Repayment of current borrowings	(80,261)	-
	Interest paid	(37,268)	(25,178)
	<b>Net cash (used in) financing activities (C)</b>	<b>(1,17,529)</b>	<b>(21,940)</b>
	<b>NET INCREASE IN CASH AND CASH EQUIVALENTS [(A) + (B) + (C)]</b>	<b>(1,280)</b>	<b>(27,756)</b>
	<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>		
	Balances with banks in current accounts and deposit accounts	8,925	36,940
	Cash on hand	402	143
	<b>CASH AND CASH EQUIVALENTS AS PER NOTE 13</b>	<b>9,327</b>	<b>37,083</b>
	<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>		
	Balances with banks in current accounts and deposit accounts	7,599	8,925
	Cash on hand	448	402
	<b>CASH AND CASH EQUIVALENTS AS PER NOTE 13</b>	<b>8,047</b>	<b>9,327</b>

The accompanying notes referred to above which form an integral part of the consolidated financial statements



**Notes:**

- 1 The Cash Flow statement has been prepared under the indirect method as set out in Indian Accounting Standards (IND AS 7)- Statement of Cash Flow.
- 2 The Figures in brackets represents cash outflow.
- 3 Previous period figures have been regrouped / reclassified, wherever necessary to confirm to current year presentation.
- 4 Changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes:

**Reconciliation of liabilities arising from financing activities**

Particulars	As at 01.04.2019	Cash flow	Foreign Exchange movement	As at 31.03.2020
Current borrowing	2,99,301	(80,261)	-	2,19,040
Particulars	As at 01.04.2018	Cash flow	Foreign Exchange movement	As at 31.03.2019
Current borrowing	2,96,063	3,238	-	2,99,301

The accompanying notes referred to above which form an integral part of the consolidated financial statements

**As per our attached report of even date**

**C N K & Associates LLP**  
Chartered Accountants  
Firm Registration No.: 101961W/W100036

**For and on behalf of the Board of Directors**

**V Subramanian**  
Partner  
Membership No.: 212075

**Ashok Kumar Vishwakarma**  
Managing Director  
(DIN No: 05203223)

**Ashish Sushil Jalan**  
Director  
(DIN No: 00031311)

**Selvi Narasimman**  
Chief Financial Officer

**Gokulananda Sahu**  
Company Secretary and Compliance Officer

**Place: Chennai**  
**Date: 30th July 2020**

M. No.: A43068

## S&S POWER SWITCHGEAR LIMITED

### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH 2020

**a. Equity Share Capital:**

(Rs. in Thousands)

Particulars	Amount
Balance at 31st March, 2019	62,000
Changes in equity share capital during the year	-
Balance at 31st March, 2020	62,000

**b. Other Equity**

Particulars	Reserves and Surplus					Total Equity
	General Reserve	Securities Premium	Retained Earnings	Foreign currency translation reserve	Non controlling Interest	
<b>As at 31st March, 2018</b>	<b>47,812</b>	<b>1,84,000</b>	<b>(1,82,070)</b>	<b>53,728</b>	<b>34,869</b>	<b>1,38,339</b>
Profit for the year 2018-19			(20,630)	-	(15,976)	(36,606)
Other comprehensive income for the year 2018-19 (net of tax)			(18,290)	-	(8,510)	(26,800)
Foreign Currency Translation Difference						-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>(38,920)</b>	<b>-</b>	<b>(24,486)</b>	<b>(63,406)</b>
<b>Less: Appropriations</b>						<b>-</b>
Transfer from/to non controlling interest			4,459	(4,459)	-	-
Other Movements in reserve			(1,865)	-	(185)	(2,050)
<b>As at 31st March, 2019</b>	<b>47,812</b>	<b>1,84,000</b>	<b>(2,18,396)</b>	<b>49,269</b>	<b>10,198</b>	<b>72,883</b>
Profit for the year 2019-20			(1,42,992)	-	(10,700)	(1,53,692)
Other comprehensive income for the year 2019-20 (net of tax)			25,597	-	12,277	37,874
Foreign Currency Translation Difference						-
<b>Total comprehensive income for the year</b>			<b>(1,17,395)</b>	<b>-</b>	<b>1,557</b>	<b>(1,15,818)</b>
<b>Less: Appropriations</b>						<b>-</b>
Transfer from/to non controlling interest			3,539	(702)	(3,539)	(702)
Other Movements in reserve	-	-	(9,865)	-	-	(9,865)
<b>As at 31st March, 2020</b>	<b>47,812</b>	<b>1,84,000</b>	<b>(3,42,117)</b>	<b>48,567</b>	<b>8,236</b>	<b>(53,502)</b>
The accompanying notes referred to above which form an integral part of the consolidated financial statements						

As per our attached report of even date

**C N K & Associates LLP**  
Chartered Accountants  
Firm Registration No.: 101961W/W100036

For and on behalf of the Board of Directors

**V Subramanian**  
Partner  
Membership No.: 212075

**Ashok Kumar Vishwakarma**  
Managing Director  
(DIN No: 05203223)

**Ashish Sushil Jalan**  
Director  
(DIN No: 00031311)

**Place: Chennai**  
**Date: 30th July 2020**

**Selvi Narasimman**  
Chief Financial Officer

**Gokulananda Sahu**  
Company Secretary and Compliance Officer  
M. No.: A43068

## S&S POWER SWITCHGEAR LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2020

All amounts are Rs. in Thousands unless otherwise stated

#### 1. General Information

S & S Power Switchgear Limited ("the Company") is a Public Limited Company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on both the Bombay Stock Exchange and the National Stock Exchange. The Company has its registered office & manufacturing plant located at Maraimalai Nagar (near Chennai) Tamil Nadu India.

The Company along with its subsidiaries ('the Group'), and jointly controlled entities is **primarily** engaged in the business of Transmission & Distribution of Equipment industry; power sector focused Switchgear, P&C Solutions and associated electrical systems, product and services.

#### 2. Basis of preparation

##### A. Statement of Compliance

The Consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) Companies (Indian Accounting Standards) Rules, 2015) and other relevant provisions of the Act.

The financial statements were authorized for issue by the Company's Board of Directors on [30/07/2020].

##### B. Principles of Consolidation and Equity Accounting

S & S Power Switchgear Limited consolidates entities which it owns or controls. The consolidated financial statements comprise the financial statements of the Company, its controlled and its subsidiaries as disclosed in Note 2.25.

1. **Subsidiary:** Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and can affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the group. The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.
2. **Equity method:** Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognize the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from joint ventures are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity. Unrealised gains on transactions between the group and its joint ventures are eliminated to the extent of the group's interest in these entities. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group. The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note VI below.

### C. Functional and presentation currency

Items included in the consolidated financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian Rupee (INR), which is the Company's functional and presentation currency. All amounts have been rounded-off to the nearest thousands, unless otherwise indicated.

### D. Current and non-current classification:

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

#### 1. An asset is treated as current when it is:

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

#### 2. All other assets are classified as non-current.

#### 3. A liability is treated as current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

#### 4. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The Company has identified twelve months as its operating cycle.

### E. Basis of Measurement

The financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair values as per the provisions of the Companies Act, 2013 and guidelines issued by the Securities and Exchange Board of India (SEBI) for the following:

- a. Certain financial assets and liabilities (including derivative instruments) and commitments that are measured at fair value; and
- b. Defined benefit plans — plan assets measured at fair value.

### F. Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgement, which have significant effect on the amounts recognized in the financial statement:

#### 1. Income taxes

Management judgement is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets.

The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements.

## 2. Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

## 3. Allowance for uncollected accounts receivable and advances

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible. Impairment is made on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

## 4. Insurance claims

Insurance claims are recognized when the Company has reasonable certainty of recovery. Subsequently any change in recoverability is provided for.

## 5. Assumptions and Estimation Uncertainties Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2019 is included in the following notes:

- Note 38 – measurement of defined benefit obligations: key actuarial assumptions;
- Note 43 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;

## 6. Property, plant and equipment

External adviser or internal technical team assesses the remaining useful lives and residual value of property, plant and equipment. Management believes that the assigned useful lives and residual value are reasonable.

## 7. Intangibles

Internal technical or user team assesses the remaining useful lives of Intangible assets. Management believes that assigned useful lives are reasonable.

## 8. Allowances for Inventories

Management reviews the inventory age listing on a periodic basis. This review involves comparison of the carrying value of the aged inventory items with the respective net realizable value. The purpose is to ascertain whether an allowance is required to be made in the financial statements for any obsolete and slow-moving items. Management is satisfied that adequate allowance for obsolete and slow-moving inventories has been made in the financial statements

## G. Measurement of fair values

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

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

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

the use of unobservable inputs. The Company has an established control framework with respect to the measurement of fair values.

This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing service, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about the assumptions made in measuring fair values is included in the following notes

- Note 40 – financial instruments;

### 3. Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of the Group financial statements.

#### i. Inventories:

Raw materials and stores, work in progress, traded and finished goods are stated at the lower of cost and net realizable value. Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of first-in first-out basis. Costs of purchased inventory are determined after deducting rebates and discounts.

**NRV:** Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

#### ii. Foreign currency transactions and balances:

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions first qualifies for recognition. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss except exchange differences arising from the translation of the following items which are recognized in OCI:

- equity investments at fair value through OCI (FVOCI); and
- qualifying cash flow hedges to the extent that the hedges are effective.

1. **Monetary Item:** A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.
2. **Non-monetary item:** Non-monetary items that are measured at fair value in a foreign currency are translated using exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as a part of the fair value gain or loss.

### 3. Group companies

The results and financial position of foreign operations (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of that balance sheet.
- income and expenses are translated at Average Exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which incomes and expenses are translated at the dates of the transactions), and all resulting foreign ex- change differences are recognised in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

The results and financial position of foreign operation which have a functional currency similar to the Company are translated using the same principle enumerated in Note II (2) above.

### iii. Revenue recognition

#### a. Sale of goods

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

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

Revenue is recognisable to the extent of the amount that reflects the consideration (i.e. the transaction price) to which the Company is expected to be entitled in exchange for those goods or services excluding any amount received on behalf of third party (such as indirect taxes). The transaction price is determined on the basis of agreement entered into with the customer.

The Company satisfies the performance obligation and recognises revenue over time, if one of the criteria prescribed under Ind AS 115 - "Revenue from Contracts with Customers" is satisfied. If a performance obligation is not satisfied over time, then revenue is recognised at a point in time at which the performance obligation is satisfied.

The Company recognises revenue for performance obligation satisfied over time only if it can reasonably measure its progress towards complete satisfaction of the performance obligation. The Company would not be able to reasonably measure its progress towards complete satisfaction of a performance obligation if it lacks reliable information that would be required to apply an appropriate method of measuring progress. In those circumstances, the Company recognises revenue only to the extent of cost incurred until it can reasonably measure outcome of the performance obligation.

#### b. Income from Services

Revenue from service contracts are recognized net of GST, when all the following conditions are satisfied.

- The amount of revenue can be measured reliably
- It is probable that the economic benefits associated with the transaction will flow to the Company
- The stage of completion of transaction at the end of the reporting period can be measured reliably.
- The cost incurred for the transaction and the cost to complete the transaction can be measured reliably

#### Application of new accounting standards:

The Company has adopted Ind AS 115 Revenue from contracts with customers, with effect from April 1, 2018. Ind AS 115 establishes principles for reporting information about the nature, amount, timing and uncertainty of revenues and cash flows arising from the contracts with its customers and replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The impact of the adoption of the standard on the financial statements of the Company is insignificant



**c. Rent:**

Rental Income is recognized on accrual basis in accordance with terms of respective rent agreements.

**d. Interest:**

- Interest income is recognized using effective interest method and subject to the following conditions
- It is probable that the economic benefits associated with the transaction will flow to the Company.
- The amount of revenue can be measured reliably.

**e. Dividend:**

Dividend income is recognized when the following conditions have been satisfied

- when the Company's right to receive payment is established.
- It is probable that the economic benefits associated with the transaction will flow to the Company.
- The amount of dividend can be measured reliably.

**f. Export Incentive:**

Export incentive available under prevalent schemes are recognized in the year when the right to receive credit as per the terms of the scheme is established in respect of exports made and are accounted to the extent there is no significant uncertainty about the measurability and ultimate utilization/ realization of such duty credit.

**iv. Income taxes:**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

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

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

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

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

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

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

**MAT:** Minimum Alternative Tax (MAT) is applicable to the Company. Credit of MAT is recognized as a part of deferred tax assets. As deferred tax asset shall be recognized for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilized.

#### v. Leases:

##### As a lessee

Leases of property, plant and equipment where the Company, as a lessee, has substantially all the risks and rewards of ownership have been classified as finance leases. Finance leases are measured at the lower of the fair value of the leased property and the present value of the minimum lease payments. Subsequent to the initial recognition, the assets are accounted for in accordance with the accounting policy applicable to similar owned assets. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Minimum lease payment is allocated between reduction of the outstanding liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

##### As a lessor

Lease income from operating leases where the Company is a lessor is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

#### Accounting Standards issued effective from 01st April 2019:

On 30th March 2019, the Ministry of Corporate Affairs (MCA) has notified Ind AS 116 – Leases which is effective from 1st April 2019:

##### IND AS 116 Leases:

It will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees.

The Company is in process of evaluating the impact of the same.

#### vi. Impairment of assets:

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

**vii. Cash and cash equivalents:**

For presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**viii. Trade receivables:**

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment, if any. Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible. Impairment is made on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

**ix. Investments and other financial assets:**
**A. Classification**

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

- a.** Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- b.** Those measured at amortized cost.

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

**B. Measurement**

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

**1. Debt instruments**

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments.

**(i) Amortized cost:**

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

**(ii) Fair value through other comprehensive income (FVOCI):**

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other income/(expense).

Interest income from these financial assets is included in other income using the effective interest rate method.

**(iii) Fair value through profit or loss:**

Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognized in profit or loss and presented net in the statement of profit and loss within other income/ (expense) in the period in which it arises. Interest income from these financial assets is included in other income.

**2. Equity instruments**

The Company measures all equity investments at fair value, except for investments forming part of interest in subsidiaries and joint ventures, which are measured at cost. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognized in profit or loss as other income when the Company's right to receive payments is established. Changes in the fair value of financial assets at fair value through profit or loss are recognized in other income/ (expense) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

**C. Impairment of financial assets**

The Company assesses on a forward-looking basis the expected credit loss associated with its assets carried at amortized cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 39 details how the Company determines whether there has been a significant increase in credit risk.

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

**D. Derecognition of financial assets**

A financial asset is derecognized only when

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

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

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

**E. Accounting for Joint Venture:**

S&S Power Switchgear Equipment Limited was accounted as subsidiary under previous GAAP whereas it needs to be accounted using the equity method under Ind AS. Therefore, as required by Ind AS 101, the Group has:-

- On the transition date, recognized its investment in SSPSE Limited by measuring it at the aggregate of carrying amount of the assets and liabilities that the Group had consolidated as subsidiary under previous GAAP as of the transition date;
- This investment amount has been deemed to be the cost of investment at initial recognition;
- The Group has tested the investment in SSPSE Limited for impairment as of the transition date;
- After initial recognition at the transition date, the Group has accounted for SSPSE limited using the equity method in accordance with Ind AS 28.

#### F. Property, Plant and Equipment:

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and impairment loss, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

**Spare Parts:** Spare parts are treated as capital assets in accordance with Ind AS when they meet the definition of property, plant and equipment. Otherwise, such items are classified as inventory. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for, as separate items (major components) of property, plant and equipment.

The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

**Depreciation:** Depreciation methods, estimated useful lives and residual value Depreciation is calculated using the straight-line and written down value methods to allocate their cost, net of their residual values, over their estimated useful lives. The useful lives have been determined based on Schedule II to the Companies Act, 2013, The residual values are not more than 5% of the original cost of the asset.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income / (expense).

#### G. Investment Properties:

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

When part of an investment property is replaced, the carrying amount of the replaced part is derecognized. Investment properties (other than land) are depreciated using the written down value method over their estimated useful lives. Investment properties have a useful life of 30 years. The useful lives have been determined based on Schedule II to the Companies Act, 2013.

#### H. Business Combinations & Intangible assets

**Business Combinations:** Business combinations are accounted for using Ind AS 103, Business Combinations. Ind AS 103 requires the identifiable intangible assets and contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquire. Significant estimates are required to be made in determining the value of contingent consideration and intangible assets.

**Intangible Assets:** The intangible asset includes technical know-how and computer software which are recorded at the cost of acquisition and are amortized over a period of five years or their legal / useful life whichever is less.

#### I. Goodwill:

Goodwill represents the cost of business acquisition in excess of the Group's interest in the net fair value of identifiable assets, liabilities and contingent liabilities of the acquire. When the net fair value of the identifiable assets, liabilities and contingent liabilities acquired exceeds the cost of business acquisition, a gain is recognized immediately in net profit in the Statement of Profit and Loss. Goodwill is measured at cost less accumulated impairment losses.

#### J. Research and development

Research and development expenditure that do not meet the criteria for recognition as intangible assets are recognized as an expense as incurred. Development costs previously recognized as an expense are not recognized as an asset in the subsequent period.

#### **K. Trade and other payables:**

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

#### **L. Borrowings:**

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates. Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other gains / (losses). Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

#### **M. Borrowing costs:**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. Other borrowing costs are expensed in the period in which they are incurred.

#### **N. Provisions:**

Provisions for legal claims, service warranties, volume discounts and returns are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the Statement of profit and loss net of any reimbursement.

#### **O. Employee Benefits:**

##### **(i) Short-term obligations**

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

##### **(ii) Other long-term employee benefit obligations**

The liabilities for earned leave that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are measured as the present value of expected



future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss. The obligations are presented as current liabilities in the balance sheet if the Company does not have an unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur

**(iii) Post-employment obligations**

The Company operates the following post-employment schemes:

- a. defined benefit plans such as gratuity and
- b. defined contribution plans such as provident fund

**a. Gratuity obligations**

**Defined Benefit Plans:**

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

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

**Defined contribution plan**

The Company pays provident fund to Employee Provident Fund Account as per Employees Provident Fund Act, 1952. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

**(iv) Bonus plans**

The Company recognizes a liability and an expense for bonuses. The Company recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

**P. Dividends:**

Provision is made for any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

**Q. Earnings Per Share:**

**(i) Basic earnings per share**

Basic earnings per share is calculated by dividing:

Profit attributable to owners of the Company

Weighted Average Number of Equity Shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares (note 37).



**(ii) Diluted earnings per share**

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

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

**4. Property, Plant and Equipment and Capital Work in Progress (Rs. in Thousands)**

Cost or deemed cost	Land and Buildings	Right of Use Asset	Plant and Equipment	Furniture and Fixtures	Office Equipment	Electrical Installations & Equipment	Tooling and Fixtures	Computers	Total
<b>Balance as at 31st March, 2018</b>	<b>1,06,057</b>	<b>-</b>	<b>19,338</b>	<b>5,772</b>	<b>1,115</b>	<b>391</b>	<b>444</b>	<b>3,917</b>	<b>1,37,034</b>
Additions	-	-	2,818	1,300	328	-	-	1,023	5,469
Disposals	-	-	(3,803)	-	-	-	-	-	(3,803)
<b>Balance as at 31st March, 2019</b>	<b>1,06,057</b>	<b>-</b>	<b>18,353</b>	<b>7,072</b>	<b>1,443</b>	<b>391</b>	<b>444</b>	<b>4,940</b>	<b>1,38,700</b>
Additions	-	29,266	2,878	98	-	-	-	240	32,482
Disposals	-	-	-	-	-	-	-	-	-
<b>Balance as at 31st March, 2020</b>	<b>1,06,057</b>	<b>29,266</b>	<b>21,231</b>	<b>7,170</b>	<b>1,443</b>	<b>391</b>	<b>444</b>	<b>5,180</b>	<b>1,71,182</b>

Accumulated depreciation	Land and Buildings	Right of Use Asset	Plant and Equipment	Furniture and Fixtures	Office Equipment	Electrical Installations & Equipment	Tooling and Fixtures	Computers	Total
<b>Balance as at 31st March, 2018</b>	<b>8,149</b>	<b>-</b>	<b>4,118</b>	<b>848</b>	<b>442</b>	<b>327</b>	<b>156</b>	<b>934</b>	<b>14,974</b>
Depreciation expense	3,215	-	3,132	475	272	28	41	731	7,894
Eliminated on disposals of assets	-	-	(3,803)	-	-	-	-	-	(3,803)
<b>Balance as at 31st March, 2019</b>	<b>11,364</b>	<b>-</b>	<b>3,447</b>	<b>1,323</b>	<b>714</b>	<b>355</b>	<b>197</b>	<b>1,665</b>	<b>19,065</b>
Depreciation expense	2,643	9,821	3,173	566	123	12	34	875	17,247
Eliminated on disposals of assets	-	-	-	-	-	-	-	-	-
<b>Balance as at 31st March, 2020</b>	<b>14,007</b>	<b>9,821</b>	<b>6,620</b>	<b>1,889</b>	<b>837</b>	<b>367</b>	<b>231</b>	<b>2,540</b>	<b>36,312</b>

Carrying amount/Net block	Land and Buildings	Right of Use Asset	Plant and Equipment	Furniture and Fixtures	Office Equipment	Electrical Installations & Equipment	Tooling and Fixtures	Computers	Total
<b>Balance as at 31st March, 2018</b>	<b>97,908</b>		<b>15,220</b>	<b>4,924</b>	<b>673</b>	<b>64</b>	<b>288</b>	<b>2,983</b>	<b>1,22,060</b>
<b>Balance as at 31st March, 2019</b>	<b>94,693</b>	<b>-</b>	<b>14,906</b>	<b>5,749</b>	<b>729</b>	<b>36</b>	<b>247</b>	<b>3,275</b>	<b>1,19,635</b>
<b>Balance as at 31st March, 2020</b>	<b>92,050</b>	<b>19,445</b>	<b>14,611</b>	<b>5,281</b>	<b>606</b>	<b>24</b>	<b>213</b>	<b>2,641</b>	<b>1,34,870</b>

**Footnotes:**

1. No Property, Plant and Equipment were pledged as security for liabilities during any part of current and comparative period
2. No Borrowing Costs is Capitalised during the current and comparative period
3. No Impairment Loss is Recognised during the current and comparative period

**5. Intangible assets**

Cost or deemed cost	Product Registration	SAP Software	Total
<b>Balance as at 31st March, 2018</b>	<b>5,293</b>	<b>16</b>	<b>5,309</b>
Additions	881	1,310	2,191
Disposals	-	-	-
<b>Balance as at 31st March, 2019</b>	<b>6,174</b>	<b>1,326</b>	<b>7,500</b>
Additions	49	948	997
Disposals	-	-	-
<b>Balance as at 31st March, 2020</b>	<b>6,223</b>	<b>2,274</b>	<b>8,497</b>

Accumulated amortisation	Product Registration	SAP Software	Total
<b>Balance as at 31st March, 2018</b>	<b>1,159</b>	<b>5</b>	<b>1,164</b>
Depreciation expense	1,016	15	1,031
Eliminated on disposals of assets	-	-	-
<b>Balance as at 31st March, 2019</b>	<b>2,175</b>	<b>20</b>	<b>2,195</b>
Depreciation expense	1,193	406	1,599
Eliminated on disposals of assets	-	-	-
<b>Balance as at 31st March, 2020</b>	<b>3,368</b>	<b>426</b>	<b>3,794</b>

Carrying amount	Product Registration	SAP Software	Total
<b>Balance as at 31st March, 2018</b>	<b>4,134</b>	<b>11</b>	<b>4,145</b>
<b>Balance as at 31st March, 2019</b>	<b>3,999</b>	<b>1,306</b>	<b>5,305</b>
<b>Balance as at 31st March, 2020</b>	<b>2,855</b>	<b>1,848</b>	<b>4,703</b>

**Footnotes:**

1. No Borrowing Costs is Capitalised during the current and comparative period
2. No Impairment Loss is Recognised during the current and comparative period

**6 GOODWILL**

Particulars	As at 31.03.2020	As at 31.03.2019
Goodwill on Consolidation of Acrastyle Limited, UK	2,50,930	2,99,543
Goodwill on Consolidation of S&S Power Switchgear Equipment Limited	15,354	15,354
<b>TOTAL</b>	<b>2,66,284</b>	<b>3,14,897</b>

**7 NON CURRENT FINANCIAL ASSETS - LOANS**

Particulars	As at 31.03.2020	As at 31.03.2019
<b>Unsecured, considered good</b>		
Earnest Money Deposits	2,623	2,878
Security Deposits	1,727	1,849
Other Deposits	246	242
Deposits against leased premises	5,692	4,984
Less: Provision for doubtful deposits	(3,733)	(3,378)
<b>TOTAL</b>	<b>6,555</b>	<b>6,575</b>

**8 DEFERRED TAX ASSETS (NET)**

Particulars	As at 31.03.2020	As at 31.03.2019
Deferred Tax Asset	14,854	10,844
Deferred Tax Liabilities:		
On account of accounting interest income from ASL UK on cash basis	(9,981)	(8,112)
<b>TOTAL</b>	<b>4,873</b>	<b>2,732</b>

**9 OTHER NON CURRENT ASSETS**

Particulars	As at 31.03.2020	As at 31.03.2019
<b>Unsecured, considered good</b>		
Prepaid Lease rent	-	1,381
<b>TOTAL</b>	<b>-</b>	<b>1,381</b>

**10 Non Current Tax Assets (Net)**

Particulars	As at 31.03.2020	As at 31.03.2019
Advance Income Tax (Net) - Non Current	4,992	-
<b>TOTAL</b>	<b>4,992</b>	<b>-</b>

**11 INVENTORIES**

Particulars	As at 31.03.2020	As at 31.03.2019
Raw materials and components	1,27,770	72,330
Work in progress	65,653	45,606
Raw materials in Transit	-	-
<b>TOTAL</b>	<b>1,93,423</b>	<b>1,17,936</b>

"No inventories were pledged as security for liabilities during the current and comparable period. Nil amount of inventories were written down to net realisable value during the current and comparable period. Similarly, Nil amount of reversal of write down was accounted during the current and comparable periods"

**12 TRADE RECEIVABLES**

Particulars	As at 31.03.2020	As at 31.03.2019
Unsecured, considered good	2,69,135	3,15,097
Unsecured, considered doubtful	71,421	71,065
Allowance for bad and doubtful debts using ECL model	(89,937)	(84,250)
<b>TOTAL</b>	<b>2,50,619</b>	<b>3,01,912</b>

**13 CASH & CASH EQUIVALENTS**

Particulars	As at 31.03.2020	As at 31.03.2019
i) Balance with Banks - In current accounts	7,599	8,925
ii) Cash on hand	448	402
<b>TOTAL</b>	<b>8,047</b>	<b>9,327</b>

**14 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS**

Particulars	As at 31.03.2020	As at 31.03.2019
<u>Balances with banks</u>		
i) In Other deposits accounts and earmarked accounts (Original maturity more than 3 months and less than 12 months)	21,741	15,824
<b>TOTAL</b>	<b>21,741</b>	<b>15,824</b>

**Note:**

\*\* No Bank Guarantee for the year and previous year, all amounts pertain to Fixed deposits

**15 CURRENT FINANCIAL ASSETS - LOANS**

Particulars	As at 31.03.2020	As at 31.03.2019
<b>(Unsecured, considered good, unless stated otherwise)</b>		
Inter corporate deposits	-	-
Loan to Employees	5	52
<b>TOTAL</b>	<b>5</b>	<b>52</b>

**16 CURRENT TAX ASSETS**

Particulars	As at 31.03.2020	As at 31.03.2019
Advance income tax (net of provisions)	11,850	11,847
<b>TOTAL</b>	<b>11,850</b>	<b>11,847</b>

**17 OTHER CURRENT ASSETS**

Particulars	As at 31.03.2020	As at 31.03.2019
-Advance to suppliers	19,627	15,696
Less: Provision for doubtful advances	(2,752)	(600)
-Advance to employees	1,470	526
Less: Provision on Advance to Employees	(657)	-
-Advance to related parties	-	1
Balance with statutory authorities	23,357	17,958
Export Incentives Receivable	1,882	3,368
Prepaid Expenses	829	-
Other receivables	25,573	32,848
<b>TOTAL</b>	<b>69,329</b>	<b>69,797</b>

**18 Equity share capital**

Particulars	As at 31.03.2020	As at 31.03.2019
<b>Authorised:</b>		
10,000,000 (31.03.2017: 10,000,000, 01.04.2016: 10,000,000) Equity Shares of Rs 10 each	1,00,000	1,00,000
1,000,000 (31.03.2017: 1,000,000, 01.04.2016: 1,000,000) Preference Shares of Rs 100 each	1,00,000	1,00,000
<b>TOTAL</b>	<b>2,00,000</b>	<b>2,00,000</b>
<b>Issued:</b>		
6,200,108 (31.03.2017: 6,200,108 and 01.04.2016: 6,200,108) Equity Shares of Rs 10 each	62,001	62,001
<b>Subscribed and Paid up:</b>		
6,200,000 (31.03.2017: 6,200,000 and 01.04.2016: 6,200,000) Equity Shares of Rs 10 each	62,000	62,000
<b>TOTAL</b>	<b>62,000</b>	<b>62,000</b>

**Notes:**

Reconciliation of number of shares outstanding at the beginning and end of the year:

Authorised share capital:	No of Shares	Amount
<b>Balance as at 31st March, 2019</b>	<b>100000000</b>	<b>10,00,000</b>
Add / (Less): Changes during the year	-	-
<b>Balance as at 31st March, 2020</b>	<b>100000000</b>	<b>10,00,000</b>

Issued, Subscribed and Paid up share capital:	No of shares	Amount
<b>Balance as at 31st March, 2019</b>	<b>62000000</b>	<b>6,20,000</b>
Add / (Less): Changes during the year		
<b>Balance as at 31st March, 2020</b>	<b>62000000</b>	<b>6,20,000</b>

#### 18.1 Terms / rights attached to Equity Shares:

The Group has only one class of equity shares having a par value of Rs. 100/-. Each holder of equity shares is entitled to one vote per share. The Group declares and pays dividends if any, in Indian rupees. The dividend proposed, if any, by the Board of Directors is subject to the approval of the Shareholders at the ensuing Annual General Meeting, except in case of interim dividend.

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

During the 5 years immediately preceding the balance sheet date, there were no equity shares allotted as fully paid up pursuant to contract without payment being received in cash, no bonus shares were issued and there was no buy-back of equity shares of the company

#### 18.2 Details of shares held by each shareholder holding more than 5% shares in the Company:

Equity share of Rs.100 each fully paid up with voting rights	Number of Fully paid Equity shares	% Holding
<u>Hamilton &amp; Company Limited</u>		
As at 31st March, 2019	223030000	35.97%
<b>As at 31st March, 2020</b>	<b>223030000</b>	<b>35.97%</b>

#### 19 Other equity

Particulars	As at 31.03.2020	As at 31.03.2019
General reserve	47,812	47,812
Securities Premium	1,84,000	1,84,000
Retained earnings	(3,42,117)	(2,18,396)
Foreign currency translation reserve	48,567	49,269
<b>Total</b>	<b>(61,738)</b>	<b>62,685</b>

19.1 General reserve	As at 31.03.2020	As at 31.03.2019
Balance at beginning of year	47,812	47,812
Add/(Less): Movement during the year	-	-
<b>Balance as at end of year</b>	<b>47,812</b>	<b>47,812</b>

19.2 Securities Premium	As at 31.03.2020	As at 31.03.2019
Balance at beginning of year	1,84,000	1,84,000
Add/(Less): Movement during the year	-	-
<b>Balance as at end of year</b>	<b>1,84,000</b>	<b>1,84,000</b>

19.3 Foreign currency translation reserve	As at 31.03.2020	As at 31.03.2019
Balance at beginning of year	49,269	53,728
Add: Transfer from Retained earnings	(702)	4,459
<b>Balance as at end of year</b>	<b>48,567</b>	<b>49,269</b>

19.4 Retained earnings	As at 31.03.2020	As at 31.03.2019
Balance at beginning of year	(2,18,397)	(1,82,070)
Add: Profit for the year	(1,42,992)	(20,630)
Other Comprehensive Income	25,597	(18,290)
Transfer to non-controlling interest	3,539	4,458
Other movements in the reserve	(9,865)	(1,865)
<b>Balance as at end of year</b>	<b>(3,42,118)</b>	<b>(2,18,397)</b>

**20 Other Financial Liabilities - Non Current:**

Particulars	As at 31.03.2020	As at 31.03.2019
Lease Liability under AS 116	10,130	-
<b>Total</b>	<b>10,130</b>	<b>-</b>

**21 PROVISIONS - NON CURRENT**

Particulars	As at 31.03.2020	As at 31.03.2019
Provision for employee benefits	2,04,893	2,30,713
Provision for Customs Duty on Malaysian Exports	17,247	17,247
<b>Total</b>	<b>2,22,140</b>	<b>2,47,960</b>

**22 BORROWINGS**

Particulars	As at 31.03.2020	As at 31.03.2019
Bills discounted with bank	19,357	25,326
Dues to Related Parties	1,92,149	2,67,118
Other Intercompany Deposits	7,534	6,857
<b>Total</b>	<b>2,19,040</b>	<b>2,99,301</b>

**23 TRADE PAYABLES**

Particulars	As at 31.03.2020	As at 31.03.2019
Dues to Micro and Small enterprises	7,517	5,688
Dues to Others	3,14,468	2,61,375
<b>Total</b>	<b>3,21,985</b>	<b>2,67,063</b>

**24 Other Financial Liabilities - Current:**

Particulars	As at 31.03.2020	As at 31.03.2019
Lease Liability under AS 116	8,990	-
Dues to Related Parties	1,45,834	-
<b>Total</b>	<b>1,54,825</b>	<b>-</b>

**25 PROVISIONS**

Particulars	As at 31.03.2020	As at 31.03.2019
Provision for employee Benefits-Current	340	556
Provision for bonus and ex-gratia	757	643
<b>Total</b>	<b>1,097</b>	<b>1,199</b>

**26 OTHER CURRENT LIABILITIES**

Particulars	As at 31.03.2020	As at 31.03.2019
Employee dues	6,117	4,774
Statutory Dues	4,272	6,256
Revenue received in advance	5,566	968
Other Liabilities	20,111	12,166
Bank overdraft	3,360	2,500
Rental Deposits	150	150
<b>Total</b>	<b>39,576</b>	<b>26,814</b>



**27 REVENUE FROM OPERATIONS:**

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Sale of Products	9,13,800	10,28,530
<b><u>Other Operating Revenue</u></b>		
Income from Engineering services	3,126	5,930
Export Incentive	-	-
<b>Revenue from operations</b>	<b>9,16,926</b>	<b>10,34,460</b>

**Notes on Revenue:**

	31.03.2020	31.03.2019
<b>India Revenue</b>	<b>*3,24,490</b>	<b>*4,96,643</b>
<b>UK Revenue</b>	<b>5,92,436</b>	<b>5,37,817</b>
<b>TOTAL</b>	<b>9,16,926</b>	<b>10,34,460</b>

\* Adjusted Inter segment revenue

**28 OTHER INCOME:**

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
<b>a) Sale of services:</b>		
Corporate shared services	-	6,859
<b><u>a) Interest Income</u></b>		
i) Interest income (Refer note (i) below)	-	-
ii) Interest income earned on financial assets that are not designated as at FVTPL:	-	763
~ Bank deposits	1,438	1,077
~ Inter corporate Loans and advances	-	33
~ Others	1,493	-
~ Export Incentive - Others	3,396	-
<b>b) Other non-operating Income (Net of expenses directly attributable to such income)</b>	-	-
Interest income on Fair valuation of lease deposits	707	333
Rental income	363	330
Sundry Creditors balance written back	-	222
<b>c) Other gains and losses</b>		
Net gains/(loss) on disposal of property, plant and equipment	-	10,545
Net gains/(loss) on foreign currency transactions and translation	6,408	4,576
<b>TOTAL</b>	<b>13,805</b>	<b>24,738</b>

**29 COST OF RAW MATERIAL AND PACKING MATERIAL CONSUMED**

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Opening Stock of Raw and packing material	72,330	66,985
Add: Purchases	6,51,450	6,32,453
Less: Closing Stock of Raw and packing material	(1,27,770)	(72,330)
<b>TOTAL</b>	<b>5,96,010</b>	<b>6,27,108</b>

**30 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS**

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
<u>Inventories at the beginning of the year:</u>		
Work-in-progress	45,606	61,527
<u>Inventories at the end of the year:</u>		
Work-in-progress	(65,653)	(45,606)
<b>Net (Increase)/decrease</b>	<b>(20,047)</b>	<b>15,921</b>

**31 EMPLOYEE BENEFIT EXPENSES**

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Salaries, wages and bonus (including managerial remuneration)	2,38,334	2,49,043
Contribution to provident and other funds	45,769	10,067
Contribution to gratuity funds	2,208	28,324
Staff welfare expenses	6,281	6,201
<b>TOTAL</b>	<b>2,92,592</b>	<b>2,93,635</b>

**32 FINANCE COSTS:**

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Interest Expenses on:		
Borrowings	30,208	24,553
Bill Discounting Interests	1,673	420
Interest Income on Fair valuation of Lease deposits	5,387	-
Other (includes fees charged by banks for renewal of sanctioned limits, lead bank charges, etc.)	-	205
<b>TOTAL</b>	<b>37,268</b>	<b>25,178</b>

**33 DEPRECIATION AND AMORTISATION EXPENSES:**

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Depreciation and Amortisation Expenses	18,846	8,925
<b>TOTAL</b>	<b>18,846</b>	<b>8,925</b>

**34 OTHER EXPENSES:**

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Consumption of stores and spares	6,688	9,429
Power, fuel and water	7,160	4,985
Freight and Forwarding	3,457	5,164
Postage and Telegram	467	720
Rent	-	11,360
Rates and Taxes	5,640	3,920
Insurance	4,220	4,297
Repairs and Maintenance-Building	1,105	2,108
Repairs and Maintenance-Machinery	607	1,057
Repairs and Maintenance-Others	6,739	4,235
Legal and Professional charges	10,310	15,800
Sitting fess and commission to non executive	3,285	175
Printing and Stationery	2,227	2,004
Commission	344	3,863
Sales promotion expenses	1,353	2,375
Cash Discount	-	4,183
Payment to auditors	2,811	2,389
Travelling and Conveyance Expenses	12,554	16,526
Listing Fees	1,796	2,974
Communication Expenses	2,226	1,181
Donations	-	3
Consultancy Charges	10,038	3,593
Research and development cost	-	262
Bank Charges	1,866	2,046
Bad debts written off/Expected Credit Loss	8,256	2,651
Miscellaneous Expenses	12,785	18,525
<b>TOTAL</b>	<b>1,05,934</b>	<b>1,25,825</b>

**Foot Note**

<b>Payment to Auditors</b>	<b>2,811</b>	<b>2,389</b>
For Audit	2,588	2,114
For Tax Audit	180	150
For Reimbursement of Expenses	43	125

**35 Related party disclosures**

Particulars		Ownership Interest	
		31.03.2020	31.03.2019
<b>1. Relationships:</b>			
<b>a) Key Managerial Personnel (KMP):</b>			
Mr. Ashish Sushil Jalan	Chairman		
Mr. Ashok Kumar Vishwa Karma	Managing Director		
Mr. Gokulananda Sahu	Company Secretary		
Ms. Nithya Kamaraj (up to 28 <sup>th</sup> June 2019)	Company Secretary		
Mrs. Selvi Narasimman	Chief Financial Officer		

Particulars		Ownership Interest	
		31.03.2020	31.03.2019
<b>b) Relatives of KMP:</b>			
Mr. Sushil Jalan	Father of Mr. Ashish Sushil Jalan		
Mrs. Rekha Jalan	Mother of Mr. Ashish Sushil Jalan		
<b>c) Enterprise over which KMP or relative has significant influence:</b>			
Bombay Gas Holdings and Investments Private Limited	Private company in which the APIL's directors is member		
Hamilton Research and Technology Private Limited	Private company in which the APIL's directors is member		
Bombay Gas Company Limited	Public Company in which the APIL's director is also a director		
RPIL Signalling Systems Limited	Public Company in which the APIL's director is also a director		
Hamilton & Company Limited	Public company in which director holds > 2%		

**2. Transactions carried out with related parties referred in 1 above,  
in ordinary course of business:**

(Rs. in Thousands)

Nature of transactions	Related parties		
	Referred in 1(a) above	Referred in 1(b) above	Referred in 1(c) above
<b>Sales:</b>			
Goods, Materials and Services	- (-)	300 (270)	- (-)
<b>Reimbursement of expenses:</b>	567 (766)	- (-)	- (-)
<b>Purchases/Other services:</b>	900 (-)	- (-)	- (-)
<b>Remuneration:</b>	12,833 (3,216)	- (-)	- (-)
<b>Directors sitting fees:</b>	- (30)	- (-)	- (-)
<b>Loans and Advances received:</b>	- (-)	- (-)	1,30,500 (32,000)
<b>Interest income:</b>	- (-)	- (-)	9,241 (-)

Nature of transactions	Related parties		
	Referred in 1(a) above	Referred in 1(b) above	Referred in 1(c) above
Interest expenses:	- (-)	- (-)	3,160 (21,646)

Previous year's figures are in ( )

### 3 Balances outstanding

(Rs. in Thousands)

Nature of outstanding balances	As at 31.03.2020	As at 31.03.2019
<b>Investments:</b>		
Subsidiaries	1,87,420	1,87,420
<b>Trade and Other receivables:</b>		
Subsidiaries	28,111	1,44,801
<b>Trade and other payables:</b>		
Subsidiaries	32,728	364
KMP	1,059	3,216
Entity over which KMP has significant influence	1,47,275	1,32,534

### 36 Earnings per share (EPS)

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

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

#### (i) Profit attributable to Equity holders of Company

(Rs. in Thousands)

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
Profit attributable to equity holders of the Company for Basic and Diluted earnings per share	(1,53,717)	(36,606)

#### (ii) Weighted average number of ordinary shares

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
Number of issued equity shares at 1st April	62,00,000	62,00,000
Nominal value per share	10	10
<b>Weighted average number of shares at 31st March for basic and diluted earnings per shares</b>	<b>6,20,00,000</b>	<b>6,20,00,000</b>
<b>Basic Earnings Per Share (in Rs)</b>	<b>(24.79)</b>	<b>(5.90)</b>

### 37 Employee benefits

#### [A] Defined contribution plans:

The Company makes contributions towards provident fund to defined contribution retirement benefit plan for qualifying employees. The provident fund contributions are made to Government administered Employees

Provident Fund. Both the employees and the Company make monthly contributions to the Provident Fund Plan equal to a specified percentage of the covered employee's salary.

**[B] Defined benefit plan:**

The Company makes annual contributions to Employees' Gratuity Fund which is administered by The Trustees of the fund, the board of trustees decide about the further investment of the corpus available to be invested in mutual funds or government securities. for any reason if the return on investment is lesser than the contribution required to be made as per actuarial valuation such deficiency shall be made good by the company. Having regard to the assets of the gratuity fund and the return on the investment the company does not expect any deficiency as at the year end. The scheme provides for payment to vested employees as under:

- i. On normal retirement / early retirement / withdrawal / resignation: As per the provisions of Payment of Gratuity Act, 1972 with vesting period of 5 years of service.
- ii. On death in service: As per the provisions of Payment of Gratuity Act, 1972 without any vesting period.

**Investment risk:**

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create plan deficit.

**Interest risk:**

A decrease in the bond interest rate will increase the plan liability; however, this will be partially off set by an increase in the plan assets.

**Longevity risk:**

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

**Salary risk:**

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at 31st March, 2020

(Rs. in Thousands)

a) Changes in present value of obligations (PVO)	Gratuity - Funded as on	
	31.03.2020	31.03.2019
PVO at the beginning of the year	10,536	8,206
Adjustment to opening present value obligations	-	798
Interest cost	771	-
Current service cost	1,509	1,546
Benefits paid	(493)	(625)
Actuarial (Gains)/Losses	(1,341)	611
<b>PVO at the end of the year</b>	<b>10,982</b>	<b>10,536</b>
b) Fair value of plan assets:	Gratuity - Funded as on	
	31.03.2020	31.03.2019
Fair value of plan assets at the beginning of the year	1,226	653
Adjustment to opening fair value of plan assets	(15)	-
Return on plan assets	71	(73)
Other (charges) / income	-	74
Contributions by the employer	-	1,197
Benefits paid	(493)	(625)
<b>Fair value of plan assets at the end of the year</b>	<b>789</b>	<b>1,226</b>

c) Amount to be recognised in the balance sheet:	Gratuity - Funded as on	
	31.03.2020	31.03.2019
PVO at the end of period	10,982	10,536
Fair value of planned assets at end of year	789	1,226
Funded status	(10,193)	(9,310)
<b>Net asset/(liability) recognised in the balance sheet</b>	<b>(10,193)</b>	<b>(9,310)</b>
d) Expense recognised in the statement of profit or loss:	Gratuity - Funded as on	
	31.03.2020	31.03.2019
Current service cost	1,545	1,546
Net interest	71	(74)
Return on plan assets	(71)	73
Adjustment to opening fair value of plan assets	-	-
<b>Expense recognised in the statement of profit or loss</b>	<b>1,545</b>	<b>1,545</b>
e) Other comprehensive income (OCI):	Gratuity - Funded as on	
	31.03.2020	31.03.2019
Actuarial (Gain)/Loss recognised for the period	(1,326)	611
<b>Total actuarial (Gain)/Loss recognised in OCI</b>	<b>(1,326)</b>	<b>611</b>
f) Actual return on the plan assets:	Gratuity - Funded as on	
	31.03.2020	31.03.2019
	71	(73)
g) Asset information:	Gratuity - Funded as on	
	31.03.2020	31.03.2019
Total amount	789	1,226
Gratuity fund (Trustee of the Company)	100.00%	100.00%

### 38 Tax Expenses:

#### (a) Amount recognised in profit and loss:

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
<b>Deferred Tax Expenses:</b>		
Tax Expenses/Income recognised in income statement	3,401	788
<b>Tax Expenses/Income recognised in income statement</b>	<b>3,401</b>	<b>788</b>

#### (b) Amount recognised in other comprehensive income

Particulars	For the year ended 31.03.2020			For the year ended 31.03.2019		
	Before Tax	Tax (Expenses) Benefits	Net of Tax	Before Tax	Tax (Expenses) Benefits	Net of Tax
<b>Items that will not be reclassified to profit or loss</b>						
Remeasurements of the defined benefit plans	35,283	(345)	34,938	(24,356)	227	(24,129)



Particulars	For the year ended 31.03.2020			For the year ended 31.03.2019		
	Before Tax	Tax (Expenses) Benefits	Net of Tax	Before Tax	Tax (Expenses) Benefits	Net of Tax
Fair value adjustments on business combination	-	-	-	-	-	-
Exchange differences in translating the financial statement of foreign subsidiaries	2,936	-	2,936	(2,671)	-	(2,671)
	<b>38,219</b>	<b>(345)</b>	<b>37,875</b>	<b>(27,027)</b>	<b>227</b>	<b>(26,800)</b>

**(C) Reconciliation of effective tax rate:**

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
	Rs. in Thousands	Rs. in Thousands
Profit before tax	(1,53,717)	(36,606)
Tax using the company's domestic tax rate	39,966	9,518
<b>Tax effect of:</b>		
Deferred Tax asset not recognised in view of continued accumulated losses	(36,565)	(8,730)
<b>Total</b>	<b>3,401</b>	<b>788</b>

**39 Financial instruments**
**A. Capital Management:**

The Company's policy is to maintain a strong capital base so as to ensure that the Company is able to continue as going concern to sustain future development of the business. The Company monitors the return on capital as well as the level of dividends to ordinary shareholders.

**Its guiding principles**

- (i) Maintenance of financial strength to ensure the highest ratings;
- (ii) Ensure financial flexibility and diversify sources at financing;
- (iii) Manage Company exposure in forex to mitigate risks to earnings;
- (iv) Leverage optimally in order to maximum shareholders returns while maintaining strength and flexibility of the balance sheet.

The policy is also adjusted based on underlying macro-economic factors affecting business environment, financial and market conditions.

The gearing ratio at the end of the reporting period are as under:

Particulars	Rs. In Thousands	
	As at 31.03.2020	As at 31.03.2019
Total Borrowings	2,19,040	2,99,301
Less: Cash and cash equivalent	8,047	9,327
Adjusted net debt	2,10,993	2,89,974
Total equity	8,498	1,34,883
<b>Adjusted Net debt to Adjusted Equity ratio</b>	<b>24.83</b>	<b>2.15</b>

**B. Valuation:**

All financial instruments are initially recognised and subsequently re-measured at fair value as described below:

- (i) The fair value of investment in quoted Equity shares, Bonds, Government Securities and Mutual funds is measured at quoted price or NAV
- (ii) The fair value of Forward Foreign Exchange contracts is determined using forward exchange rates at the balance sheet date.
- (iii) All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.
- (iv) The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

**C. Fair value measurement hierarchy:**

(Rs. in Thousands)

Particulars	Fair Value hierarchy	As at 31.03.2020	As at 31.03.2019
		Carrying amount	Carrying amount
<b>Financial assets</b>			
<b>At FVTPL</b>			
<b>Level 1</b>			
<b>At FVTOCI</b>		<b>Nil</b>	<b>Nil</b>
<b>At Amortised cost</b>			
Trade receivables		2,50,619	3,01,912
Cash and cash equivalents		8,047	9,327
Bank balances other than above		21,741	15,824
Other financial assets		5	52
<b>Financial liabilities</b>			
<b>At Amortised cost</b>			
Borrowings		2,19,040	2,99,301
Trade payables		3,21,986	2,67,063

The financial instruments are categorised into three levels based on the inputs used to arrive at fair value measurements as described below:

- i. **Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices.
- ii. **Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. In the case of the mutual funds are valued using the closing NAV. In the case of Derivative contracts, the Company has valued the same using the forward exchange rate as at the reporting date.
- iii. **Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3. The Company owns unlisted equity shares in companies, which are non-profit companies providing facilities for treating effluents generated during its manufacturing process. In the absence of any observable market data in relation to the said companies, the same have been categorised as Level 3. Considering the objective of investment and materiality, its fair value has been considered same as cost as at the reporting date.

**40 Financial risk management**
**Risk management framework**

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

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

The audit committee oversees how the management monitors compliance with the Company's risk management policies, procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

The Company has exposure to the following risks arising from financial instruments:

- A) Credit risk;
- B) Liquidity risk;
- C) Market risk; and
- D) Interest rate risk

#### **A. Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and investment in debt securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful trade receivables and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

Trade and other receivables

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

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

- (i) Actual or expected significant adverse changes in business;
- (ii) Actual or expected significant changes in the operating results of the counterparty;
- (iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations;
- (iv) Significant increase in credit risk on other financial instruments of the same counterparty;
- (v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

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

The Company measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends.

Ageing of Trade receivables	(Rs. in Thousand)	
	As at 31.03.2020	As at 31.03.2019
0-3 months	1,39,501	2,41,825
3-6 months	15,828	1,32,806
6 months to 12 months	92,157	2,269
beyond 12 months	93,069	9,262
Allowance for doubtful trade receivables (Expected credit loss allowance)	(89,937)	(84,250)
<b>Total</b>	<b>2,50,618</b>	<b>3,01,912</b>

Financial Assets are considered to be of good quality and there is no significant increase in credit risk.

#### Loans

In the case of loans to employees, the same is managed by establishing limits. (Which in turn based on the employees' salaries and number of years of service put in by the concern employee)

#### Cash and cash equivalents

The Company held cash and cash equivalents of Rs. 8047 at 31st March 2020 (31st March 2019 Rs: 9327) The cash and cash equivalents are held with bank and financial institution counterparties with good credit ratings.

#### B. Liquidity risk

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

#### Exposure to liquidity risk

(Rs. in Thousands)

Particulars	31.03.2020			31.03.2019		
	Carrying amount	Contractual cash flows		Carrying amount	Contractual cash flows	
		Up to 1 year	More than 1 year		Up to 1 year	More than 1 year
<b>Non-derivative financial liabilities</b>						
Current borrowings	2,19,040	2,19,040	-	2,99,301	2,99,301	-
Trade and other payables	3,21,986	3,21,986	-	2,67,063	2,67,063	-
	<b>5,41,026</b>	<b>5,41,026</b>	<b>-</b>	<b>5,66,364</b>	<b>5,66,364</b>	<b>-</b>

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

(Rs. in Thousands)

Particulars	31.03.2020			31.03.2019		
	Carrying amount	Contractual cash flows		Carrying amount	Contractual cash flows	
		Up to 1 year	More than 1 year		Up to 1 year	More than 1 year
<b>Non-derivative financial assets</b>						
Trade receivables	2,50,619	2,50,619	-	3,01,912	3,01,912	-
Cash and cash equivalents	8,047	8,047	-	9,327	9,327	-

Particulars	31.03.2020			31.03.2019		
	Carrying amount	Contractual cash flows		Carrying amount	Contractual cash flows	
		Up to 1 year	More than 1 year		Up to 1 year	More than 1 year
Bank balances other than above	21,741	21,741	-	15,824	15,824	-
Loans and advances	5	5	-	52	52	-
Other financial assets						
	<b>2,80,413</b>	<b>2,80,413</b>	<b>-</b>	<b>3,27,115</b>	<b>3,27,115</b>	<b>-</b>

### C. Market Risk:

Market Risk is a risk that changes in market prices-such as foreign exchange rates , interest rates and equity prices will the affect the income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control risk

#### Currency risk

The Group undertakes transactions denominated in foreign currencies, consequently exposes to exchange rate fluctuations. The carrying amount of the group's foreign currency denominated monetary assets and monetary liability are as follows:

(USD/INR in Thousands)

Particulars	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019
	USD		GBP		INR	
<b>1.Financial Asset:</b>						
Trade Receivables	-	570	1,062	37	98,824	42,318
<b>2.Financial Liability:</b>						
Trade Payables	-	-	670	-	55,760	-
<b>Net Exposure (Asset-Liability)</b>	<b>-</b>	<b>570</b>	<b>1,732</b>	<b>37</b>	<b>1,54,584</b>	<b>42,318</b>

### Foreign Currency sensitivity Analysis:

The Group is mainly exposed to the currency: USD and also EURO

The following table details the group's sensitivity to 15% increase and decrease in the rupee against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. This is mainly attributable to the net exposure outstanding on receivables or payables in the group at the end of the reporting period. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rate. A positive number below indicates increase in the profit or equity where the rupee strengthens 5% against the relevant currency. For a 5% weakening of the rupee against the relevant currency, there would be comparable impact on the profit or equity, and the balance below would be negative.

### Impact on Profit or loss and Total Equity:

(Rs. in Thousands)

Particulars	USD Impact		EURO Impact	
	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019
Increase in exchange rate by 5%	-	2,116	4,957	2
Decrease in exchange rate by 5%	-	(2,116)	(4,957)	(2)

**D. Interest Rate risk:**

There is no material interest risk relating to the company's financial liabilities

**41 Capital Commitments**

(Rs. in Thousands)

Particulars	31.03.2020	31.03.2019
Estimated amount of contracts remaining to be executed on capital account and not provided for Against which advance paid	Nil	Nil

**42 Contingent liabilities and pending proceedings**
**I. Contingent liabilities**

(Rs. in Thousands)

Particulars	31.03.2020	31.03.2019
1. Other contingent liabilities		
a) For the non-redemption of the advance licenses, consequent interest and penalty in the event of the appeals of the company made by way of writ petitions being decided against the company / the application made with the Grievance redressal committee being turned down. Further the company has represented before the Ministry of Commerce for redressal of grievance through appropriate directions to Director General of Foreign Trade. The Grievance redressal committee appreciating the genuine hardships faced by the company directed us to approach DGFT for closure. We have been following with DGFT for resolution and do not foresee any additional liability on account of penalties and interest.  The Company has already fully provided for 100% of the customs duty benefit availed on the advance license.	Amount unascertained in respect of interest and penalty	Amount unascertained in respect of interest and penalty
b) For Asst. year 2007-08, Department has filed an appeal against the CIT(A)'s order directing the deletion of addition made representing waiver of principal portion of loans from banks and financial institutions and the consequential tax demand is Rs. 9,298/- The said appeal is pending as at the reporting date.	9,298	9,298

**Note**

The Company is a party to various legal proceedings in the normal course of business and does not expect the outcome of these proceedings to have any material adverse effect on its financial conditions, results of operations or cash flows. Further, claims by parties in respect of which the Management have been legally advised that the same are frivolous and not tenable, have not been considered as contingent liabilities as the possibility of an outflow of resources embodying economic benefit is highly remote.

There are numerous interpretative issues relating to the Supreme Court (SC) Judgement on PF dated 28th February 2019. The Group will update its provision, on receiving further clarity on the subject.

In respect of the items above, further cash outflows in respect of contingent liabilities are determinable only on receipt of judgements/decisions pending at various forums/authority. The Group does not expect the outcome of matters stated above to have a material adverse effect on the Group's financial conditions, result of operations or cash flows.

**43 Segment information**
**a. Products and services from which reportable segments derive their revenues**

Information reported to the chief operating decision maker (CODM) for the purpose of resources allocation and assessment of segment performance focuses on the types of goods or services delivered or provided.

The Group executes its businesses through its subsidiaries in India and UK. The group does not have different operating segments. However, the group has different geographical segments -Viz - India & United Kingdom. The details of the segments are provided below.

**b. Segment revenue and results**

The following is an analysis of the Group's revenue and results from operations by reportable segment

(Rs. in Thousands)

	Segment revenue		Segment profit	
	For the year ended 31.03.2020	For the year ended 31.03.2019	For the year ended 31.03.2020	For the year ended 31.03.2019
India	4,45,261	5,80,829	(70,171)	4,220
United Kingdom	5,92,436	5,37,817	(29,726)	(41,614)
Less: Inter segment revenue	(1,06,966)	(84,186)	-	-
	<b>9,30,731</b>	<b>10,34,460</b>	<b>(99,897)</b>	<b>(37,394)</b>
<b>Exceptional Item - Impairment on Investment in Subsidiary</b>			(57,221)	
<b>Profit before tax</b>			<b>(1,57,118)</b>	<b>(37,394)</b>
Taxes			3,401	788
<b>Profit/(Loss) for the year</b>			<b>(1,53,717)</b>	<b>(36,606)</b>

**Notes:**

- Segment revenue consist of sales of products including excise duty.
- Segment revenue reported above represents revenue generated from external customers as well as inter-segment sales. The Inter-segment sales in the current year Rs. 1,06,966 (2018-19: Rs.84,186). In Thousands.
- Segment profit represents the profit before tax earned by each segment after allocation of finance cost, other expenses, as well as other income. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance'.

**c. Segment assets and liabilities**

(Rs. in Thousands)

Particulars	As at 31.03.2020	As at 31.03.2019
<b>Segment assets</b>		
India	3,90,874	4,32,762
United Kingdom	5,86,417	5,44,458
<b>Total segment assets</b>	<b>9,77,291</b>	<b>9,77,220</b>
Asset held for sale	-	-
Unallocated		
<b>Consolidated Total assets</b>	<b>9,77,291</b>	<b>9,77,220</b>
<b>Particulars</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.2019</b>
<b>Segment liabilities</b>		
India	7,18,013	4,01,734
United Kingdom	4,83,049	4,40,603
<b>Total segment liabilities</b>	<b>12,01,062</b>	<b>8,42,337</b>
Unallocated		
<b>Consolidated Total liabilities</b>	<b>12,01,062</b>	<b>8,42,337</b>

**d. Other segment information**

(Rs. in Thousands)

Particulars	Depreciation and amortisation		Finance Cost	
	Year ended 31.03.2020	Year ended 31.03.2019	Year ended 31.03.2020	Year ended 31.03.2019
India	15,656	5,267	31,987	20,156
United Kingdom	3,190	3,658	5,281	5,022
Unallocated				
	<b>18,846</b>	<b>8,925</b>	<b>37,268</b>	<b>25,178</b>



## 44 Additional information related to the subsidiaries considered in the preparation of consolidated financial statements

(Rs. in Thousands)

Name of the entity in the Group	As at 31.03.2020		As at 31.03.2019		As at 31.03.2020		As at 31.03.2019	
	Net Assets		Share in profit and loss account		Share in Other Comprehensive Income		Share in Other Comprehensive Income	
	As % of Consolidated	Amount	As % of Consolidated	Amount	As % of Consolidated	Amount	As % of Consolidated	Amount
<b>Parent:</b>								
S & S Power Switchgear Limited	(-)240%	(20,387)	45%	(69,232)	0%	23	60%	(69,209)
<b>Subsidiaries:</b>								
Acrastyle EPS Technologies Limited	4%	364	0%	(69)	0%	-	0%	(69)
Acrastyle Power India Limited	(-)922%	(78,383)	48%	(73,796)	1%	310	63%	(73,486)
S&S power Switchgear Equipment Limited	42%	3,562	34%	(52,811)	2%	648	45%	(52,163)
<b>Foreign:</b>								
Acrastyle Switchgear Limited, United Kingdom	2342%	1,99,011	33%	(51,228)			42%	(48,292)
Acrastyle Limited, United Kingdom	(-)1126%	(95,669)	16%	(24,411)	97%	36,893	(-)8%	9,546
Elimination - Common Items for Impairment			(-)77%	1,17,830			(-)102%	1,17,830
<b>TOTAL</b>	<b>100%</b>	<b>8,498</b>	<b>100%</b>	<b>(1,53,717)</b>	<b>100%</b>	<b>37,875</b>	<b>100%</b>	<b>(1,15,842)</b>

\*Net Assets = Total Assets - Total Liability (Net of Equity + Other Equity + Minority Interest)

**45 Ind AS 115 Disclosures**
**(Rs. in Thousands)**

Note No.	Particulars	Year ended 31.03.2020	Year ended 31.03.2019
1	Details of revenue from contracts with customers recognised by the Company, net of indirect taxes in its statement of Profit and loss.		
	<b>Revenue from contracts with customers (Transferred at point in time)</b>		
	Sale of Disconnector	1,78,569	3,76,039
	Sale of Control and protection Equipment*	7,29,796	6,53,328
	Sale of CB	8,561	5,093
	<b>Total revenue from contracts with customers</b>	<b>9,16,926</b>	<b>10,34,460</b>
	* Includes UK		
2	<b>Disaggregate Revenue</b>		
	The table below presents disaggregated revenues of the Company from contracts with customers by geography/ offerings/ contract-type/ market. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of its revenues and cash flows are affected by industry, market, and other economic factors.		
	<b>Total revenue from contracts with customers</b>		
	<b>Sale of Disconnector</b>		
	India	1,26,624	1,68,044
	Export (Including deemed export)	51,945	2,07,995
	<b>Sale of Control and protection Equipment*</b>		
	India	7,25,337	6,51,956
	Export (Including deemed export)	4,459	1,372
	<b>Sale of CB</b>		
	India	8,561	5,093
	Export (Including deemed export)		
	<b>Total</b>	<b>9,16,926</b>	<b>10,34,460</b>
3	<b>Reconciliation between revenue with customers and contracted price:</b>		
	Revenue as per contracted price	9,16,926	10,34,460
	<b>Less: Adjustments</b>		
	Sales return	-	-
	Discounts/ Rebates	-	-
	<b>Revenue from contracts with Customers</b>	<b>9,16,926</b>	<b>10,34,460</b>

Note No.	Particulars	Year ended 31.03.2020	Year ended 31.03.2019
<b>4</b>	<b>Sales by performance obligations</b>		
	Upon Shipment	9,16,926	10,34,460
	Upon Delivery	-	-
	<b>Total</b>	<b>9,16,926</b>	<b>10,34,460</b>
<b>5</b>	<b>Contract balances</b>		
	The following table provides information about receivables from contracts with customers:		
	<b>Particulars</b>	<b>Year ended 31.03.2020</b>	<b>Year ended 31.03.2019</b>
(a)	Trade receivables	3,40,556	3,86,162
	Allowance as per Expected credit loss model	(89,937)	(84,250)
	<b>Total</b>	<b>2,50,619</b>	<b>3,01,912</b>
	Trade receivables are non-interest bearing and are generally on terms of 0 to 180 days.		
(b)	Contract liability		
	<b>Advances from Customers</b>	<b>5,566</b>	<b>968</b>

The Contract liability outstanding at the beginning of the year has been recognised as revenue during the year ended March 31, 2020.

#### 46 AS 116 Lease

Effective 1st April 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1st April, 2019 using the modified retrospective method. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended 31st March 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended 31st March 2019.

On transition, the adoption of the new standard resulted in recognition of 'Right of Use' asset of Rs. 29266, and a lease liability of Rs.29266. The effect of this adoption is insignificant on the profit before tax, profit for the period and earnings per share.

The changes in the carrying value of right of use (ROU) assets & Lease Liability for the year ended 31st March 2020 are given below.

(Rs. in Thousands)

Particulars	As at 31.03.2020	As at 31.03.2019
ROU Balance at the beginning of the year	-	-
Add: Additions	29,266	-
Less: Amortisation cost accrued during the year	(9,821)	-
<b>ROU Balance at the end of the year</b>	<b>19,445</b>	<b>-</b>
Lease Liabilities at the beginning of the year	-	-
Add: Additions	29,266	-

(Rs. in Thousands)

Particulars	As at 31.03.2020	As at 31.03.2019
Add: Interest cost accrued during the year	2,822	-
Less: Payment of lease liabilities	(12,968)	-
<b>Lease Liabilities at the end of the year</b>	<b>19,120</b>	<b>-</b>
Current Lease Liabilities	8,990	-
Non-current Lease Liabilities	10,130	-
<b>Total Lease Liabilities</b>	<b>19,120</b>	<b>-</b>

#### 47 CSR Expenditure

The Company does not meet the turnover and net worth criteria specified under Section 135 of the Companies Act, 2013 to constitute a Corporate Social Responsibility Committee. Thus, provisions of Section 135 and disclosure requirements specified therein are not applicable to the company

#### 48 Going Concern

As on 31 March 2020, the Company's current liabilities exceeds its current assets mainly due to the loans granted by the Promoter group for sustaining the business operations. The Group has also suffered losses over the last few years. The Promoter group has in principle committed to extend continuous support to enable the continued long term operations of the company. Hence the accounts are prepared on a Going concern basis.

#### 49 Events after the Reporting period:

No adjusting or significant non-adjusting events have occurred between the reporting date (31st March 2019) and the report release date (30th July 2020).

#### Signature to notes 1 to 49

The accompanying notes are an integral part of the financial statements

As per our attached report of even date

#### C N K & Associates LLP

Chartered Accountants

Firm Registration No.: 101961W/W100036

#### For and on behalf of the Board of Directors

**V Subramanian**  
Partner  
Membership No.: 212075

**Ashok Kumar Vishwakarma**  
Managing Director  
(DIN No: 05203223)

**Ashish Sushil Jalan**  
Director  
(DIN No: 00031311)

**Selvi Narasimman**  
Chief Financial Officer

**Gokulananda Sahu**  
Company Secretary and Compliance Officer

Place: Chennai  
Date: 30th July 2020

M. No.: A43068

**S&S POWER SWITCHGEAR EQUIPMENT LIMITED**
**BALANCE SHEET AS AT 31st MARCH 2020**

(Rs. in Thousands)

Sr. No	Particulars	As at 31.03.2020	As at 31.03.2019
	<b>ASSETS</b>		
(1)	<b>Non-current assets</b>		
(a)	Property, Plant and Equipment	28,745	8,471
(b)	Right to use Property	-	-
(c)	Other Intangible assets	2,703	3,781
(d)	<u>Financial Assets</u>		
	Other Financial Assets	6,441	6,912
(e)	Deferred tax assets (net)	6,327	4,853
(f)	Non-Current tax assets	363	198
	<b>Total Non Current Assets</b>	<b>44,579</b>	<b>24,215</b>
(2)	<b>Current assets</b>		
(a)	Inventories	67,622	41,260
(b)	<u>Financial Assets</u>		
	(i) Trade receivables	71,012	1,62,987
	(ii) Cash and cash equivalents	650	324
	(iii) Bank Balances other than Cash and Cash Equivalents	21,437	13,345
(c)	Current Tax Assets ( Net)	786	588
(d)	Other current assets	44,536	45,448
	<b>Total Current Assets</b>	<b>2,06,043</b>	<b>2,63,952</b>
	<b>Total Assets</b>	<b>2,50,622</b>	<b>2,88,167</b>
	<b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>		
(a)	Equity Share capital	12,500	12,500
(b)	Other Equity	(8,938)	43,224
	<b>Total Equity</b>	<b>3,562</b>	<b>55,724</b>
	<b>LIABILITIES</b>		
(1)	<b>Non-current liabilities</b>		
(a)	Financial Liabilities		
	(i) Other Financial Liabilities	11,818	-
(a)	Provisions	6,940	6,732
	<b>Total Non Current Liabilities</b>	<b>18,758</b>	<b>6,732</b>
(2)	<b>Current liabilities</b>		
(a)	Financial Liabilities		
	(i) Borrowings	1,30,959	1,30,968
	(ii) Trade payables		
	- Due to Micro and Small Enterprises	1,543	-
	- Due to other than Micro and Small Enterprises	63,724	83,603
	(iii) Other Financial Liabilities	10,488	-
(b)	Short term provisions	700	654
(c)	Other current liabilities	20,888	10,486
	<b>Total Current Liabilities</b>	<b>2,28,302</b>	<b>2,25,711</b>
	<b>Total Equity and Liabilities</b>	<b>2,50,622</b>	<b>2,88,167</b>

As per our attached report of even date

For C N K &amp; Associates LLP

Chartered Accountants

Firm Registration No.: 101961W/W100036

For and on behalf of the Board of Directors

V Subramanian

Partner

Membership No.: 212075

Ashok Kumar Vishwakarma

Director

(DIN No: 05203223)

Ashish Sushil Jalan

Director

(DIN No: 00031311)

Place: Chennai

Date: 30th July 2020

**S&S POWER SWITCHGEAR EQUIPMENT LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2020**

(Rs. In Thousands)

Sr. No.	Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
<b>1</b>	<b>INCOME</b>		
a.	Revenue from Operations	1,78,569	3,76,039
b.	Other Income	7,457	8,583
	<b>Total Income (a+b)</b>	<b>1,86,026</b>	<b>3,84,622</b>
<b>2</b>	<b>EXPENSES</b>		
a.	Cost of materials consumed	1,34,041	2,65,006
b.	Changes in Inventories of Finished goods and work-in-progress	(8,651)	(6,465)
c.	Employee benefits expense	42,045	39,413
d.	Finance costs	17,436	12,483
e.	Depreciation and Amortization expense	12,633	2,042
f.	Other expenses	43,034	69,458
	<b>Total expenses (sum of a to f)</b>	<b>2,40,538</b>	<b>3,81,937</b>
<b>3</b>	<b>Profit/(loss) before tax (1-2)</b>	<b>(54,512)</b>	<b>2,685</b>
<b>4</b>	<b>Tax expense:</b>		
	(1) Current tax		
	(2) Tax relating to prior years		
	(3) Deferred tax	1,701	1,120
<b>5</b>	<b>Profit/(loss) for the year (3-4)</b>	<b>(52,811)</b>	<b>3,805</b>
<b>6</b>	<b>Other Comprehensive Income</b>		
	A (i) Items that will not be reclassified to profit or loss		
	- Remeasurement of Defined benefit plans	876	(679)
	- Equity instruments through other comprehensive income		
	A (ii) Income tax relating to items that will not be reclassified to profit or loss		
	- Remeasurement of Defined benefit plans	(228)	177
	- Equity instruments through other comprehensive income		
	B (i) Items that will be reclassified to profit or loss		
	B (ii) Income tax relating to items that will be reclassified to profit or loss		
	Total other comprehensive income (A (i - ii) + B (i - ii))	648	(502)
<b>7</b>	<b>Total comprehensive income for the period (5+6)</b>	<b>(52,163)</b>	<b>3,303</b>
<b>8</b>	<b>Paid up Equity share capital (Face value of Rs. 10 each)</b>	<b>12,500</b>	<b>12,500</b>
<b>9</b>	<b>Earnings per equity share</b>		
	- Basic and Diluted	<b>(42.25)</b>	<b>3.04</b>

As per our attached report of even date

**For C N K & Associates LLP**  
**Chartered Accountants**  
**Firm Registration No.: 101961W/W100036**

**For and on behalf of the Board of Directors**

**V Subramanian**  
Partner  
Membership No.: 212075

**Ashok Kumar Vishwakarma**  
Director  
(DIN No: 05203223)

**Ashish Sushil Jalan**  
Director  
(DIN No: 00031311)

**Place: Chennai**  
**Date: 30th July 2020**

**ACRASTYLE POWER INDIA LIMITED**
**BALANCE SHEET AS AT 31st MARCH 2020**

(Rs. in Thousands)

Sr. No.	Particulars	As at 31.03.2020	As at 31.03.2019
	<b>ASSETS</b>		
(1)	<b>Non-current assets</b>		
(a)	Property, Plant and Equipment	24,699	11,680
(b)	Right to use Property	-	-
(c)	Other Intangible assets	159	225
(d)	Investments in Subsidiary	77,013	1,48,113
(e)	<u>Financial Assets</u>		
(i)	Non Current Loans	4,331	3,806
(f)	Other non-current assets	-	1,025
	<b>Total Non Current Assets</b>	<b>1,06,202</b>	<b>1,64,849</b>
(2)	<b>Current assets</b>		
(a)	Inventories	48,359	20,206
(b)	<u>Financial Assets</u>		
(i)	Investments	-	-
(ii)	Trade receivables	66,159	29,659
(iii)	Cash and cash equivalents	4,165	2,870
(iv)	Bank Balances other than Cash and Cash Equivalents	53	2,227
(v)	Loans	66,131	60,306
(c)	Other current assets	18,881	16,573
	<b>Total Current Assets</b>	<b>2,03,748</b>	<b>1,31,841</b>
	<b>Total Assets</b>	<b>3,09,950</b>	<b>2,96,690</b>
	<b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>		
(a)	Equity Share capital	59,451	59,451
(b)	Other Equity	(93,538)	(16,069)
	<b>Total Equity</b>	<b>(34,087)</b>	<b>43,382</b>
	<b>LIABILITIES</b>		
(1)	<b>Non-current liabilities</b>		
(a)	Financial Liabilities		
(i)	Other Financial Liabilities	7,518	-
(b)	Provisions	439	354
(c)	Deferred tax liabilities (Net)	7,996	8,112
	<b>Total Non Current Liabilities</b>	<b>15,953</b>	<b>8,466</b>
(2)	<b>Current liabilities</b>		
(a)	Financial Liabilities		
(i)	Trade payables	95,092	68,863
(ii)	Other financial liabilities	2,24,291	1,66,471
(b)	Short term provisions	203	368
(c)	Other current liabilities	8,498	9,140
	<b>Total Current Liabilities</b>	<b>3,28,084</b>	<b>2,44,842</b>
	<b>Total Equity and Liabilities</b>	<b>3,09,950</b>	<b>2,96,690</b>

As per our attached report of even date  
For C N K & Associates LLP  
Chartered Accountants  
Firm Registration No.: 101961W/W100036

For and on behalf of the Board of Directors

V Subramanian  
Partner  
Membership No.: 212075

Ashok kumar Vishwakarma  
Director  
(DIN No: 05203223)

Ashish Suhail Jalan  
Director  
(DIN No: 00031311)

Place: Chennai  
Date: 30th July 2020

Gokulananda Sahu  
Company Secretary  
M. No.: A43068



**ACRASTYLE POWER INDIA LIMITED**
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2020**

(Rs. in Thousands)

Sr. No.	Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
<b>1</b>	<b>INCOME</b>		
a.	Revenue from Operations	1,93,824	1,99,697
b.	Other Income	10,763	9,931
	<b>Total Income (a+b)</b>	<b>2,04,587</b>	<b>2,09,628</b>
<b>2</b>	<b>EXPENSES</b>		
a.	Cost of materials consumed	1,43,425	1,41,048
b.	Changes in Inventories of Finished goods and work-in-progress	(10,176)	5,431
c.	Employee benefits expense	18,001	20,210
d.	Finance costs	18,353	12,770
e.	Depreciation and amortization expense	8,844	1,602
f.	Other expenses	29,977	35,119
<b>3</b>	<b>Total expenses sum of (a to f)</b>	<b>2,08,424</b>	<b>2,16,180</b>
<b>4</b>	<b>Profit/(loss) before tax (1-2)</b>	<b>(3,837)</b>	<b>(6,552)</b>
<b>5</b>	<b>Exceptional Item - Impairment of Investment</b>	<b>71,100</b>	<b>-</b>
<b>6</b>	<b>Profit/(loss) before tax but after Exceptional Items (4-5)</b>	<b>(74,937)</b>	<b>(6,552)</b>
<b>7</b>	Tax expense: (1) Current tax (2) Tax relating to prior years (3) Deferred tax	1,140	(246)
<b>8</b>	<b>Profit/(loss) for the year (6-7)</b>	<b>(73,797)</b>	<b>(6,798)</b>
<b>9</b>	<b>Other Comprehensive Income</b>		
	A (i) Items that will not be reclassified to profit or loss		
	- Remeasurement of Defined benefit plans	420	496
	- Equity instruments through other comprehensive income		
	- Remeasurement of Defined benefit plans	(109)	(129)
	- Equity instruments through other comprehensive income		
	B (i) Items that will be reclassified to profit or loss		
	B (ii) Income tax relating to items that will be reclassified to profit or loss		
	<b>Total other comprehensive income (A (i - ii) + B(i - ii))</b>	<b>311</b>	<b>367</b>
<b>10</b>	<b>Total comprehensive income for the period (8+9)</b>	<b>(73,486)</b>	<b>(6,431)</b>
<b>11</b>	Earnings per equity share of face value of Rs. 10 each		
	- Basic and Diluted	(12.41)	(1.14)

As per our attached report of even date  
For C N K & Associates LLP  
Chartered Accountants  
Firm Registration No.: 101961W/W100036

For and on behalf of the Board of Directors

V Subramanian  
Partner  
Membership No.: 212075

Ashok kumar Vishwakarma  
Director  
(DIN No: 05203223)

Ashish Suhail Jalan  
Director  
(DIN No: 00031311)

Place: Chennai  
Date: 30th July 2020

Gokulananda Sahu  
Company Secretary  
M. No.: A43068

**ACRASTYLE EPS TECHNOLOGIES LIMITED**
**BALANCE SHEET AS AT 31st MARCH 2020**

(Rs. in Thousands)

Sr. No.	Particulars	As at 31.03.2020	As at 31.03.2019
	<b>ASSETS</b>		
(1)	<b>Non-current assets</b>		
(a)	Property, Plant and Equipment		
(b)	Capital work in progress		
(c)	Other Intangible assets		
(d)	Investments in Subsidiaries and Joint Ventures		
(e)	<u>Financial Assets</u>		
(i)	Non Current Loans		
(e)	Deferred tax assets (net)		
(f)	Other non-current assets		
	<b>Total Non Current Assets</b>	<b>0</b>	<b>0</b>
(2)	<b>Current assets</b>		
(a)	Inventories		
(b)	<u>Financial Assets</u>		
(i)	Investments		
(ii)	Trade receivables	730	730
(iii)	Cash and cash equivalents	5	5
(iv)	Bank Balances other than Cash and Cash Equivalents		
(v)	Loans		
(c)	Current Tax Assets ( Net)		
(d)	Other current assets		
	<b>Total Non Current Assets</b>	<b>735</b>	<b>735</b>
	<b>Total Assets</b>	<b>735</b>	<b>735</b>
	<b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>		
(a)	Equity Share capital	500	500
(b)	Other Equity	(136)	(66)
	<b>Total Equity</b>	<b>364</b>	<b>434</b>
	<b>LIABILITIES</b>		
(1)	<b>Non-current liabilities</b>		
(a)	Provisions		
(b)	Deferred tax liabilities (net)		
	<b>Total Non Current Liabilities</b>	<b>-</b>	<b>-</b>
(2)	<b>Current liabilities</b>		
(a)	<b>Financial Liabilities</b>		
(i)	Trade payables	293	275
(ii)	Borrowings		-
(b)	Other current liabilities	78	26
(c)	Short term provisions		
	<b>Total Current Liabilities</b>	<b>371</b>	<b>301</b>
	<b>Total Equity and Liabilities</b>	<b>735</b>	<b>735</b>

As per our attached report of even date

**For C N K & Associates LLP**
**Chartered Accountants**
**Firm Registration No.: 101961W/W100036**
**For and on behalf of the Board of Directors**
**V Subramanian**

Partner

Membership No.: 212075

**Ashok Kumar Vishwakarma**

Director

(DIN No: 05203223)

**Ashish Sushil Jalan**

Director

(DIN No: 00031311)

**Place: Chennai**
**Date: 30th July 2020**

**ACRASTYLE EPS TECHNOLOGIES LIMITED**
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2020**

(Rs. in Thousands)

Sr. No.	Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
<b>1</b>	<b>INCOME</b>		
a.	Revenue from Operations		
b.	Other Income		
	<b>Total Income (a+b)</b>	-	-
<b>2</b>	<b>EXPENSES</b>		
a.	Cost of materials consumed		
b.	Changes in Inventories of Finished goods and work-in-progress		
c.	Employee benefits expense		
d.	Finance costs		
e.	Depreciation and Amortization expense		
f.	Other expenses	69	35
	<b>Total expenses sum of (a to f)</b>	<b>69</b>	<b>35</b>
<b>3</b>	<b>Profit/(loss) before tax (1-2)</b>	<b>(69)</b>	<b>(35)</b>
<b>4</b>	Tax expense: (1) Current tax (2) Tax relating to prior years (3) Deferred tax		
<b>5</b>	<b>Profit/(loss) for the year (3-4)</b>	<b>(69)</b>	<b>(35)</b>
<b>6</b>	<b>Other Comprehensive Income</b> A (i) Items that will not be reclassified to profit or loss - Remeasurement of Defined benefit plans - Equity instruments through other comprehensive income A (ii) Income tax relating to items that will not be reclassified to profit or loss - Remeasurement of Defined benefit plans - Equity instruments through other comprehensive income B (i) Items that will be reclassified to profit or loss B (ii) Income tax relating to items that will be reclassified to profit or loss		
	<b>Total other comprehensive income (A (i - ii) + B(i - ii))</b>		
<b>7</b>	<b>Total comprehensive income for the period (5+6)</b>	<b>(69)</b>	<b>(35)</b>
<b>8</b>	Earnings per equity share of face value of Rs. 10 each - Basic & Diluted	(0)	(0)

As per our attached report of even date  
For C N K & Associates LLP  
Chartered Accountants  
Firm Registration No.: 101961W/W100036

For and on behalf of the Board of Directors

V Subramanian  
Partner  
Membership No.: 212075

Ashok Kumar Vishwakarma  
Director  
(DIN No: 05203223)

Ashish Sushil Jalan  
Director  
(DIN No: 00031311)

Place: Chennai  
Date: 30th July 2020

**ACRASTYLE SWITCHGEAR LIMITED**
**BALANCE SHEET AS AT 31st MARCH 2020**

(Rs. in Thousands)

Sr. No.	Particulars	As at 31.03.2020	As at 31.03.2019
	<b>ASSETS</b>		
(1)	<b>Non-current assets</b>		
(a)	Property, Plant and Equipment		
(b)	Other Intangible assets		
(c)	Goodwill on Consolidation		
(d)	Investments in Subsidiaries and Joint Ventures	1,86,152	2,26,189
(e)	<b>Financial Assets</b>		
(i)	Non Current Loans		
(f)	Deferred tax assets (net)		
(g)	Other non-current assets		
	<b>Total Non Current Assets</b>	<b>1,86,152</b>	<b>2,26,189</b>
(2)	<b>Current assets</b>		
(a)	Inventories		
(b)	<b>Financial Assets</b>		
(i)	Trade receivables		
(ii)	Cash and cash equivalents		
(iii)	Bank balances other than (iii) above	2	2
(iv)	Loans		
(v)	Investments		
(c)	Current Tax Assets ( Net)		
(d)	Other current assets		
	<b>Total Current Assets</b>	<b>2</b>	<b>2</b>
	<b>Total Assets</b>	<b>1,86,154</b>	<b>2,26,191</b>
	<b>EQUITY AND LIABILITIES</b>		
(1)	<b>Equity</b>		
(a)	Equity Share capital	2,83,638	2,75,713
(b)	Other Equity	(2,06,625)	(1,50,349)
(c)	Non Controlling Interest		
	<b>Total Equity</b>	<b>77,013</b>	<b>1,25,364</b>
	<b>LIABILITIES</b>		
(2)	<b>Non-current liabilities</b>		
(a)	Provisions		
(b)	Deferred tax liabilities (net)		
	<b>Total Non Current Liabilities</b>	<b>0</b>	<b>0</b>
(3)	<b>Current liabilities</b>		
(a)	<b>Financial Liabilities</b>		
(i)	Borrowings		
(ii)	Trade payables		
' - a)	Due to Micro and Small Enterprises		
' - b)	Due to other than Micro and Small Enterprises	1,09,141	1,00,827
(iii)	Other financial liabilities		
(b)	Other current liabilities		
(c)	Short term provisions		
	<b>Total Current Liabilities</b>	<b>1,09,141</b>	<b>1,00,827</b>
	<b>Total Equity and Liabilities</b>	<b>1,86,154</b>	<b>2,26,191</b>

**ACRASTYLE SWITCHGEAR LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2020**

(Rs. in Thousands)

Sr. No.	Particulars	Year Ended 31.03.2020	Year Ended 31.03.2020
<b>1</b>	<b>INCOME</b>		
a.	Revenue from Operations		
b.	Other Income		
	<b>Total Income (a+b)</b>	-	-
<b>2</b>	<b>EXPENSES</b>		
a.	Cost of materials consumed		
b.	Changes in Inventories of Finished goods, Stock-in-Trade and work-in-progress		
c.	Employee benefits expense		
d.	Finance costs	5,043	5,008
e.	Depreciation and amortization expense		
f.	Other expenses	297	254
	<b>Total expenses sum of (a to f)</b>	<b>5,340</b>	<b>5,262</b>
<b>3</b>	<b>Profit/(loss) before tax (1-2)</b>	<b>(5,340)</b>	
<b>4</b>	<b>Exceptional Items - Impairment of Investment</b>	<b>45,888</b>	
<b>5</b>	<b>Profit Before Tax and After Exceptional Item (3-4)</b>	<b>(51,228)</b>	-
<b>6</b>	Tax expense: (1) Current tax (2) Short/(Excess) provision for tax- Previous years (3) Deferred tax		
<b>7</b>	<b>Profit/(loss) for the period (5-6)</b>	<b>(51,228)</b>	<b>(5,262)</b>
<b>8</b>	<b>Other Comprehensive Income</b> A (i) Items that will not be reclassified to profit or loss - Remeasurement of Defined benefit plans - Remeasurement of Defined benefit plans-AL UK - Fair value adjustment on business combination - Equity accounted investees - Share of OCI A (ii) Income tax relating to items that will not be reclassified to profit or loss B (i) Items that will be reclassified to profit or loss Exchange differences in translating the financial statement of foreign subsidiaries B (ii) Income tax relating to items that will be reclassified to profit or loss		
	<b>Total other comprehensive income (A (i - ii) + B(i - ii))</b>	-	-
<b>9</b>	<b>Total comprehensive income for the period (VIII + X)</b>	<b>(51,228)</b>	<b>(5,262)</b>

**ACRASTYLE LIMITED**  
**BALANCE SHEET AS AT 31st MARCH 2020** (Rs. in Thousands)

Sr. No.	Particulars	As at 31.03.2020	As at 31.03.2019
	<b>ASSETS</b>		
(1)	<b>Non-current assets</b>		
(a)	Property, Plant and Equipment	71,199	72,082
(b)	Other Intangible assets		
(c)	Goodwill on Consolidation		
(d)	Investments in Subsidiaries and Joint Ventures		
(e)	<b>Financial Assets</b>		
	(i) Non Current Loans		
(f)	Deferred tax assets (net)		
(g)	Other non-current assets		
(2)	<b>Current assets</b>		
(a)	Inventories	75,404	53,524
(b)	<b>Financial Assets</b>		
	(i) Trade receivables	1,32,715	1,14,183
	(ii) Cash and cash equivalents	140	5,993
	(iii) Bank balances other than (iii) above		
	(iv) Loans		
	(v) Investments		
(c)	Current Tax Assets ( Net)		
(d)	Other current assets		
	<b>Total Assets</b>	<b>2,79,458</b>	<b>2,45,782</b>
	<b>EQUITY AND LIABILITIES</b>		
(1)	<b>Equity</b>		
(a)	Equity Share capital	7,903	7,682
(b)	Other Equity	(1,03,547)	(1,02,543)
(c)	Non Controlling Interest		
	<b>LIABILITIES</b>		
(2)	<b>Non-current liabilities</b>		
(a)	Provisions	1,94,435	2,21,175
(b)	Deferred tax liabilities (net)		
(3)	<b>Current liabilities</b>		
(a)	<b>Financial Liabilities</b>		
	(i) Borrowings		
	(ii) Trade payables		
	- a) Due to Micro and Small Enterprises		
	- b) Due to other than Micro and Small Enterprises	1,80,667	1,19,468
	<b>(iii) Other financial liabilities</b>		
(b)	Other current liabilities		
(c)	Short term provisions		
	<b>Total Equity and Liabilities</b>	<b>2,79,458</b>	<b>2,45,782</b>

**ACRASTYLE LIMITED**
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2020**

(Rs. in Thousands)

Sr. No.	Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
<b>1</b>	<b>INCOME</b>		
a.	Revenue from Operations	5,92,436	5,37,817
b.	Other Income		
	<b>Total Income (a+b)</b>	<b>5,92,436</b>	<b>5,37,817</b>
<b>2</b>	<b>EXPENSES</b>		
a.	Cost of materials consumed	3,64,765	2,97,155
b.	Changes in Inventories of Finished goods, Stock-in-Trade and work-in-progress	-	22,387
c.	Employee benefits expense	2,09,754	2,14,855
d.	Finance costs	238	14
e.	Depreciation and amortization expense	3,190	3,658
f.	Other expenses	38,875	36,103
	<b>Total expenses sum of (a to f)</b>	<b>6,16,822</b>	<b>5,74,172</b>
<b>3</b>	<b>Profit/(loss) before tax (1-2)</b>	<b>(24,386)</b>	<b>(36,355)</b>
<b>4</b>	<b>Tax expense:</b> (1) Current tax (2) Short/(Excess) provision for tax- Previous years (3) Deferred tax		
<b>5</b>	<b>Profit/(loss) for the period</b>	<b>(24,386)</b>	<b>(36,355)</b>
<b>6</b>	<b>Other Comprehensive Income</b> A (i) Items that will not be reclassified to profit or loss - Remeasurement of Defined benefit plans - Remeasurement of Defined benefit plans-AL UK - Fair value adjustment on business combination - Equity accounted investees - Share of OCI A (ii) Income tax relating to items that will not be reclassified to profit or loss B (i) Items that will be reclassified to profit or loss Exchange differences in translating the financial statement of foreign subsidiaries B (ii) Income tax relating to items that will be reclassified to profit or loss <b>Total other comprehensive income (A (i - ii) + B(i - ii))</b>	  33,957         33,957	  (23,485)         (23,485)
<b>7</b>	<b>Total comprehensive income for the period (VIII + X)</b>	<b>9,571</b>	<b>(59,840)</b>



## NOTES:



## **BOOK-POST**



**If undelivered, please return to:**

**S&S POWER SWITCHGEAR LIMITED**

Plot No 14, CMDA Industrial Area Part – II,  
Chithamanur Village, Maraimalai Nagar – 603209.

Kancheepuram District. Tamilnadu

Tel: 044 – 4743 1625, 4743 1626