



GROWTH

Annual Report 2021 - 2022

schneiderelectricpresident.com

Board of Directors



Mr. Ranjan Pant
Chairman

Independent, Non-Executive Director



**Mr. Ramakrishna
Rajasekharan Nair
(Mr. RR Nair)**

Independent,
Non-Executive Director



Ms. Rachna Mukherjee
Non-Executive Director



Mr. Srinivasa Narasimhan
Non-Executive Director



Mr. Sachin Bhalla¹
Non-Executive Director



**Mr. Swaminathan²
Venkatraman**

Non-Executive Director



**Mohamed Adil³
(Mohamed Aslam Sattar
Mohamed Adil)**

Whole-Time Director



Mr. Shivaprasad Srinivas⁴
Whole-Time Director



Mr. Sugata Sircar⁵
Non-Executive Director



Mr. Arnab Roy⁶
Non-Executive Director



Ms. Sapna Bhatia
Company Secretary

Brief profile of Board of Directors can be accessed at <https://www.apwpresident.com/Board.html>

¹Mr. Sachin Bhalla has been appointed as Additional Director (Non-Executive) on the Board of the Company w.e.f. August 01, 2021 vide Resolution passed by circulation on June 02, 2021. The shareholders have approved the appointment in the Annual General Meeting held on September 20, 2021.

²Mr. Swaminathan Venkatraman resigned from the position of Non-Executive Director from the close of business hours on November 16, 2021.

³Mohamed Adil resigned from the position of Whole-Time Director and Factory Occupier w. e. f March 08, 2022.

⁴Mr. Shivaprasad Srinivas was appointed as Additional and Whole-Time Director on the Board w.e.f. March 08, 2022. He is also appointed as the Factory Occupier from even date.

⁵Mr. Sugata Sircar has resigned from position of Non-Executive Director of the Company from the close of business hours on March 31, 2022.

⁶Mr. Arnab Roy was appointed as Additional Director (Non-Executive) w.e.f. April 01, 2022 in the Board meeting held on March 08, 2022.

Corporate Information

Committees of the Board (as on March 31, 2022)

AUDIT COMMITTEE	REGISTRAR & SHARE TRANSFER AGENT (RTA)
<ul style="list-style-type: none"> Mr. Ranjan Pant, Non-Executive Independent Director (Chairman) Mr. RR Nair, Non-Executive Independent Director Mr. Sugata Sircar, Non-Executive Director¹ 	UNIVERSAL CAPITAL SECURITIES PVT LTD. Add: C-101, 247 Park, 1st Floor, LBS Road, Gandhi Nagar, Vikhroli (West), Mumbai - 400 083, India
NOMINATION AND REMUNERATION COMMITTEE	STATUTORY AUDITORS⁴
<ul style="list-style-type: none"> Mr. RR Nair, Non-Executive Independent Director (Chairman) Mr. Ranjan Pant, Non-Executive Independent Director Ms. Rachna Mukherjee, Non-Executive Director 	S.N. DHAWAN & CO LLP Add: 412, II Floor, Udyog Vihar Phase IV, Gurugram-122016, Haryana, India
CORPORATE SOCIAL RESPONSIBILITY COMMITTEE²	COST AUDITORS
<ul style="list-style-type: none"> Mr. RR Nair, Non-Executive Independent Director Mr. Sachin Bhalla, Non-Executive Director³ Mr. Sugata Sircar, Non-Executive Director¹ 	RAO, MURTHY & ASSOCIATES Add: Sampurna Chambers No. 13, 1 st Floor-FF2, Vasavi Temple Road, V.V. Puram, Bengaluru-560004 Karnataka, India
STAKEHOLDERS RELATIONSHIP COMMITTEE	SECRETARIAL AUDITORS
<ul style="list-style-type: none"> Mr. Ranjan Pant, Non-Executive Independent Director (Chairman) Mr. Sachin Bhalla Non-Executive Director³ Mr. Sugata Sircar, Non-Executive Director¹ 	CHANDRASEKARAN ASSOCIATES Company Secretaries Add: IIF, Pocket-IV, Mayur Vihar Phase-I, Delhi-110091, India
FINANCE COMMITTEE²	REGISTERED OFFICE & CORPORATE OFFICE
<ul style="list-style-type: none"> Mr. Srinivasa Narasimhan, Non-Executive Director Mr. Sachin Bhalla Non-Executive Director³ Mr. Sugata Sircar, Non-Executive Director¹ 	<p>Regd. Office Add: 5C/1, KIADB Industrial Area, Attibele, Bengaluru-562 107, Karnataka, India Phone: +91 80 6788 8300</p> <p>Corp Office Add: BGRT, 6th Floor, Sy. No. 63/3B, Gorvigere Village, Bidarahalli Hobli, Bengaluru East Taluk, Whitefield Hoskote Road, Bengaluru- 560 115, Karnataka, India Phone: +91 80 4554 0000</p>

¹Mr. Sugata Sircar, resigned from the Board w.e.f. close of business hours on March 31, 2022 and consequently ceased to be a member of the Audit Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee and Finance Committee with effect from even date. Mr. Arnab Roy has been appointed as member of the named committees w.e.f. April 01, 2022.

²The Chairperson for the Corporate Social Responsibility Committee and Finance Committee is appointed at the start of each meeting.

³Mr. Sachin Bhalla was appointed as member of the Corporate Social Responsibility Committee, Stakeholders Relationship Committee and Finance Committee with effect from November 16, 2021, in place of Mr. Swaminathan Venkatraman.

⁴M/s. S.N. Dhawan & Co LLP (Chartered Accountants) were appointed as the Statutory Auditors of the Company by the shareholders in the Annual General Meeting held on September 20, 2021.

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NOTICE OF 38TH ANNUAL GENERAL MEETING

SCHNEIDER ELECTRIC PRESIDENT SYSTEMS LIMITED

CIN: U32109KA1984PLC079103

Regd. Office: 5C/1, KIADB Industrial Area, Attibele, Bengaluru-562107, Karnataka, Phone: 080 67888300

Website: www.schneiderelectricpresident.com; E-mail: sapna.bhatia@se.com

NOTICE

NOTICE is hereby given that the Thirty-Eighth (38th) Annual General Meeting (“**AGM/Meeting**”) of the Members of Schneider Electric President Systems Limited (“**Company**”) will be held on Tuesday, September 13, 2022 at 3.30 p.m. (IST) through Video Conferencing (“**VC**”)/Other Audio-Visual Means (“**OAVM**”) to transact the following business(es):

ORDINARY BUSINESS

- To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2022 including audited Balance Sheet as at March 31, 2022, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors and Auditors thereon and in this regard, if thought fit, to pass the following resolution as an **ORDINARY RESOLUTION**:

“**RESOLVED THAT** the Audited Financial Statements of the Company for the financial year ended March 31, 2022 including audited Balance Sheet as at March 31, 2022, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors and Auditors thereon laid before this Meeting, be and are hereby received, considered and adopted.”

- To re-appoint Mr. Srinivasa Narasimhan (DIN:08488167), who retires by rotation and being eligible, offers himself for re-appointment as Director and in this regard, if thought fit, to pass the following resolution as an **ORDINARY RESOLUTION**:

“**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Srinivasa Narasimhan (DIN: 08488167), who retires by rotation and being eligible, has offered himself for re-appointment, be and is hereby re-appointed as a Non-Executive Director of the Company, liable to retire by rotation.”

SPECIAL BUSINESS

- To consider appointment of Mr. Shivaprasad Srinivas (DIN: 09530278) as the Whole-Time Director of the Company in professional capacity effective from March 08, 2022, and, in this regard, to pass the following Resolution as **SPECIAL RESOLUTION**:

“**RESOLVED THAT** pursuant to the provisions of Section 149, 152, 161 and all other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) and the relevant Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the provisions of the Articles of Association of the Company, Mr. Shivaprasad Srinivas (DIN: 09530278), who was appointed as an Additional Director and Whole-Time Director of the Company by the Board of Directors with effect from March 08, 2022 based on the recommendation of the Nomination and Remuneration Committee of the Board and who holds the office upto the date of this 38th Annual General Meeting or the last date on which the Annual General Meeting for the financial year should have been held, whichever is earlier and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 196, 197 and 198 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 (including any amendment thereto or re-enactment thereof, for the time being in force) and the Articles of Association of the Company and subject to the such other approvals/permissions, if any, as may be necessary and as per the recommendations of the Nomination and Remuneration Committee of the Board of Directors, approval of the members be and is hereby accorded for the appointment of Mr. Shivaprasad Srinivas (DIN: 09530278) as a Whole-Time Director of the Company in Professional capacity for a period of three (3) years effective from March 08, 2022 until March 07, 2025 on terms and conditions including remuneration as mentioned in

the appointment agreement/letter, material terms of which are set out in the statement under Section 102 of the Act, attached to this Notice.

RESOLVED FURTHER THAT pursuant to provisions of Section 2(51) and Section 203 of the Act, Mr. Shivaprasad Srinivas be and is hereby designated as Key Managerial Personnel of the Company.

RESOLVED FURTHER THAT the Board of Directors on the recommendation of the Nomination & Remuneration Committee, be and is hereby authorized to alter/increase/revise/vary, the terms and conditions of appointment and/or remuneration from time to time, during the tenure of his appointment as per the Company policy for annual assessments and increments.

RESOLVED FURTHER THAT the Board of Directors and/or Company Secretary of the Company, be and is hereby authorized severally to do all such acts, deeds, matters and things as in its absolute discretion it may consider necessary, expedient and desirable to give effect to this resolution.”

4. To consider appointment of Mr. Arnab Roy (DIN: 02522674) as a Non-Executive Director of the Company effective from April 01, 2022, and in this regard, to pass, the following Resolution as an **ORDINARY RESOLUTION**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152, 161 and other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and the provisions of the Article of Association of the Company, Mr. Arnab Roy (DIN: 02522674), who was appointed as an Additional Director (Non-Executive) by the Board of Directors, on the recommendation of the Nomination and Remuneration Committee, with effect from April 01, 2022 and who holds office up to the date of this 38th Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as a Non-Executive Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as in its absolute discretion it may consider necessary, expedient and desirable to give effect to this resolution.”

5. To ratify the remuneration of cost auditors for the financial year ended March 31, 2023 and, in this regard, if thought fit, to pass the following resolution as an **ORDINARY RESOLUTION**:

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration of INR 110,000/- (Indian Rupees One Lakh and Ten Thousand Only) plus applicable taxes and reimbursement of out-of-pocket expenses, for the financial year ending March 31, 2023 as recommended by the Audit Committee and approved by the Board of Directors, to be paid to M/s. Rao, Murthy & Associates, Cost Accountants, Bengaluru (Firm Registration No.000065), appointed by the Board of Directors, to conduct the audit of the cost records of the Company, be and is hereby ratified.”

6. To consider and approve, participation in the Worldwide Employee Share Ownership Plan (WESOP) scheme, and, if thought fit, to pass the following resolution as a **SPECIAL RESOLUTION**:

“RESOLVED THAT in accordance with the provisions of Section 67 and other applicable provisions of the Companies Act, 2013 and the rules, regulations, circulars, guidelines prescribed by any other authority, from time to time, to the extent applicable, approval of the Shareholders, be and is hereby accorded to participate in the Worldwide Employee Share Ownership Plan (WESOP/Scheme) of the Ultimate Holding Company Schneider Electric SE France and to ratify the financial assistance provided by the Company pursuant to Scheme to the employees of the Company during the year 2022-23.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to make modification(s), suspend, withdraw or revive the Scheme as suggested by the Schneider Electric SE France from time to time, and to approve, support by means of financial assistance or any other kind of support for the benefit of such person (s) who are/will be in the employment of the Company including Whole-Time Director(s)/ Non-Executive Directors(s), Key Managerial Personnels of the Company and to approve such number of shares and at such price, in such a manner, during such period in one or more tranches as it may deem fit under the Scheme.

RESOLVED FURTHER THAT the Board of Directors, be and are hereby authorized to delegate all or any of its powers to any Committee of Directors, Company Secretary or to any office of the Company to give effect to this resolution and to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary and to settle any question, difficulty or doubt whatsoever, as may arise with respect to the Scheme.”

By Order of the Board of Directors
For Schneider Electric President Systems Limited

Date: May 31, 2022

Place: Bengaluru

Regd. Office: Plot 5C/1,
 KIADB Industrial Area, Attibele,
 Bengaluru -562107, Karnataka

Sapna Bhatia
Company Secretary
ACS: 32349

Notes:

1. The statement pursuant to Section 102(1) of the Companies Act, 2013 (“the Act”) setting out material facts concerning the special businesses to be transacted at the 38th Annual General Meeting (“38th AGM”/ “Meeting”), is annexed hereto forming part of this Notice. The Board of Directors of the Company at its meeting held on May 31, 2022, considered that the special business under Item Nos. 3 to 6 being unavoidable, be transacted at the 38th AGM of the Company.

2. **GENERAL INSTRUCTIONS FOR ACCESSING AND PARTICIPATING IN THE 38TH AGM THROUGH VIDEO CONFERENCING/ OTHER AUDIO-VISUAL MEANS (VC/OAVM) AND VOTING THROUGH ELECTRONIC MEANS INCLUDING REMOTE E-VOTING:**

- (a) In view of the continued impact of COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its General Circular No. 2/2022 dated May 5, 2022 read with General Circular Nos. 21/2021, 19/2021, 02/2021, 20/2020, 17/2020 and 14/2020 dated December 14, 2021, December 08, 2021, January 13, 2021, May 5, 2020, April 13, 2020 and April 8, 2020 respectively and other relevant circulars in this regard, issued by the Ministry of Corporate Affairs (collectively referred to as “MCA Circulars”), permitted to hold the Annual General Meeting for the financial year 2021-22 through VC/OAVM, without the physical presence of the Members at a common venue.

Accordingly, the 38th AGM is being convened electronically through VC/OAVM. The deemed venue for the 38th AGM shall be the Registered Office of the Company at 5C/1, KIADB Industrial Area, Attibele, Bengaluru-562107, Karnataka, India.

- (b) In terms of the MCA Circulars, since the physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for this 38th AGM. However, in pursuance of Section 113 of the Act, Corporate/Institutional Members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned image (PDF/JPG format) of certified true copy of relevant board resolution/authority letter etc. together with attested specimen signature of the duly authorised signatory(ies) who is/are authorised to vote, to the Scrutinizer through email at rupesh@cacsindia.com with a copy marked to evoting@kfintech.com and may also upload the same in the e-Voting module in their login.
- (c) Members attending the 38th AGM electronically through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- (d) KFin Technologies Limited (“KFinTech”) has been engaged to facilitate the participation of the Members in the 38th AGM and to provide e-Voting facility (remote e-Voting and e-Voting at the AGM) for casting the votes electronically in terms of provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules 2014, (as amended), Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (“ICSI”) read with the MCA Circulars.

- (e) The 38th AGM to be conducted through VC/OAVM, allows two-way teleconferencing for the ease of participation of the Members. Members may join the 38th AGM through VC/OAVM by following the procedure as mentioned below which shall be kept open from 3:00 p.m. (IST) i.e., 30 minutes before the time scheduled to start the 38th AGM on Tuesday, September 13, 2022.
- (f) Members may note that the VC/OAVM provided by KFinTech, allows participation of at least one thousand (1000) Members, on first-come-first serve basis. The large shareholders (i.e., shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnels, the Chairperson(s) of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, auditors, etc. can attend the 38th AGM without any restriction on account of first-come-first-serve principle.
- (g) In compliance with the aforesaid MCA Circulars, Annual Report 2021-22 including the Notice (“Annual Report 2021-22”) is being sent only through electronic mode to all the Members who have registered their email ids with the Company/Depository Participants (DPs)/ Company’s Registrar and Share Transfer Agent and whose names appear in the Register of Members/ List of Beneficial Owners as received from Depositories i.e. National Securities Depository Limited (“NSDL”) / Central Depository Services (India) Limited (“CDSL”) as on **Friday, August 05 2022**, i.e. the Record Date fixed by the Company for the purpose of sending the Annual Report 2021-22 to the Members of the Company.

The Members may note that Annual Report 2021-22 will also be available on the Company’s website at www.schneiderelectricpresident.com and on the website of KFinTech i.e. <https://evoting.kfintech.com/>

- (h) Since the 38th AGM will be held through VC/OAVM, the Route Map and attendance slip are not annexed to this Notice.

3. PROCESS FOR THOSE MEMBERS WHOSE EMAIL IDS ARE NOT REGISTERED FOR PROCURING USER ID AND PASSWORD AND REGISTRATION OF EMAIL IDS FOR E-VOTING ON THE RESOLUTIONS SET OUT IN THIS NOTICE:

- (a) Those Members, who hold shares in physical form or who have not registered their email address with the Company and who wish to participate in the 38th AGM or cast their vote through remote e-Voting or through the e-Voting system during the Meeting, may obtain the login ID and password by sending scanned copy of: (i) a signed request letter mentioning name, folio number and complete address; and (ii) self-attested scanned copy of the PAN Card and any document (such as Driving License, Bank Statement, Election Card, Passport, AADHAR Card) in support of the address of the Member as registered with the Company, to the email address of the Company Secretary at sapna.bhatia@se.com or Registrar & Share Transfer Agent, Universal Capital Securities Private Limited (RTA) at gamare@uniseq.in or to KFinTech at evoting@kfintech.com.
- (b) In case shares are held in demat mode, Members may obtain the login ID and password by sending scanned copy of (i) a signed request letter mentioning name, DP ID-Client ID (16 digit DP ID + Client ID or 16 digit beneficiary ID); (ii) self-attested scanned copy of client master or Consolidated Demat Account statement; and (iii) self-attested scanned copy of the PAN Card, to the email address of the Company Secretary at sapna.bhatia@se.com or RTA at gamare@uniseq.in or to KFinTech at evoting@kfintech.com.

4. INSTRUCTIONS FOR MEMBERS FOR E-VOTING DURING THE 38TH AGM ARE AS UNDER:

- (a) Upon declaration by the Chairman about the commencement of e-Voting at 38th AGM, members shall click on the Thumb sign on the left bottom corner of the video screen for voting at the 38th AGM, which will take them to the “Instapoll” page.
- (b) Members to click on the “Instapoll” icon to reach the resolution page and follow the instructions to vote on the resolutions.
- (c) Only those Members, who will be present in the 38th AGM through VC/OAVM and have not cast their vote on the resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system at the 38th AGM.
- (d) The Members who have cast their vote by remote e-Voting prior to the 38th AGM may also participate in the 38th AGM through VC/OAVM but shall not be entitled to cast their vote again.

5. INSTRUCTIONS FOR MEMBERS FOR PARTICIPATING IN THE 38TH AGM THROUGH VC/OAVM ARE AS UNDER:

- (a) Members will be provided with a facility to attend the 38th AGM through Video Conferencing (VC) platform provided by KFinTech. Members may access the same at <https://emeetings.kfintech.com/> and click on the “video conference” and access the shareholders/members login by using the remote e-Voting credentials. The link for 38th AGM will be available in shareholder/members login where the EVENT and the name of the Company can be selected.
- (b) Please note that the Members who have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions.
- (c) Members are encouraged to join the Meeting through Laptops with Google Chrome for better experience.
- (d) Members will be required to allow Camera, if any, and hence use Internet with a good speed to avoid any disturbance during the Meeting.
- (e) The Company has made all efforts to arrange the VC/OAVM meeting smoothly. However, Members connecting from mobile devices or tablets or through laptops etc. 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.
- (f) Members, who would like to express their views or ask questions on the financial statements of the Company or any other matter to be placed at the 38th AGM, during the 38th AGM, will have to visit <https://emeetings.kfintech.com/> and click on “Post your Questions” or register themselves as Speaker by clicking on “Speaker Registration” by mentioning the demat account number/folio number, city, email id, mobile number and submit. The **Speaker registration** or the option for posting the questions shall be available from **Saturday, September 10, 2022 from 09:00 a.m. (IST) till Monday, September 12, 2022 up to 05:00 p.m. (IST)**. The queries may be raised precisely and in brief to enable the Company to answer the same suitably depending on the availability of time at the Meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the 38th AGM.
- (g) A video guide assisting the members for attending the 38th AGM either as a speaker or participant is available for quick reference at: <https://emeetings.kfintech.com/video/howitworks.aspx>.
- (h) Members who need technical assistance before or during the 38th AGM, may contact KFinTech at evoting@kfintech.com or helpline at 1800 309 4001 (toll free).

6. INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:

- (a) The remote e-Voting will be available during the following period:

Commencement of remote e-Voting	From 9:00 a.m. (IST) on Saturday, September 10, 2022
End of remote e-Voting	Up to 5:00 p.m. (IST) on Monday, September 12, 2022

The remote e-Voting will not be allowed beyond the aforesaid date and time and the e-Voting module shall be disabled by KFinTech upon expiry of aforesaid period. Once the vote on a resolution is casted by the Member, the Member shall not be allowed to change it subsequently.

- (b) Members whose name appears in the Register of Members or in the Register of Beneficial Owners maintained by the DPs as on Tuesday, September 06, 2022, i.e., the “Cut-off Date” shall only be entitled to avail the facility of remote e-Voting and e-Voting at the 38th AGM. Any person who is not a Member on the Cut-off Date should treat the notice for information purposes only.
- (c) **Process and manner for remote e-Voting:**

The individual members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and DPs. Members are advised to update their mobile number and email address in their demat account in order to access remote e-Voting facility.

Login method for e-Voting:
I. Individual members (holding securities in demat mode) login through DPs:
NSDL:
1. User already registered for IDeAS facility:

- I. URL: <https://eservices.nsdl.com/>.
- II. Click on the “Beneficial Owner” icon under ‘IDeAS’ section.
- III. On the new page, enter User ID and Password. Post successful authentication, click on “Access to e-Voting”.
- IV. Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period.

2. User not registered for IDeAS e-Services

- I. To register click on link: <https://eservices.nsdl.com> or <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>
- II. Select “Register Online for IDeAS”
- III. Proceed with completing the required fields.

3. By visiting the e-Voting website of NSDL

- I. URL: <https://www.evoting.nsdl.com/>
- II. Click on the icon “Login” which is available under ‘Shareholder/Member’ section.
- III. Enter User ID (i.e., 16-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.
- IV. Post successful authentication, you will be redirected to NSDL site wherein you can see e-Voting page.
- V. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

CDSL:
1. Existing user who has opted for Easi /Easiest

- I. URL: <https://web.cdslindia.com/myeasinew/home/login> or URL: www.cdslindia.com
- II. Click on New System Myeasi
- III. Login with user id and password.
- IV. Option will be made available to reach e-Voting page without any further authentication.
- V. Click on e-Voting service provider name to cast your vote.

2. User not registered for Easi/Easiest

- I. Option to register is available at <https://web.cdslindia.com/myeasinew/Registration/EasiRegistration> or/ and <https://web.cdslindia.com/myeasinew/Registration/EasiestRegistration>
- II. Proceed with completing the required fields.

3. By visiting the e-Voting website of CDSL

- I. URL: www.cdslindia.com.
- II. Provide demat Account Number and PAN.
- III. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account.
- IV. After successful authentication, user will be provided links for the respective ESP (E-voting Service Provider) where the e-Votin

II. Individual Members (holding securities in demat mode) login through their DPs

You can also login using the login credentials of your demat account through your DPs registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Click on e-Voting option and you will be redirected to NSDL/CDSL site after successful authentication. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

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

Members facing any technical issue - NSDL	Members facing any technical issue - CDSL
Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.1800 1020 990 and 1800 22 44 30	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43.

III. Login method for Non-Individual Members and Members holding securities in Physical Form

- (a) Initial password is provided in the body of the email.
- (b) Launch internet browser and type the URL: <https://evoting.kfintech.com/> in the address bar.
- (c) Enter the login credentials i.e., User ID and password mentioned in your email. Your Folio No./DP ID Client ID will be your User ID. However, if you are already registered with KFintech for e-Voting, you can use your existing User ID and password for casting your votes.
- (d) After entering the details appropriately, click on LOGIN.
- (e) You will reach the password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$ etc.). It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (f) You need to login again with the new credentials.
- (g) On successful login, the system will prompt you to select the EVENT i.e., Schneider Electric President Systems Limited.
- (h) On the voting page, the number of shares (which represents the number of votes) held by you as on the Cut-off Date will appear. If you desire to cast all the votes assenting/dissenting to the resolution, enter all shares and click 'FOR'/'AGAINST' as the case may be or partially in 'FOR' and partially in 'AGAINST', but the total number in 'FOR' and/or 'AGAINST' taken together should not exceed your total shareholding as on the Cut-off Date. You may also choose the option 'ABSTAIN' and the shares held will not be counted under either head.
- (i) Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.
- (j) Cast your votes by selecting an appropriate option and click on 'SUBMIT'. A confirmation box will be displayed. Click 'OK' to confirm, else 'CANCEL' to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.
- (k) In case of any queries/grievances, you may refer the Frequently Asked Questions (FAQs) for Members and e-Voting User Manual available at the 'download' section of <https://evoting@kfintech.com> or call KFintech on 1800 309 4001 (toll free).

7. OTHER INFORMATION/ GUIDELINES FOR MEMBERS:

- (a) The voting rights of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the Cut-off Date.
- (b) Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of Notice of 38th AGM and holds shares as on the Cut-off Date can obtain the login ID and password by sending a request at evoting@kfintech.com or sapna.bhatia@se.com. However, if you are already registered with KFintech for remote e-Voting then you can use your existing user ID and password/PIN for casting your vote.

- (c) Only a person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the Cut-off Date shall be entitled to avail the facility of remote e-Voting or casting vote through e-Voting system during the Meeting.
- (d) Mr. Rupesh Aggarwal (ACS 16302 and CP 5673), failing him Mr. Shashikant Tiwari (ACS 28994 and CP 13050), Practicing Company Secretaries from M/s. Chandrasekaran Associates have been appointed as the Scrutinizer to scrutinize the e-Voting in a fair and transparent manner and have communicated their willingness to be appointed and will be available for same purpose.
- (e) The Scrutinizer shall after the conclusion of e-Voting at the 38th AGM, first download the votes cast at the 38th AGM and thereafter unblock the votes cast through remote e-Voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such Report shall then be sent to the Chairman or a person authorized by him, who shall then countersign and declare the Result of the voting forthwith, within forty eight (48) hours from the conclusion of the 38th AGM.
- (f) The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company at www.schneiderelectricpresident.com and on the website of KFinTech at <https://evoting@kfintech.com/> immediately after the declaration of Results by the Chairman or a person authorized by him.
8. The Register of Members and Share Transfer Books of the Company will remain closed from **Wednesday, September 07, 2022, to Tuesday, September 13, 2022 (both days inclusive)**.
9. Relevant documents referred to in the Notice along with the Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act and Register of Contracts or Arrangements in which directors are interested under Section 189 of the Act, are open for inspection by the Members electronically and shall remain open for inspection at the 38th AGM.
10. The relevant information regarding particulars of Directors seeking appointment/re-appointment in terms of SS-2 are annexed as **Annexure- I** to this Notice. The Company has received the requisite consents / declarations for their appointments / re-appointments under the Act and the rules thereunder.
11. Non-Resident Indian members are requested to inform RTA / respective DPs, immediately of:
- Change in their residential status on return to India for permanent settlement.
 - 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.
12. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names as per the Register of Members of the Company will be entitled to vote at the Meeting.
13. **Appeal to Shareholders:**
- DEMAT:** Pursuant to MCA notification dated September 10, 2018 effective from October 02, 2018, transfer of shares in physical mode is prohibited and mandates holding of shares in demat except in case of transmission or transposition. Accordingly, the Company/RTA has stopped accepting any fresh lodgement of transfer of shares in physical form. Members are requested to convert the physical holding to demat through DP. Members may contact the Company for any assistance in the said process of physical to demat of shares.
 - REGISTRATION OF NOMINATION AND BANK MANDATE:** Registration of nomination makes easy for dependents to access your investments and set out the proportion of your benefits to the nominees. Registration and/ or updation of bank mandate ensures the receipt of dividend and/or any other consideration timely, faster and easier and more important avoids fraudulent encashment of warrants. Members are requested to submit their bank registration documents i.e., request letter, cancelled cheque and self-attested PAN card & address proof with the Company and/ or DP.
 - ELECTRONIC COMMUNICATION:** All notices, financial statements, annual report etc. will be sent to the Members electronically as notified in the Act and Rules made thereunder. It reduces Company's cost of printing and dispatch, ensures timely and speedy intimations, and supports the initiative of green environment. Members are requested to register/ update their e-mail ID by writing to the Company except wherein the shareholding is in demat it may be sent to the respective DP.

- (iv) **GENERAL REQUEST:** At regular intervals verify the address and bank details updated with RTA or DP and intimate the changes if any pertaining to name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., as, and when required.

Do not share your demat account login and password and retain the relevant instruction slips in safe custody.

Obtain periodic statement of your holdings from the concerned DP and verify your holdings periodically.

14. In this Notice and the statement of material facts, the term “shareholder(s)” and “Member(s)” and the term “38th AGM” and “Meeting” are used interchangeably.
15. For any queries regarding the matters set out in the Notice or any other investor related queries, the Members may write to Company Secretary at sapna.bhatia@se.com.
16. In adherence to the provisions of Section 125 of the Act, read with Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 the (“IEPF Rules”), 20,758 equity shares of Rs. 10 each in respect of which dividend have not been claimed by the shareholders or unclaimed for a period of consecutive seven (7) years were transferred to the demat account of Investors Education and Protection Fund (IEPF) as per the details given hereunder:

FY 2008-2009		
SHARES HELD	NO. OF RECORDS	No. OF SHARES
NSDL	1	1
CDSL	3	173
Physical Form	38	11367
Total	42	11541

FY 2009-2010		
SHARES HELD	NO. OF RECORDS	No. OF SHARES
NSDL	8	976
CDSL	1	1
Physical Form	26	8240
Total	35	9217

Further, the Shareholder can claim from IEPF Authority both unclaimed dividend amount and the shares transferred to IEPF Demat Account, by making an application in Form IEPF-5 online on the website <https://www.iepf.gov.in/> and by complying with requisite procedure as defined.

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

The following Statement sets out all material facts relating to the Special Business(es) mentioned in the Notice:

ITEM NO. 3

Based on the recommendation of the Nomination and Remuneration Committee (NRC), the Board of Directors of the Company, have appointed Mr. Shivaprasad Srinivas (DIN:09530278) as an Additional Director and Whole-Time Director, in professional capacity for a period of three (3) years with effect from March 08, 2022 until March 07, 2025 subject to approval of members in the 38th AGM.

I. Information about the Appointee

a) Background details:

Mr. Shivaprasad Srinivas is a mechanical engineer having diverse experience of over 32 years in functions encompassing end to end of design, development and manufacturing. He has been associated with Schneider group from last 15 years. He joined the Company as DGM Production in the year 2007. He has in depth manufacturing

knowledge and vast experience in Schneider group processes. He has enabled to transform the Company operations in terms of growth and process efficiency. He has also handled the functions such as IE, quality and strategic sourcing along with vendor development. Mr. Srinivas was acting as “Operations Head-Plant” in the Company during the period 2019 to 2020.

b) Recognition or awards:

- i) Gold award winner for design and development of MICRO DC Fxi.
- ii) Chief designer for creation of IMPress which was a path breaking enclosure in India.
- iii) In the year 2021 as a chief engineer design and developed I-Rack.
- iv) Possess huge technical knowledge in sheet metal engineering.
- v) A SME in design and manufacturing.

c) Remuneration Proposed:

The particulars of the terms of appointment and remuneration payable to Mr. Srinivas are as under and are within the limits specified under Schedule V read with Section 197 of the Act:

i) Salary, Perquisites and Allowances per annum: (in INR)

Components	Amount in INR
Salary	52,11,936
Target Short Term Incentive Plan (STIP)	10,50,288
Additional Benefits Viz. Medical Reimbursement; Leave; Personal Accident/Mediclaim Policy etc.	Covered under hospitalization insurance, group term life and accident insurance. Eligible for paid leave per Company policy
Amenities including fully Furnished Accommodation, car benefit	As per company Policies.

- ii) The perquisites and allowances, as aforesaid, may include, as per Company policy.
- iii) Increment in salary, perquisites and allowances and remuneration payables by way of incentive / bonus / performance linked incentive may be determined by the NRC and/or the Board, shall be in addition to the remuneration as per above.
- iv) It is clarified that any stock options (from Company or under group policy) granted / to be granted, from time to time, shall not be considered as a part of perquisites as per above, and that the perquisite value of stock options exercised shall be in addition to the remuneration.
- v) **Reimbursement of Expenses:** Expenses incurred for travelling, boarding and lodging during business trips and other expenses for Company’s business shall be reimbursed at actuals and not considered as perquisites.
- vi) **Retiral Benefits:** The Company’s contribution to provident fund, superannuation or annuity fund, gratuity payable and encashment of leave, as per the rules of the Company, shall be in addition to the remuneration.
- vii) The amount of Short-Term Incentive Plan (STIP) is being calculated on Calendar year basis and to be paid as per Company’s Policy.
- viii) The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules thereunder or any statutory modification(s) or re-enactment(s) thereof; in the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.
- ix) Mr. Shivaprasad Srinivas is eligible for appointment as Whole-Time Director and he fulfils all the conditions as specified in Part I of schedule V of the Act.

- x) The Whole-Time Director will perform his duties as such with regard to all work of the Company and will manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects and confirm to and comply with all such directions and regulations as may from time to time be given and made by the Board and the functions of the Whole-Time Director will be under the overall authority of the Board of Directors.
- xi) The Whole-Time Director shall act in accordance with the Articles of Association of the Company and shall abide by Duties of Director as defined under Section 166 of the Act and Company's code of Conduct as defined in under Trust Charter (formerly known as Principle of Responsibility).
- xii) The office of the Whole-Time Director may be terminated by the Company or by him by giving notice as per Company Policy.

Pursuant to Section 197 and other applicable provisions of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof (the Act) for the time being in force, in case of absence or inadequacy of profits, the minimum remuneration as stated above will be paid to Mr. Srinivas.

In case of a managerial person who is functioning in a professional capacity, the remuneration can be paid as per Schedule V, if such managerial person is not having any interest in the capital of the company or its holding company or any of its subsidiaries directly or indirectly or through any other statutory structures and not having any, direct or indirect interest or related to the directors or promoters of the company or its holding company or any of its subsidiaries at any time during the last two years before or on or after the date of appointment and possesses graduate level qualification with expertise and specialized knowledge in the field in which the company operates.

Mr. Shivaprasad Srinivas fulfils these conditions.

The terms as set out in the resolution and explanatory statement may be treated as an abstract of the terms of appointment pursuant to Section 190 of the Act.

Mr. Shivaprasad Srinivas is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given required disclosures and consent for his appointment as Director of the Company.

The Company has received a notice from a member in terms of Section 160 of the Act, signifying their intention to propose the candidature of the Mr. Srinivas for the office of Director of the Company.

Details pursuant to Secretarial Standard-II on General Meetings issued by the Institute of Company Secretaries of India, is attached as **Annexure-I**.

Except, Mr. Shivaprasad Srinivas, being the appointee, none of the Directors, Key Managerial Personnels of the Company and their relatives are in anyway, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the accompanying Notice of the 38th AGM.

The Board of Directors, accordingly, recommends the Special Resolution set out at Item No. 3 of the Notice for the approval of the Members.

ITEM NO. 4

Based on the recommendation of the Nomination and Remuneration Committee (NRC), the Board of Directors of the Company have appointed Mr. Arnab Roy (DIN: 02522674) as an Additional Director in the capacity of Non-Executive Non-Independent Director of the Company with effect from April 01, 2022, liable to retire by rotation.

As an Additional Director, Mr. Arnab Roy, holds office till the date of this 38th AGM and is eligible for being appointed as a Non- Executive Director.

The Company has received a notice from a member in terms of Section 160 of the Act, signifying their intention to propose the candidature of the Mr. Roy for the office of Director of the Company.

Mr. Arnab Roy is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given required disclosures and consent for his appointment as Director of the Company.

Mr. Roy has been associated with the Group since March 2017 and holds aggregate professional experience of 25 years primarily with US, British and French MNC's in handling Finance, Accounts, Tax, Operations, Supply Chain, HR, IT, Admin & Regulatory Issues.

Mr. Roy has worked as CFO & Head of Operations for last 14 years with U.S. and European MNC's and was a member of country and APAC leadership team. He has done 5 P&L CFO roles over this period with organizations like Schneider, GE, Tyco Healthcare, G4S and Herbalife.

Mr. Roy is currently holding the position of CFO in Schneider Electric India Private Limited and holding the position of Director on the Board of Schneider Electric Infrastructure Limited, Listed Entity in addition to holding directorship in other private companies in the group.

Prior to Schneider, he was associated as CFO with South Asia of G4S Plc, a UK based company and Finance Transformation Director with a global responsibility, reporting to the Group CFO.

In his previous experiences, he has worked with:

- GE as Supply Chain CFO covering the manufacturing and sourcing portfolio of GE for all business with a P&L span of 2.2 Bn USD;
- Tyco Healthcare as CFO and Director Operations with a South Asia responsibility;
- Herbalife and Timken, a Tata Group Company.

Mr. Roy is an Economics Graduate and a Professional Accountant by qualification. He has also done an Executive MBA from IIM-Bangalore. He is also a certified Black Belt in Six Sigma from GE.

Your Board believes that induction of Mr. Arnab Roy on the Board will support in broadening the overall expertise of the Board.

Details pursuant to Secretarial Standard-II on General Meetings issued by the Institute of Company Secretaries of India, is attached as **Annexure-I**.

Except, Mr. Arnab Roy, being the appointee, none of the Directors, Key Managerial Personnels of the Company and their relatives are in anyway, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the accompanying Notice of the 38th AGM.

The Board of Directors, accordingly, recommends the Ordinary Resolution set out at Item No. 4 of the Notice for the approval of the Members.

ITEM NO. 5

On the recommendation of the Audit Committee, the Board of Directors at their Meeting held on May 21, 2022 approved the re-appointment of M/s. Rao, Murthy & Associates, Cost Accountants, Bengaluru (Firm Registration No. 000065) as the Cost Auditors to conduct the audit of the cost records of the Company for financial year 2022-23 at a remuneration of INR 1,10,000/- (Rupees One Lakh Ten Thousand Only) plus applicable taxes and reimbursement of out-of-pocket expenses.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the remuneration payable to the Cost Auditors is required to be ratified by the Members of the Company.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice of the 38th AGM for ratification of remuneration payable to the Cost Auditors for the financial year ending March 31, 2023.

None of the Directors, Key Managerial Personnels of the Company and their relatives are, in any way, concerned or interested financially or otherwise in the resolution set out at Item No. 5 of the accompanying Notice of the 38th AGM.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval of the Members.

ITEM NO. 6

Schneider Electric, at the group level has an Employee Stock Option Scheme called Worldwide Employee Share Ownership Plan ("WESOP") Scheme (the "Scheme") for its employees, whereby employees of the Schneider Group have the option to subscribe the shares of the Schneider Electric SE, France ("SE France"), the Ultimate Holding Company as employees of the group company.

The Scheme is available worldwide for Schneider Electric group employees. This evolution is due to Schneider Electric Group commitment to step up and to put an even greater part of your Company in the hands of its employees to inculcate a sense of participation in the fortunes of the Company.

SE France is Ultimate Holding Company of your Company. Accordingly, employees of your Company are also entitled to subscribe shares of SE France.

The Board of Directors of your Company in its meeting held on May 31, 2022 approved participation of employees of the Company including Directors and Key Managerial Personnels except Independent Directors and recommended the matter for approval of the Members, in compliance with the provisions of Section 67 of the Companies Act, 2013 ("the Act") and the rules made thereunder.

This scheme has been found to be very effective for retention of key talent and works in best interest of the Company. The salient feature of the scheme is available for inspection by the members electronically and shall remain open during the 38th AGM.

All the Directors and Key Managerial Personnels of the Company and their relatives except Independent Directors and their relatives are concerned or deemed to be interested in the resolutions as set out in Item No. 6 to the extent of the number of shares that may be acquired/ offered to them under the Scheme.

The Board recommends the Special Resolution set out at Item No. 6 of the Notice for approval of the Members.

By Order of the Board of Directors
For Schneider Electric President Systems Limited

Date: May 31, 2022

Place: Bengaluru

Sapna Bhatia
Company Secretary
ACS-32349

Regd. Office: Plot 5C/1,
KIADB Industrial Area, Attibele,
Bengaluru -562107, Karnataka

Annexure-I

Information of Director(s) seeking appointment/re-appointment at this 38th AGM of the Company in accordance with the Companies Act, 2013 and Secretarial Standards, as on the date of Notice.

Name of Director/ Particulars	Mr. Srinivasa Narasimhan	Mr. Shivaprasad Srinivas	Mr. Arnab Roy
Director Identification Number (DIN)	08488167	09530278	02522674
Date of Birth (Age in Years)	March 30, 1978	October 02, 1965	August 28, 1978
Date of First Appointment	March 03, 2020	March 08, 2022	April 01, 2022
Expertise in specific functional area	Driving Transformational Projects, Business Decision Support, setting up of Processes & Systems in New Businesses / Start-ups & Implementing Business Strategies	Expertise in Production, Tool design and manufacturing, Industrial engineering, Product engineering, Design and development of products and solutions, Product costing and cost management through VA & VE. Value creation and infrastructural upgradation of Plant etc.	Finance, Accounts, Tax, Operations, Supply Chain, HR, Information Technology, Admin & Regulatory Issues.
Qualifications	ACCA from Association of Chartered Certified Accountants, UK & CMA from the Institute of Cost Accountants of India	BE (Mechanical Engineer)	Economics Graduate and a Professional Accountant, Executive MBA from IIM-Bangalore and Certified Black Belt in Six Sigma from GE
Experience	22 Years	32 Years	25 Years
List of Companies in which Directorship is held	Schneider Electric IT Business India Private Limited	None	1. Schneider Electric Infrastructure Limited 2. Energy Grid Automation Transformers and Switchgears India Private Limited 3. Schneider Electric Private Limited 4. Schneider Electric Solar India Private Limited 5. Schneider Electric Systems India Pvt Ltd 6. Spreading Happiness Indiya Foundation 7. Eurotherm India Private Limited

Chairman/Member of Committee (s) of Board of Directors of Other Companies	Schneider Electric IT Business India Private Limited: Bond Committee (Member)	None	1. Schneider Electric Infrastructure Limited <ul style="list-style-type: none"> • Audit Committee (Member) • Finance and Banking Committee (Member) • Stakeholders Relationship Committee (Member) • Risk Management Committee (Member) 2. Schneider Electric Private Limited <ul style="list-style-type: none"> • Corporate Social Responsibility Committee (Member)
No. of Shares held in the Company	NIL	41	NIL
Relationship with Directors, Managers and Key Managerial Personnel	None	None	None
Terms and Conditions of Appointment/ Reappointment	Appointed as Non-Executive Director	As per Explanatory Statement of Notice of 38 th AGM	Appointed as Non-Executive Director
Remuneration sought to be paid/ last drawn	NIL		NIL
Number of Meetings of Board held/ attended during the year	4	1 ¹	1 ²

¹Mr. Shivaprasad Srinivas was appointed as Whole-time Director w. e. f March 08, 2022 on the Board of the Company, Schneider Electric President Systems Limited at its Board meeting held on March 08, 2022 and the meeting was attended by him in the capacity of Director post his appointment from the even date.

²Mr. Arnab Roy was appointed as Additional Non-Executive Director effective from April 01, 2022 in the meeting of the Board of Directors held on March 08, 2022 and the meeting was attended by him in his capacity of proposed appointee-Director.

BOARD'S REPORT

Dear Members,

Your directors take pleasure in presenting the 38th Annual Report on business and operations of the Company together with Audited Financial Statements for the financial year ended March 31, 2022.

1. Financial Results

(INR in Millions)

Particulars	Financial Year 2021-22	Financial Year 2020-21
Gross Revenue from Operations	3671.55	2532.19
Net Revenue	3673.95	2536.02
Earnings before interest and Depreciation (EBITDA)	288.79	242.44
Less: Interest	14.29	5.57
Less: Depreciation	57.04	46.68
Profit / (Loss) before Tax	217.46	190.19
Less: Provision for Tax	55.05	49.53
Less: Deferred Tax	1.91	-3.10
Profit After Tax	160.50	143.76

2. Financial Performance and State of the Company's Affairs

The Net Revenue of the Company was at INR 3673.95 million as compared to INR 2536.02 million in the previous year. The Profit after Tax was at INR 160.50 million compared to INR 143.76 million in the previous year.

Net Sales Turnover increased by INR 1139.36 million over the previous year.

3. Dividend

After careful assessment of the fund requirement for the ongoing business and future growth, the Board of Directors have decided not to recommend the dividend for the financial year ended March 31, 2022.

4. Reserves

The details of reserves are provided under the note of equity in financial statements.

5. Public Deposits

The Company has neither accepted nor renewed any deposits from public within the meaning of Section 73 of the Companies Act, 2013 ("the Act") read with Companies (Acceptance of Deposits) Rules, 2014 and as such, no amount on account of interest on deposits from Public was outstanding as on the date of the Balance sheet.

6. Extract of Annual Return

As required under Section 134(3)(a) of the Act, the Annual Return of the Company as per Section 92(3) of the Act can be accessed from the website https://www.apwpresident.com/Annual_Return.html.

7. Board of Directors and Key Managerial Personnels (KMPs)

At the year ended March 31, 2022, the Board has seven (07) directors comprising of four (04) Non-Executive Directors including one (01) Women Director; two (02) Independent Directors; and one (01) Executive Director.

Change in Directorship:

The year under review, witnessed the following changes in the composition of the Board:

Appointment(s): The Board, on the recommendation of the Nomination & Remuneration Committee (NRC):

- appointed Mr. Sachin Bhalla (DIN: 07325708) as an Additional Director (Non-Executive) with effect from August 01, 2021 vide resolution passed by circulation on June 02, 2021. The appointment was approved by the shareholders in their 37th Annual General Meeting (AGM) held on September 20, 2021.
- appointed Mr. Shivaprasad Srinivas (DIN: 09530278) as an Additional Director and Whole-Time Director for a period of three (03) years effective from March 08, 2022 in professional capacity. Mr. Srinivas has been designated as Key Managerial Personnel (KMP) w.e.f. even date.
- appointed Mr. Arnab Roy (DIN: 02522674) as an Additional Director (Non-Executive) in its meeting held on March 08, 2022 to be effective from April 01, 2022.

The appointment(s) of Mr. Shivaprasad Srinivas and Mr. Arnab Roy are subject to the approval of the Members at this forthcoming 38th AGM.

Re-appointment: In accordance with the provisions of the Act and Articles of Association of the Company, Mr. Srinivasa Narasimhan (DIN: 08488167), Non- Executive Director, is retiring by rotation and being eligible, has offered himself for re-appointment. The Board, on the recommendation of NRC, recommends his re-appointment.

Brief profile of Mr. Shivaprasad Srinivas, Mr. Srinivasa Narasimhan and Mr. Arnab Roy along with the details required pursuant to the provisions of the Act read with the Secretarial Standard-2 on the General Meetings issued by the Institute of Company Secretaries of India are given in the Notice of AGM. Attention of the members is invited to the relevant items in the Notice of AGM.

In case of re-appointment, NRC and the Board takes into consideration, the performance of the Director based on the Board evaluation and his/ her engagement level during the tenure.

The profile of Board of Directors can be accessed at Companies website at <https://www.apwppresident.com/Board.html>

None of the Directors of your Company are disqualified for being appointed/re-appointed as the Directors in terms of Section 164(2)(a) and (b) of the Act as per the disclosures received from the Directors.

Cessations: During the year under review, the following directors resigned from the Board of the Company:

- Mr. Swaminathan Venkatraman (DIN: 03139440), resigned from the position of Non-Executive Director, from close of business hours on November 16, 2021 due to change in role within the Schneider Group.
- Mohamed Adil (DIN: 08495260) resigned from the position of Whole-Time Director, from close of business hours on March 08, 2022 due to change in role within the Schneider Group and relinquished his position of Key Managerial Personnel (KMP) w.e.f. the said date.
- Mr. Sugata Sircar (DIN 01119161), resigned from the position of Non-Executive Director, from close of business hours on March 31, 2022 due to change in role within the Schneider Group.

The Board places on record its appreciation for the valuable services provided by Mr. Swaminathan Venkatraman, Mohamed Adil and Mr. Sugata Sircar during their respective tenure.

Key Managerial Personnel (KMPs)

During the year under review, following changes were approved by the Board on the recommendation of the NRC:

- Mohamed Adil (Whole-Time Director), ceased to be Key Managerial Personnel (KMP) w.e.f. the March 08, 2022.
- Mr. Shivaprasad Srinivas (Additional Director and Whole-Time Director) was designated as Key Managerial Personnel w.e.f. March 08, 2022.

At the closure of the financial year and as on date of this Report, the following are the KMPs of the Company:

- (a) Mr. Shivaprasad Srinivas, Whole-Time Director
- (b) Ms. Sapna Bhatia, Company Secretary

8. Criteria of Independence and Declaration from Independent Directors

The NRC and the Board assesses the independence of Directors at the time of appointment / re-appointment pursuant to the criteria laid down by the Company in line with the requirements of the Act. Determination of independence is being re-assessed on yearly basis and as and when any new interests or relationships are disclosed by the Director.

The Company has received declaration from the Independent Directors confirming that they meet the criteria of Independence as laid out under Section 149(6) of the Act.

9. Performance Evaluation of Board, its Committees, Chairman, and Individual Directors

The Company has devised a formal process for annual evaluation of performance of the Board, its Committees, Chairman, and Individual Directors ("Board Evaluation") which include criteria for performance evaluation of non-executive and executive directors as laid down by the NRC and the Board of Directors of the Company.

The Board of Directors has carried out an annual evaluation of its own performance, performance of the Directors individually, Chairman as well as the evaluation of the working of its Committees, pursuant to the provisions of the Act.

Feedback was sought from each Director about their views on the performance of the Board, covering various criteria such as degree of fulfilment of key responsibilities, Board structure and composition, establishment, and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning, Board culture and dynamics, quality of relationship between the Board and the Management and efficacy of communication with external stakeholders.

Feedback was also taken from every Director on his/her assessment of the performance of each of the other Directors and about the performance of every Committee of the Board and these assessments were presented to the Board for consideration. Areas on which the Committees of the Board were assessed included degree of fulfilment of key responsibilities, adequacy of Committee composition and effectiveness of meetings.

The evaluation was carried out through tailored questionnaires which were pragmatically structured to draw out significant issues that were relevant to the Board; each of the Board Committees and the individual directors to assist in identifying any areas for improvement.

The outcome of the evaluation was discussed by the NRC and the Board at their respective meetings held on May 31, 2022.

Overall, the review determined that the Board has been functioning as a unified body which is well engaged with different perspectives and contributing to the organizational goals. However, the Company requires to further focus on the improvement in the areas pertaining to financial plans and periodic results, execution of strategies, risk assessment and mitigation, contingency plans for dealing with crisis, HR policy and succession planning. The members recorded their overall satisfaction on the board evaluation process.

10. Board Meetings and Annual General Meeting

The Board of Directors of the Company met four (4) times, viz. July 30, 2021, September 02, 2021, November 16, 2021, and March 08, 2022, during this financial year 2021-22. The gap intervening between two meetings of the Board did not exceed one hundred and twenty (120) days.

The composition and category of Directors, attendance of each Director at the Board Meetings as at March 31, 2022 and at the last AGM is tabulated hereunder:

Sl. No.	Name of Director	Category of Directorship	Number of Board meetings ⁶ held during their tenure	Number of Board meetings attended	Attendance at the last AGM ⁶ held on September 20, 2021
1	Mr. Ranjan Pant	Chairman -Non-Executive Independent Director	4	4	Yes
2	Mr. RR Nair	Non-Executive Independent Director	4	4	Yes
3	Ms. Rachna Mukherjee	Non-Executive Director	4	3	Yes
4	Mr. Srinivasa Narasimhan	Non-Executive Director	4	4	Yes
5	Mr. Sachin Bhalla ¹	Non-Executive Director	3	3	Yes
6	Mr. Swaminathan Venkatraman ²	Non-Executive Director	3	3	Yes
7	Mohamed Adil ³	Whole-time Director	4	3	Yes
8	Mr. Sugata Sircar ⁴	Non-Executive Director	4	4	Yes
9	Mr. Shivaprasad Srinivas ⁵	Additional & Whole-time Director	1	1	Not Applicable

¹Mr. Sachin Bhalla, appointed as Additional Director (Non-Executive) on the Board of the Company w. e. f August 01, 2021 vide Resolution by circulation passed on June 02, 2021, confirmed in the first (1st) meeting of the Board of Directors held on July 30, 2021. He participated in the meeting as an Invitee.

²Mr. Swaminathan Venkatraman, resigned from the position of Non-Executive Director, with effect from close of business hours on November 16, 2021.

³Mohamed Adil, resigned from the position of Whole-Time Director, with effect from close of business hours on March 08, 2022.

⁴Mr. Sugata Sircar, resigned from the position of Non-Executive Director, with effect from close of business hours on March 31, 2022.

⁵Mr. Shivaprasad Srinivas, appointed as Additional Director and Whole-Time Director on the Board of the Company w. e. f March 08, 2022. He participated in the meeting as an invitee and confirmed director in the same meeting.

⁶The Company has organised and conducted its Board, Committee and Annual General Meetings for the financial year 2021-22 through Audio Visual conference facility in compliance with Companies Act 2013 and other applicable norms issued by the MCA due to COVID-19 Pandemic.

During the year under review, the Board has approved two (2) resolutions through circulation on May 24, 2021 and June 02, 2021.

11. Remuneration Policy

In terms of the provisions of Section 178(3) of the Act, the NRC is responsible for formulating the criteria for determining qualification, positive attributes and independence of a director. The Board, on the recommendation of the NRC, has framed a policy on remuneration, to be paid to directors, key managerial personnel and other employees including criteria for appointment of directors on the Board of the Company.

During the year under review, there have been no changes to the Policy. The Policy may be accessed from the Company's website at <https://www.apwpresident.com/Policies.html>

12. Board Committees

The Board has constituted various statutory and non-statutory committees to focus on specific areas and to take informed decisions. These Committees have defined roles and operate under their terms of reference as defined by the Board respectively. The Committees are duly constituted under the requirements of the Act.

The following Statutory Committees constituted by the Board, functions according to their respective roles and defined scope:

- I. Audit Committee
- II. Nomination and Remuneration Committee
- III. Corporate Social Responsibility Committee
- IV. Stakeholders Relationship Committee

In addition to above, the Board has also constituted Finance Committee inter-alia to take care of the day-to-day banking operations of the Company.

The details of the composition of the Committees as on date of this report is as under.

SI. No.	Name of Committee	Members of Committees
I.	Audit Committee	Mr. Ranjan Pant, Chairman Mr. Ramakrishna Rajasekharan Nair Mr. Arnab Roy ¹
II.	Nomination and Remuneration Committee	Mr. Ramakrishna Rajasekharan Nair, Chairman Mr. Ranjan Pant Ms. Rachna Mukherjee
III.	Corporate Social Responsibility Committee	Mr. Ramakrishna Rajasekharan Nair Mr. Sachin Bhalla ² Mr. Arnab Roy ¹
IV.	Stakeholders Relationship Committee	Mr. Ranjan Pant, Chairman Mr. Sachin Bhalla ² Mr. Arnab Roy ¹
V.	Finance Committee	Mr. Srinivasa Narasimhan Mr. Sachin Bhalla ² Mr. Arnab Roy ¹

¹Mr. Arnab Roy was appointed as member of the Committee w.e.f. April 1, 2022

²Mr. Sachin Bhalla was appointed as member of the Committee w.e.f. November 16, 2021.

The details with respect to powers, roles, terms of reference, no. of meetings etc. of the Committee(s) held during the financial year 2021-22 and attendance of the members at each Board Committee(s) are as under:

(I) Audit Committee

As on March 31, 2022, the Audit Committee of the Board comprises of three (03) Non-Executive Directors, out of which two (02) are Independent Directors. The composition of the Committee is compliant with the provisions of Section 177 of the Act. The Chairperson of the Audit Committee is a Non-Executive Independent Director. All the members of the Audit Committee are financially literate. The Audit Committee met four (04) times viz. July 30, 2021, September 02, 2021, November 16, 2021, and March 08, 2022, during the financial year. The details of the composition, attendance etc. are given in table below.

The Internal Auditor, Statutory Auditors and Cost Auditors are invited to the meetings on requirement basis.

Audit Committee: Composition, Meetings and Attendance Details:

Sl.No.	Name of the Members	Number of Meetings held during the Year	Number of Meetings Attended	% Percentage
1	Mr. Ranjan Pant (Chairman)	4	4	100
2	Mr. Ramakrishna Rajasekharan Nair	4	4	100
3	Mr. Sugata Sircar	4	4	100

The role and terms of reference of the Audit Committee covers the areas as contemplated under Section 177 of the Act, besides other terms as referred by the Board of Directors.

The Key responsibilities of the Audit Committee inter alia, includes the function as defined in the Act and rules made thereunder (a) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible. (b) Recommendation for appointment, remuneration and terms of appointment of auditor(s) of the Company. (c) Approval of payment of fee to statutory auditors for any non-audit services rendered by the statutory auditors. (d) Review and monitor the auditor's independence and performance, and effectiveness of audit process. (e) Examination of the financial statement and the auditors' report thereon. (f) Approval or any subsequent modification of transactions of the Company with related parties. (g) Scrutiny of inter-corporate loans and investments. (h) Valuation of undertakings or assets of the Company, wherever it is necessary. (i) Evaluation of internal financial controls and risk management systems. (j) Monitoring the end use of funds raised through public offers and related matters, if any. (k) Adequacy of the internal audit function and to discuss significant internal audit findings. (l) Reviewing reasons for the substantial defaults in the payment to depositors, shareholders, and creditors, if any. (m) Review the function of the Whistle Blower Mechanism.

During the year under review, the Company has approved one (01) resolution, through circulation on May 13, 2021.

(II) Nomination and Remuneration Committee

As on March 31, 2022, the Nomination and Remuneration Committee of the Board comprises of three (03) Non-Executive Directors, out of which two (02) are Independent Directors. The Chairperson of the (NRC) is a Non-Executive Independent Director. The Composition of the Committee complies with the provisions of Section 178 of the Act.

During the financial year 2021-22, the Committee met two (2) times viz July 30, 2021 and March 08, 2022. The details of the composition, attendance etc. are given in table below:

Nomination and Remuneration Committee: Composition, Meetings and Attendance Details:

Sl. No	Name of the Members	Number of Meetings held during the Year	Number of Meetings Attended	% Percentage
1	Mr. Ramakrishna Rajasekharan Nair (Chairman)	2	2	100
2	Mr. Ranjan Pant	2	2	100
3	Ms. Rachna Mukherjee	2	2	100

The role and terms of reference of the NRC covers the areas as contemplated under Section 178 of the Act, besides other terms as referred by the Board of Directors.

The key responsibilities of the Committee inter alia, includes the function as defined in the Act and rules made thereunder (a) Identifying persons who are qualified to become directors and who may be appointed in senior management position and recommend to the Board of Directors their appointment and removal. (b) Conduct an annual evaluation of overall effectiveness of the Board, the Committee(s) of the Board, Chairman and the performance of

each director: (c) To recommend the remuneration policy and remuneration of directors, key managerial personnel and other senior management. (d) Carry out any other function as directed by the Board and/or mandated by any statutory authority through any notifications, amendments, or modifications from time to time. (e) Review all human resource related issues including succession plan to key personnel.

During the year under review, the Committee has approved one (01) resolution, through circulation on June 01, 2021.

(III) Stakeholders Relationship Committee

In Compliance with the requirement of Section 178 of the Act, the Board has constituted a Stakeholders Relationship Committee (SRC). The Committee investigates redressal of complaints/ grievances of Shareholders and Investors. The Committee oversees and reviews performance of the Registrar and Share Transfer Agent and recommends measures for overall improvement in the quality of investor services and the functions as defined in the Act and delegated by the Board of Directors.

As on March 31, 2022, the SRC comprises of three (03) Non- Executive Directors, out of which one (01) is an Independent Director. The Chairperson of the SRC is a Non-Executive Independent Director. During the financial year 2021-22, the members of the Committee met once on March 08, 2022. All the members attended the meeting through VC.

During the year under review, the Company has approved one (01) resolution, through circulation on October 04, 2021.

(IV) Corporate Social Responsibility Committee

In compliance with Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules 2014, the Company has constituted a Corporate Social Responsibility (CSR) Committee.

The Committee oversees, inter-alia, CSR activities and other related matters and discharges the roles as prescribed under Section 135 of the Act which includes formulating and recommending to the Board, a CSR Policy indicating the activities to be undertaken by the Company, as per Schedule VII of the Act, recommending the amount of CSR budget or expenditure to be incurred during the year; formulating and monitoring of the plan as per the CSR Policy of the Company etc. The Company's policy on CSR can be accessed at <https://www.apwpresident.com/Policies.html>

As on March 31, 2022, the CSR Committee comprises of three (03) Non-Executive Directors, out of which one (01) is an Independent Director. There is no pre-appointed chairperson for the CSR Committee. During the financial year 2021-22, the Committee met once on July 30, 2021. The details of the composition, attendance etc. forms part of the Annual Report on CSR Activities annexed as **Annexure I** to this Report.

(V) Finance Committee

To facilitate seamless operations and cater to various day-to-day requirements, the Board has formed a functional Committee known as the Finance Committee. The Committee meets as and when deem necessary to cater to the day-to-day requirements of the Company. The Committee comprises of three (03) Non-Executive Directors. There is no appointed chairperson for the Finance Committee. During the financial year 2021-22, the Committee meeting was conducting physically on December 17, 2021. The details of the composition, attendance etc. are given in table below:

Finance Committee: Composition, Meetings and Attendance Details:

Sl. No	Name of the Members	Number of Meetings held during the Year	Number of Meetings Attended	% Percentage
1	Mr. Sugata Sircar	1	1	100
2	Mr. Sachin Bhalla	1	1	100
3	Mr. Srinivasa Narasimhan	1	-	-

The Committee operates within the overall responsibilities and powers entrusted by the Board.

13. Risk Management

As a proactive measure, the Company has Risk Minimization and Assessment Procedures in place. The objective of any risk identification and assessment process is to evaluate the combination of likelihood and level of negative impacts from an event. The three main components of a risk assessment are business risk, service/operational risk, and external risk.

The Company manages the risk in line with current risk management best practices. The Audit Committee of the Company takes note of each risk as identified from time to time as per internal audit findings placed in meetings for consideration, discussion on the strategies based on the inputs, received from the members of the committee before execution of mitigation plans. This facilitates the achievement of our objectives, operational effectiveness and efficiency, protection of people and assets, informed decision making and compliance with applicable laws and regulations.

14. Auditors

(i) Statutory Auditors and Audit Report

M/s. S.N. Dhawan Co, LLP, Chartered Accountants (Firm Registration No. 000050N/ N500045), Statutory Auditors of the Company, were appointed by the Shareholders of the Company at their 37th AGM held on September 20, 2021 for a period of five (05) years, from the conclusion of the 37th AGM until the conclusion of the 42nd AGM of the Company.

The Report given by the Auditors on the Financial Statements of the Company for financial year 2021-22 forms part of this annual report. There has been no qualification, reservation, adverse remarks or disclaimer given by the Auditors in their report except emphasis of matter on pending litigation with SEBI. Further, the Auditors Report being self-explanatory does not call for any further comments from the Board of Directors.

During the year under review, no instances of fraud has been reported by the Statutory Auditors under Section 143(12) of the Act and the rules framed thereunder, neither to the Company nor to the Central Government.

(ii) Cost Auditors

Pursuant to the provision of Section 148 of the Act and applicable Rules as amended from time to time, the Company is required to maintain cost records and accordingly, such accounts are being made and records has been maintained in respect of the applicable products for the financial year ended March 31, 2022.

On the recommendation of Audit Committee, the Board of Directors have re-appointed M/s. Rao, Murthy & Associates, Cost Accountants, Bengaluru (ICWA Registration No.000065) as Cost Auditors, to audit the cost records of the Company for the financial year 2022-23. As per the requirement of the Act, a resolution seeking members' approval for the remuneration payable to the Cost Auditors forms part of the Notice convening the 38th AGM.

A Certificate from M/s. Rao, Murthy & Associates has been received to the effect that their appointment as Cost Auditors of the Company, would be in accordance with the limits as specified under Section 141 of the Act and Rules made thereunder.

(iii) Secretarial Auditors and Secretarial Audit Report

The Board has appointed M/s. Chandrasekaran Associates, Practicing Company Secretaries, New Delhi (ICSI Firm Registration No. PI988DE002500) as Secretarial Auditors, to conduct the Secretarial Audit of the Company for the financial year 2021-22 as required under Section 204 of the Act and rules made thereunder. The Secretarial Audit Report for the financial year 2021-22 is attached as **Annexure II** to the Board's Report.

The Board has re-appointed M/s. Chandrasekaran Associates as Secretarial Auditors of the Company for the financial year 2022-23 in compliance with the Act.

(iv) Internal Audit and Internal Financial Control

Mr. Anurag Bothra was the Internal Auditor of the Company for financial year 2021-22 and subsequent to his resignation, Mr. Vinay Kumar Awasthi has joined the internal audit function as Director Regional Internal Audit - Greater India Zone and has been appointed as the Internal Auditor of the Company for the financial year 2022-23.

The Company has received the consent from Mr. Vinay Kumar Awasthi towards his appointment as Internal Auditor for financial year 2022-23.

In compliance to requirements of the Act, the Company has put in place, an independent and objective inhouse internal audit department designed to provide reasonable assurance with regards to the effectiveness and adequacy of the internal control system, processes and reliability of financial reporting. The in-house internal audit department, along with third party audit firms, provides audit assurance and consulting activities designed to add value and improve the Company's end to end processes through a systematic disciplined approach, from inception, through fieldwork, to final reporting. All five essential components of COSO framework i.e., control environment, risk assessment, control activities, information-communication and monitoring are considered while defining the control objective, as the intent is to ensure adherence to Company defined guidelines along with value addition through improvement in existing Company processes.

The Company has set up a robust risk management and Internal Control assessment framework across the organization which facilitates identification, assessment, communication and management of risk in effective manner. The audit plan for the year is based on business risk and Internal Control assessment, which is approved by the Audit Committee.

Further, as per requirements of the Act, a detailed internal financial control framework had been documented through Risk & Control Matrix (RCMs). These RCM's are reviewed and updated on an annual basis for any change in control over existing practices and procedures. Controls are further bifurcated into key and non-key controls based on business impact and documented key controls are tested annually to ensure its effectiveness.

Post control testing, a diagnostic review of the Company processes is documented and communicated, highlighting existing risks and corresponding mitigation plan with status of previously identified risks, in compliance with Internal Financial Control (IFC) guidelines.

With reference to IFC guidelines, there are no qualification in the Auditors' Report on internal financial controls over financial reporting.

15. Subsidiary/ Joint Venture/ Associate Companies

The Company has no Subsidiary/ Joint Venture/ Associate Company.

16. Conservation of Energy and Technology Absorption and Foreign Exchange Earnings and Outgo

The information relating to conservation of energy, technology absorption, foreign exchange earnings and outgo as stipulated under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed as **Annexure III** to this Report.

17. Share Capital

The Paid-Up Equity Share Capital of the Company as on March 31, 2022 was INR 60,480,000/- (Indian Rupees Six Crore Four Lakh Eighty Thousand Only). During the year under review, there has been no change in the Equity Share Capital of the Company.

18. Status Report-Equity Shares of the Company

As on March 31, 2022, Schneider Electric South East Asia (HQ) Pte Ltd. (the "Promoters") of the Company hold 80.49% of the total share capital of the Company.

Background details:

The equity shares of the Company were listed on the Bengaluru Stock Exchange and Pune Stock Exchange (Regional Stock Exchanges) and permitted to be traded on the BSE Limited (the BSE) Consequent to de-recognition of the Regional Stock Exchange by Securities and Exchange Board of India (SEBI). The BSE had suspended the trading of the equity shares of the Company effective from May 22, 2015.

As per the circular issued by SEBI for the exclusively listed companies of de-recognized stock exchanges, placed in the Dissemination Board, Schneider Electric South East Asia (HQ) Pte Ltd. ("the Promoter") had provided an exit offer on February 14, 2017 to the public shareholders of the Company at an offer price of INR 200.40 per share. The offer price was as per the valuation carried out by an independent valuer empaneled with the National Stock Exchange of India (NSE) as per the circular issued by SEBI.

The public shareholders had an option to tender their shares to the Promoter until March 11, 2018 at the said price. In the exit offer provided to the public shareholders of the Company, 344 shareholders have tendered 331,939 equity shares i.e. (5.49% of the total share capital of the Company) to the Promoter of the Company.

In respect of the exit offer given, an appeal was filed by certain public shareholders (“Appellants”) of the Company before the Securities Appellate Tribunal (“SAT”) contending that SEBI has failed to consider the issues raised by the Appellants in their SCORES complaint and the SEBI Circulars regarding exit of regional stock exchanges and Exclusively Listed Companies (ELCs) and further contending that the fair value price calculated as per the valuation report was incorrect.

SAT after considering the submissions made by the parties, disposed of the Appeal vide its order dated November 26, 2019 (“Order”) and directed SEBI to consider the issues raised by the Appellants and pass a reasoned order within three (3) months from the date of Order. In furtherance to this, on February 07, 2020, SEBI filed a Review Application before SAT seeking review of its Order, which was dismissed by SAT on February 21, 2020 and passed an order remanding the matter to SEBI, to reconsider the complaint and pass a reasonable order.

SEBI aggrieved by the SAT Order, approached the Hon’ble Supreme Court in Civil Appeal. Hon’ble Supreme Court by its order dated October 15, 2020 dismissed SEBI’s appeal with a direction to SEBI, to decide the matter ‘without being influenced by any observations made by SAT’ before.

SEBI Order:

SEBI passed an Order dated January 19, 2021 and revised order dated January 21, 2021 (“SEBI Order”) disposing of the complaints and, inter alia, directed the Company to either:

- (i) list the equity shares of the Company on a nationwide stock exchange; or
- (ii) delist the Company in terms of the Delisting Regulations within a period of six (6) months from SEBI Order.

SEBI further directed that Company shall provide an opportunity to the shareholders who have tendered their shares in the exit offer (which closed on March 10, 2017) to buy back the shares at the exit price of INR 200.40/- per share.

Current Status:

The Company on advice of its law firm, representing before the Authorities, had filed a Writ Petition with Hon’ble Bombay High Court against the SEBI order dated January 19, 2021. The Hon’ble High Court by its order dated February 15, 2021 has directed the Company to approach the SAT in an Appeal, to review of the Order passed by the SEBI with an observation that the SAT shall not be influenced with its earlier order and dismissed the Writ petition.

The Company has filed an appeal before the SAT in Appeal (L) No. 128 of 2021.

The matter is sub-judice and is listed for hearing on June 27, 2022.

19. Related Party Transactions

The Company has formulated a policy on Related Party Transaction pursuant to provisions of the Act and rules made thereunder and may be referred from the website of the Company at <https://www.apwpresident.com/Policies.html>.

All transactions entered with the Related Parties during the financial year 2021-22 were on arm’s length basis and in ordinary course of business. Accordingly, no transactions are being reported in Form AOC-2 in terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014.

20. Particulars of Employees

The Company has 214 employees on roll (permanent employees) as on March 31, 2022 and none of the employees drawing a remuneration in excess of limits prescribed under the Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (the Rules).

21. Directors’ Responsibility Statement

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Board confirms that:

- a) in the preparation of the annual accounts of the Company for the financial year ended March 31, 2022, the applicable accounting standards has been followed and there are no material departures from the same;

- b) they 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 at the end of the financial year and of the profit of the Company for that period;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts on a going concern basis;
- e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f) they have devised proper systems to ensure compliance with the provision of all applicable laws and that such systems were adequate and operating effectively, and
- g) the Company has complied with the Secretarial Standards-I (Meetings of Board of Directors) and Secretarial Standards-2 (General Meetings) issued and amended from time to time, by the Institute of Company Secretaries of India.

22. Particulars of Loans, Guarantees or Investments

The details of Loans, Guarantees and Investments are given in the Schedule and Notes to the Financial Statements.

23. Material Changes and Comments affecting the Financial Position of the Company after March 31, 2022

No material changes and commitments affecting the financial position of the Company occurred after the end of the financial year on March 31, 2022 till the date of this report except as stated in this report.

24. Details of significant and Material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's Operation in future

During the year under review, no significant and material orders were passed by the Regulators or Courts or Tribunals impacting the going concern status and the Company's operations.

25. Disclosure under the Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Pursuant to the provisions of the Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with Rules as amended up to date, the Company has constituted Internal Complaints Committees (ICCs).

ICCs have been given the responsibility to receive and address the complaints, if any received, at all locations where the Company is located at present. The Company has also taken steps to create awareness about familiarization to the said policy by conducting periodical webinars for its employees in line with the rules and regulation of the Act and providing continuance information on digital platforms along with publishing of information on the notice boards of the premises.

The reporting mechanism has been established in the organisation for reporting the cases, if any, to the Audit Committee and Board of Directors meetings respectively.

During the year under review, no cases were reported alleging sexual harassment.

26. Vigil Mechanism/Whistle Blower Policy

Pursuant to the provisions of Section 177 of the Act read with the Rules made thereunder, the Company has formulated and implemented Vigil Mechanism for disclosing any unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct (Trust Charter) and other improper practice or wrongful conduct by employees or directors of the Company.

During the year under review, the Company has not received complaints relating to unethical behaviour, actual or suspected fraud or violation of Company's Trust Charter (formerly known as Principles of Responsibility) from any employee, director or any other person.

27. Buy back of Securities/ Sweat Equity/ Bonus Shares

The Company has neither bought back any of its securities nor issued any sweat equity or bonus shares during the year under review.

29. Code of Business Conduct and Ethics of the Company – Trust Charter

The Board of the Company has adopted a Code of Conduct and Ethics known as Trust Charter (formerly known as Principles of Responsibility) for the directors, senior executives and employees of the Company. The objective is to conduct the Company's business ethically and with responsibility, integrity, fairness, transparency, and honesty. It sets out a broad policy for one's conduct in dealing with the Company, fellow directors and employees and with the environment in which the Company operates. The code is available on the Company's website.

30. Reconciliation of Share Capital Audit

In compliance with the provisions of Rule 9A sub rule 8 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Share Reconciliation Audit Form PAS-6 for the period ended September 30, 2021 and March 31, 2022 duly certified by the Practicing Company Secretary were filed with Registrar of Companies within prescribed timelines.

31. Details of Factories

The details of the Company factories are as under:

Factory	Location
Attibele Factory Unit-1	Plot No. 5C/1, KIADB Industrial Area, Attibele, Bengaluru - 562107, Karnataka
Attibele Factory Unit-2	Plot No. 6A, KIADB Industrial Area, Attibele, Bengaluru - 562107, Karnataka
Attibele Factory Unit-3	Plot No 5-D, Survey No. 106 & 108, Ichhangur Village, KIADB Industrial Area, Attibele, Bangalore – 562107, Karnataka

32. Acknowledgement

Your Directors wish to thank all stakeholders, viz, customers, shareholders, dealers, suppliers, bankers, employees, Central and State Governments and all other business associates for the continuous support given by them to the Company and its Management.

For and on Behalf of the Board of Directors
Schneider Electric President Systems Limited

Date: May 31, 2022
Place: New Delhi

Ranjan Pant
 Chairman
 DIN:00005410

Annexure I
ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2021-22
1. Brief outline on CSR Policy of the Company:

The Company's CSR Policy has been framed within the objectives including overview of projects prescribed under Schedule VII of the Companies Act, 2013 or programmes proposed to be undertaken as per the Vision and Objective.

2. Composition of CSR Committee

Sl. No.	Name of Director/Members	Designation/Nature of Directorship	No. of meetings of CSR Committee ¹ held during the year	No. of meetings of CSR Committee attended during the year
1	Mr. Ramakrishna Rajasekharan Nair	Non-Executive Independent Director	1	1
2	Mr. Swaminathan Venkatraman ²	Non-Executive Director	1	1
3	Mr. Sugata Sircar ³	Non-Executive Director	1	1
4	Mr. Sachin Bhalla ²	Non-Executive Director	1	Not applicable

¹The Corporate Social Responsibility Committee meeting held during the financial year 2021-22, was organised through Audio Visual means.

²Mr. Swaminathan Venkatraman, ceased to be member of the Committee from the close of business hours on November 16, 2021 subsequent to his resignation from the Board of Directors of the Company and Mr. Sachin Bhalla was appointed as the member of the Committee from the even date.

³Mr. Sugata Sircar, ceased to be member of the Committee from the close of business hours on March 31, 2022 subsequent to his resignation from the Board of Directors of the Company and Mr. Arnab Roy is appointed as the member of the Committee w. e. f April 01, 2022 in the meeting of the Board of Directors held on March 08, 2022.

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company: The Composition of CSR committee, CSR Policy and CSR projects may be accessed from the Company's website at:

Composition of CSR committee:

https://www.apwpresident.com/content/SEPSL_Committees%20of%20Board%20Directors.pdf

CSR Policy: <https://www.apwpresident.com/Policies.html>

CSR Projects <https://www.apwpresident.com/CSR.html>

4. Provide the details of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of Companies (CSR Policy) Rules, 2014, if applicable (attach the report): NA

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

Sl. No	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
	NA		
	Total		

6. Average net profit of the company as per section 135(5): INR 15,36,87,647.00

7. (a) 2% of average net profit of the company as per section 135(5): INR 30,73,753/-

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NA

(c) Amount required to be set off for the financial year, if any: NA

(d) Total CSR obligation for the financial year (7a+7b-7c): INR 30,73,753/-

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

Total Amount Spent for the Financial Year (In Rs.)	Amount Unspent (In Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local Area (Yes/No)	Location of the Project		Project duration	Amount allocated for the project (in Rs.)	Amount spent in the Current Financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per section 135(6) (in Rs.)	Mode of Implementation - Direct (Yes/No)	Name	CSR registration number
				State	District							
1	Tree Plantation	Sch (iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water 48[including contribution to the Clean Ganga Fund setup by the Central Government for rejuvenation of river Ganga;	Yes	West Bengal and Karnataka	24 Pragnas Bangalore	4 years	30,06,985	30,06,985	NA	No	Schneider Electric India Foundation	CSR00012125
	Total						30,06,985	30,06,985				

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local Area (Yes/No)	Location of the Project		Amount Spent for the project (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR registration number
	Total								

(d) Amount spent in Administrative Overheads: INR 66,768/-

(e) Amount spent on Impact Assessment, if applicable: NA

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): INR 30,73,753/-

(g) Excess amount for set off, if any:

Sl. No.	Particulars	Amount (in Rs.)
(i)	2% of average net profit of the company as per section 135(5)	30,73,753
(ii)	Total amount spent for the financial year	30,73,753
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years[(iii)-(iv)]	-

9. (a) Details of unspent CSR amount for the preceding three financial years: NA

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount Spent in the reporting Financial Year (in Rs)	Amount transferred to any fund specified under Schedule VII as per section 135(6) if any			Amount remaining to be spent in succeeding financial years (in Rs.)
				Name of the Fund	Amount (in Rs.)	Date of Transfer	
	Total						

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting financial Year (in Rs).	Cumulative amount spent at the end of reporting financial year (in Rs.)	Status of the project –Completed /On-going
	Total							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year. (asset-wise details) NA

(b) Date of creation or acquisition of the capital asset(s).

(c) Amount of CSR spent for creation or acquisition of capital asset.

(d) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

(e) Provide details of the capital asset(s), created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the company has failed to spend 2% of the average net profit as per section 135(5):NA

RR Nair
Chairman-CSR Committee
DIN: 0020255 I
Place: Bengaluru

Sachin Bhalla
Director
DIN: 07325708
Place: Gurugram

Ranjan Pant
Chairman-Board of Directors
DIN:00005410
Place: New Delhi

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2022

To,
The Members,
Schneider Electric President Systems Limited
5C/I, KIADB Industrial Area,
Attibele, Bangalore-562107

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Schneider Electric President Systems 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 Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 ("Period under review") according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **Not applicable during the period under review.**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 76 of Securities and Exchange Board of India (Depositories and Participants), Regulations, 2018; **Not applicable during the period under review.**
- (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'): **Not applicable during the period under review.**
 - 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, 2018;
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 to the extent applicable and Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 to the extent applicable, prior to its repealment;
 - e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
 - h. The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018;

(vi) The other laws, as informed and certified by the management of the Company which are specifically applicable to the Company based on the sectors/ Industry are:

- a) Electricity Act, 2003 and the Rules made thereunder.
- b) Hazardous Wastes (Management and Handling) Rules, 1989.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.

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

We further report that

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except in cases where meetings were convened at a shorter notice. The Company has complied with the provisions of the Act for convening the meeting at shorter notice. 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.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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, following major events/actions have happened which is deemed to have major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc:

- a) Consequent to De-recognition of Bangalore stock Exchange ("BSE") and Pune Stock Exchange ("PSE") in the financial year 2014-15 as Regional Stock Exchanges ("RSE") by Securities Exchange Board of India ("SEBI"), BSE had suspended the trading of the equity shares of the Company effective May 22, 2015.

As per the circular issued by SEBI for the exclusively listed companies of de-recognized stock exchanges placed in the Dissemination Board. SEBI vide its circular dated October 10, 2016, provided the Exclusively Listed Companies (ELC) in the RSE to get themselves listed in the nationwide stock exchange or make an exit offer to the public shareholders. Company chose to make an exit offer as per the procedures of the SEBI Circular dated October 10, 2016 and Schneider Electric South East Asia (HQ) Pte Ltd. ("the Promoter") had provided an exit offer on February 14, 2017 to the public shareholders of the Company at an offer price of Rs. 200.40 per share. The offer price was as per the valuation carried out by an independent valuer empanelled with the National Stock Exchange (NSE) as per the circular issued by SEBI. Total 344 Public shareholders holding 331,939 equity shares (5.49% of total shareholding) tendered their shares to the Promoter of the Company during the exit offer between 2017-18.

On March 2017, 31 Minority Shareholders of the Company ("Complainants") made a complaint to SEBI that (i) the Company should have first made an attempt to list on a nationwide stock exchange, and (ii) that the fair price of INR 200.40/- per share arrived at by the valuer is incorrect. SEBI disposed-off the complaint stating that it has provided guidelines/procedures of exit and advised the public shareholders to refer the specific guidelines. The order further provided that if the complainant has any concerns on the valuations, they may take up the matter directly with the Company or the Stock Exchanges.

Complainants challenged the SEBI order before the Securities Appellant Tribunal (SAT), wherein SAT passed an order disposing off the aforesaid Appeal and directing SEBI to reconsider the grievances raised by the Complainants and to pass a reasoned and speaking order in the matter and also clear its stand on its Circular dated October 10, 2016 (SAT Order).

SEBI being an aggrieved party from the SAT order approached the Hon'ble Supreme Court, wherein Hon'ble Supreme Court dismissed the appeal with a direction to SEBI to decide the matter 'without being influenced by any observations made by SAT'.

SEBI re-heard the minority shareholder through personal hearing scheduled on January 08, 2021. The SEBI passed an Order dated January 19, 2021 read with revised Order dated January 21, 2021 ("SEBI Order") directed the Company to either: (i) list the equity shares of the Company on a nationwide stock exchange or (ii) delist the Company in terms of the Delisting Regulations within a period of 6 months from SEBI Order. Further, the order also required the company to provide an opportunity to the shareholders who have tendered their shares the exit to buy back the shares. The Company was directed to intimate its decision to National Stock Exchange (NSE) and its shareholders as per option availed (as stated above) within a period of one month from the date of its order. i.e. February 18, 2021. However the company had filed a Writ Petition with Hon'ble Bombay High Court against the SEBI order dated January 19, 2021 on advice of its law firm, representing before the Authorities.

The Hon'ble High Court has directed the Company to approach the SAT for review of the Order passed by the SEBI and have stated that the SAT must not be influenced with its earlier order and dismissed the Writ petition.

The Company filed an appeal before the SAT in Appeal (L) No. 128 of 2021. Currently, the matter is pending with SAT scheduled for final hearing at admission stage on June 27, 2022.

For Chandrasekaran Associates
Company Secretaries
FRN: P1988DE002500
Peer Review Certificate No.: I428/2021

Shashikant Tiwari
Partner
Membership No. FCS 11919
Certificate of Practice No. 13050
UDIN: F011919D000435562

Date: May 31, 2022
Place: Delhi

Note:

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

Annexure - A

To,
The Members,
Schneider Electric President Systems Limited
5C/1, KIADB Industrial Area,
Attibele, Bangalore -562107

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

1. Maintenance of secretarial records 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 the random 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 Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random 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 Chandrasekaran Associates
Company Secretaries
FRN: PI988DE002500
Peer Review Certificate No.: I428/2021

Shashikant Tiwari
Partner
Membership No. FCS 11919
Certificate of Practice No. I3050
UDIN: F011919D000435562

Date: May 31, 2022
Place: Delhi

Annexure III

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE - EARNING & OUTGO

A. Conservation of Energy:

- I. The company's production activity is moderately energy intensive. Adequate measures have been taken to optimize energy consumption with initiatives such as, LED Lighting, Day light harvesting, 5-star Level 3 loss power transformer, LTE and STP for water recovery to name a few.
- II. Following are the project in pipeline for execution to reduce energy consumption:
 - (a) Level 3 loss Power transformer (5 Star Rated): - The low efficiency power transformer has been converted to 5 star rated transformer to reduce the losses and obtain high efficiency with a proposed Investment INR 300,000/- (Indian Rupee Three Lakh Only).
 - (b) New panel bending Machine with advanced technology and highspeed operations with retirement of old hydraulic CNC bending machines which was inefficient to advanced high-speed Servo motor machine with an investment of INR 45,000,000/- (Indian Rupee four Crore fifty Lakh Only). This will retire 3 old machines giving us benefit on power consumption reduction and reduce number of shifts
 - (c) **Day light harvesting:** To install Sky light harvesting to reduce power consumption – Investment of INR 800,000/- (Indian Rupee Eight Lakh Only).
 - (d) **IGBT rectifier:** Conversion of Transformer rectifier to IGBT rectifier in Plating Plant with an investment of INR 800,000/- (India Rupee Eight Lakh Only).
 - (e) **Inverter AC:** Conversion of inefficient old Air conditioner to inverter-based air conditioner (4 Star Rated Air Conditioner)- Investment of INR 400,000/- (Indian Rupee Four Lakh Only).
 - (f) **VFD based air Compressor:** Converting of old air compressor 40HP to new high efficiency motor with variable speed drive leading to low energy consumption with an investment INR 1,000,000/- (Indian Rupee Ten Lakh Only).
 - (g) Gail Gas: - From Traditional Gas bank, changeover to Piped Gas, this will allow in reduction of wastages and optimize the consumption.
 - (h) **STP:** Setting up of Johkasou (Domestic Wastewater Treatment System) to treat STP water with minimum energy.
 - (i) **Energy efficient Motors:** Substitution of inefficient low PF old motors to high performance motors- Investment INR 200,000/- (Indian Rupees Two Lakh Only).
- III. Total energy consumption was equal to 3325955 KWH. Consumption per unit data cannot be provided as the product configurations varies and based on the model mix, it also becomes a variable.

B. Technology Absorption

I. Research & Development

1	Specific areas in which Research and development (R&D) is carried out by the Company	This is ongoing process in the Company.
2	Benefits derived out of R & D as per above	New products developed which are reliable and energy efficient meeting the requirements of the various markets both domestic and global.
3	Future of action	Development of new product range to improve product application and to cater to newer demands and markets.
4	Expenditure on R & D a) Capital b) Recurring	Development work on products and applications is continuous in nature and is debited to profit and loss account under respective head.

II. Technology Absorption

1.	Efforts made towards technology absorption	The Company has in-house R&D Facility, in which New product development and continual improvement in products and processes is ongoing process.
2.	Benefits derived due to above	All products are designed in house, Prototypes are then developed and tested before introducing these products into the manufacturing range, the process of manufacturing established is based on the product features.

III. Details on the new product developed during the year FY 2021-22

- (a) Industrialized Power Monitoring Management unit with 99.5% Efficiency.
- (b) Outdoor Enclosure: Developed enclosures for Telecom application with IP55 Capability and Thermal Management, with Remote monitoring and ready to plugin DCDB for telecom equipment.
- (c) New self-contained enclosures for data centre application were developed and launched in domestic and international markets.

C. Foreign Exchange Earnings & Outgo:

(INR in million)

Sl. No.	Particulars	March 31 st 2022	March 31 st 2021
1	Foreign Exchange earned:		
	a) Export of goods on FOB basis	712.22	515.81
2	Foreign Exchange outgo:		
	a) Import of Raw Materials & Components	234.93	104.52
	b) Import of Traded Goods	0	28.33
	c) Legal and Professional fees	0	0.80
	d) Management fee	59.40	58.14
	e) Staff Welfare Expenses	16.53	-
	f) Consumables	0.13	0.17

For and on Behalf of the Board of Directors
Schneider Electric President Systems Limited

Place: New Delhi

Date: May 31, 2022

(Ranjan Pant)
 Chairman
 DIN: 00005410

INDEPENDENT AUDITOR'S REPORT

To the Members of Schneider Electric President Systems Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Schneider Electric President Systems Limited** ("the Company"), which comprise the balance sheet as at March 31, 2022, and the statement of Profit and Loss and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under Section 133 of the Act read with the Companies (Accounting Standards) Rules, 2021 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit, and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit 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 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 ("the ICAI") together with the ethical requirements that are relevant to our audit of the standalone 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 is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 41 of the accompanying financial statements, as regards pending litigation with Securities Exchange Board of India (SEBI) and certain public shareholders of the Company, in relation to delisting of the Company's shares on Indian stock exchanges. Since the matter is subjudice, the final outcome is presently not ascertainable. Our opinion is not modified in respect of this matter.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report.

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

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

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance,

and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 SAs, we exercise professional judgment and maintain professional scepticism 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 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 the Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We 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.

Other Matter

The Financial statements of the company for the year ended March 31, 2021, were audited by another auditor who expressed a modified opinion on those financial statements on July 30, 2021.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the 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 purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - (g) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
 - (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 its financial statements – Refer Note 32 to the 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 which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - (iv) (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note

- 49(ii) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The Management has represented, that, to the best of it’s knowledge and belief, as disclosed in the note 49(iia) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.
- (v) The Company has not declared or paid any dividend during the year.

For **S.N. Dhawan & Co LLP**
Chartered Accountants
Firm Registration No.: 000050N/N500045

Pankaj Walia
Partner
Membership No.: 509590
UDIN No.: 22509590AJZYYZ5855

Place: Gurugram
Date: May 31, 2022

Annexure-A to the Independent Audit Report

Referred to in paragraph I under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditor's Report of even date to the members of Schneider Electric President Systems Limited on the financial statements as of and for the year ended March 31, 2022

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular program of physical verification of its Property, Plant and Equipment under which Property, Plant and Equipment are verified in a phased manner over a period of 3 years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain Property, Plant and Equipment were verified during the year and according to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and based on the examination of the registered sale deed / transfer deed / conveyance deed / assignment deed provided to us, we report that, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and intangible assets during the year. Accordingly, the provisions of clause 3(i)(d) of the Order are not applicable.
- (e) There are no proceedings which have been initiated or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and rules made thereunder. Accordingly, the provisions of clause 3(i)(e) of the Order are not applicable.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for goods-in-transit and stocks lying with third parties. For stocks lying with third parties at the year-end, written confirmations have been obtained by the management. According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the coverage and procedure of such verification by the management is appropriate and no material discrepancies of 10% or more in the aggregate for each class of inventory were noticed.
 - (b) In our opinion and according to the information and explanations given to us, during the year, the Company has not been sanctioned any working capital from banks or financial institutions on the basis of security of current assets. Accordingly, the provisions of clause 3(ii) (b) of the Order are not applicable.
- (iii) According to the information and explanations given to us, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties. Accordingly, the provisions of clause 3(iii)(a) - (f) of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.
- (v) In our opinion and according to the information and explanations given to us, the Company has neither accepted any deposits nor the amounts which are deemed to be deposits during the year and further the Company had no unclaimed deposits at the beginning of the year within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products/services and are of the opinion that, *prima facie*, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

- (vii) (a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) that have not been deposited with the appropriate authorities on account of any dispute except for the following cases:

Sl. No.	Name of the statute	Nature of dues	Disputed amount (Rs. in million)	Deposited amount (Rs. in million)	Period to which the amount relates	Forum where dispute is pending
1.	The Karnataka VAT Act 2003	VAT	19.53	5.86	FY 2016-17	Deputy Commissioner of Commercial tax, Karnataka
2.			7.98	2.39	FY 2017-18	
3.	The Maharashtra VAT Act 2002	VAT	0.96	0.05	FY 2009-10	Deputy Commissioner of Commercial tax, Maharashtra
4.			4.91	3.36	FY 2010-11	
5.			3.10	2.41	FY 2011-12	
6.			3.57	1.82	FY 16-17	
7.			3.81	1.92	FY 17-18	
8.	The Customs Act, 1962	Custom Duty	3.13	-	FY2011-12, 2012-13	Additional / Assistant Commissioner of Customs, Bangalore
9.			2.12	-	FY 2013-14	
10.	The Finance Act, 1994	Service Tax	0.43	0.25	FY 2014-15	Deputy Commissioner Central Tax, Bangalore
11.			0.12	0.06	FY2016-17	
12.	Goods & Service Act 2017	GST	0.54	-	FY2017-18	Deputy Commissioner Sale Tax, Bangalore
13.			0.18	-	FY2017-18	

- (viii) In our opinion and according to the information and explanations given to us, there are no such transactions which were not recorded in the books of account earlier and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, the provisions of clause 3(viii) of the Order are not applicable.
- (ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared willful defaulter by any bank or financial institution or other lender, government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, the Company did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix)(c) of the Order are not applicable.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that the Company has used funds raised on short term basis aggregating to Rs. 25.45 million for long term purposes.
- (e) According to the information and explanations given to us, since the Company does not have subsidiaries, associates or joint ventures, and accordingly the provisions of clause 3(ix)(e) of the Order are not applicable.
- (f) According to the information and explanations given to us, since the Company does not have subsidiaries, associates or joint ventures, and accordingly the provisions of clause 3(ix)(f) of the Order are not applicable.

- (x) (a) In our opinion and according to the information and explanations given to us, the Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of clause 3(x)(a) of the Order are not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally). Accordingly, provisions of clause 3 (x) (b) of the Order are not applicable.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.
- (b) No report under sub-section (12) of Section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 (as amended) with the Central Government, during the year and upto the date of this report.
- (c) During the course of our examination of the books 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, the Company has not received any whistle blower complaints during the year.
- (xii) The Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii)(a)-(c) of the Order are not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- (xiv) (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date, for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act. Accordingly, provisions of clause 3 (xv) of the Order are not applicable.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the RBI Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration from the RBI as per the RBI Act, 1934. Accordingly, provisions of clause 3(xvi)(b) of the Order are not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) The Group does not have more than one CICs which are part of the Group. Accordingly, the provisions of clause 3(xvi)(d) of the Order are not applicable.
- (xvii) The Company has not incurred cash losses in the financial year and in the immediately preceding financial year. Accordingly, provisions of clause 3(xvii) of the Order are not applicable.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly the reporting under Clause 3(xviii) is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) (a) There is no unspent amount towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Act in compliance with the second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- (b) There is no unspent amount towards Corporate Social Responsibility (CSR) on ongoing projects requiring a transfer to a special account in compliance with provision of sub-section (6) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.

For **S.N. Dhawan & Co LLP**
Chartered Accountants
Firm Registration No.: 000050N/N500045

Pankaj Walia
Partner
Membership No.: 509590
UDIN No.: 22509590AJZYZZ5855

Place: Gurugram
Date: May 31, 2022

Annexure-B to the Independent Audit Report

Annexure B to the Independent Auditor's Report of even date to the members of Schneider Electric President Systems Limited, on the financial statements for the year ended March 31, 2022

Independent Auditor's report on the Internal Financial Controls with reference to the financial statements 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 the financial statements of Schneider Electric President Systems Limited ("the Company") as of March 31, 2022, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal financial control with reference to the 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 (the "Guidance Note") 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 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 the 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, issued by the Institute of Chartered Accountants of India ("the ICAI") and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, 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 the 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 system with reference to the financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the financial statements included obtaining an understanding of internal financial controls with reference to the financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to Financial Statements

A Company's internal financial controls with reference to the financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls 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 the 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 the 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 the financial statements to future periods are subject to the risk that the internal financial controls with reference to the 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 system with reference to the financial statements and such internal financial controls with reference to financial statements were operating effectively as of March 31, 2022, based on the internal financial control with reference to the financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.N. Dhawan & Co LLP**
Chartered Accountants
Firm's Registration No.:000050N/N500045

Pankaj Walia
Partner
Membership No.: 509590
UDIN No.: 22509590AJZYYZ5855

Place: Gurugram
Date: May 31, 2022

BALANCE SHEET AS AT MARCH 31, 2022

		(Rs. in million)	
	Notes	As at March 31, 2022	As at March 31, 2021
I. EQUITY AND LIABILITIES			
1. Shareholders' funds			
Share capital	3	60.48	60.48
Reserves and surplus	4	1,017.02	856.52
		1,077.50	917.00
2. Non-current liabilities			
Long-term borrowings	5	4.52	3.36
Long-term provisions	6	33.47	35.07
		37.99	38.43
3. Current liabilities			
Short-term borrowings	7	152.32	125.98
Trade payables			
- total outstanding dues of micro enterprises and small enterprises	8(a)	71.62	101.91
- total outstanding dues of creditors other than micro enterprises and small enterprises	8(a)	593.37	613.41
Other current liabilities	8(b)	89.64	72.60
Short-term provisions	6	29.69	45.55
		936.59	959.45
TOTAL		2,052.08	1,914.88
II. ASSETS			
1. Non-current assets			
Property, plant and equipment and Intangible assets			
Property, plant and equipment	9(a)	361.32	303.45
Intangible assets	9(b)	2.07	1.60
Capital work-in-progress	10	8.86	9.63
Deferred tax asset (net)	11	39.32	41.23
Long-term loans and advances	12	129.87	104.95
Other non-current assets	13	25.96	25.96
		567.40	486.82
2. Current assets			
Inventories	14	326.42	297.12
Trade receivables	15	1,090.53	1,039.47
Cash and cash equivalents	16	14.06	50.64
Short-term loans and advances	12	49.13	25.39
Other current assets	17	4.54	15.44
		1,484.68	1,428.06
TOTAL		2,052.08	1,914.88

Summary of significant accounting policies.

2.1

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

As per our report of even date attached.

For and on behalf of the Board of Directors
Schneider Electric President Systems Limited

For S.N. Dhawan & Co LLP

Chartered Accountants

Firm Registration Number: 000050N/N500045

Pankaj Walia

Partner

Membership Number: 509590

Sachin Bhalla

Director

DIN: 07325708

Srinivasa Narasimhan

Director

DIN: 08488167

Sapna Bhatia

Company Secretary

ACS: 32349

Date: May 31, 2022

Place : Gurugram

Date: May 31, 2022

Place : Gurugram

Date: May 31, 2022

Place : Bengaluru

Date: May 31, 2022

Place : Bengaluru

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

		(Rs. in million)	
	Notes	Year ended March 31, 2022	Year ended March 31, 2021
Income			
Revenue from operations	18	3,671.55	2,532.19
Other income	19	2.40	3.83
Total Income (i)		3,673.95	2,536.02
Expenses			
Cost of materials and components consumed	20	2,643.89	1,693.24
Purchase of stock-in-trade	21	9.07	46.15
Change in inventories of finished goods, work-in-progress and stock-in-trade	21	(14.58)	(4.15)
Employee benefits expenses	22	301.14	250.28
Depreciation and amortization expense	23	57.04	46.68
Finance costs	24	14.29	5.57
Other expenses	25	445.64	308.07
Total expenses (ii)		3,456.49	2,345.84
Profit before tax (i - ii)		217.46	190.18
Tax expenses			
Current tax	11		
- Pertaining to profit for the current year		53.74	50.20
- Adjustment of tax relating to earlier years		1.31	(0.68)
Deferred tax expense / (credit)		1.91	(3.10)
Total tax expenses		56.96	46.42
Profit after tax		160.50	143.76
Earnings per equity share			
Nominal value of share Rs. 10 (March 31, 2021: Rs. 10)			
Basic (In Rs.)	27	26.53	23.77
Diluted (In Rs.)	27	26.53	23.77
Summary of significant accounting policies.	2.1		

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

As per our report of even date attached.

**For and on behalf of the Board of Directors
Schneider Electric President Systems Limited**

For S.N. Dhawan & Co LLP

Chartered Accountants

Firm Registration Number: 000050N/N500045

Pankaj Walia

Partner

Membership Number: 509590

Sachin Bhalla

Director

DIN: 07325708

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Company Secretary

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Date: May 31, 2022

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Date: May 31, 2022

Place : Gurugram

Date: May 31, 2022

Place : Bengaluru

Date: May 31, 2022

Place : Bengaluru

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

	(Rs. in million)	
	Year ended March 31, 2022	Year ended March 31, 2021
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	217.46	190.18
Adjustments for:		-
Depreciation and amortisation expense	57.04	46.68
Loss / (gain) on sale/disposal of property, plant and equipment (net)	(0.52)	(1.51)
Provision for doubtful debts/advances (net)	21.52	(13.51)
Unrealised foreign exchange (gain)/ loss (net)	(0.80)	(1.42)
Interest expense	11.59	4.58
Interest income	(1.38)	(0.05)
Operating profit before working capital changes	304.91	224.95
Movements in working capital:		
(Increase) / decrease in trade receivables	(71.27)	(544.75)
(Increase) / decrease in other current assets	10.90	(15.44)
(Increase) / decrease in loans and advances	(62.17)	23.27
(Increase) / decrease in inventories	(29.31)	(42.57)
Increase / (decrease) in trade payables	(51.92)	232.23
Increase / (decrease) in other liabilities and provisions	(5.11)	1.32
Cash generated from operations	96.03	(120.99)
Direct taxes paid (net)	(41.55)	(48.51)
Net Cash generated from Operating activities (A)	54.48	(169.50)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and intangible assets (including capital work in progress and capital advances)	(114.43)	(45.38)
Proceeds from sale/discard of property, plant and equipment	4.10	2.62
Interest received	1.38	0.07
Net cash flows used in Investing activities (B)	(108.95)	(42.69)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayments of short term borrowings	(129.59)	(1.49)
Proceeds from short term borrowings	155.04	125.98
Proceeds from long term borrowings	4.34	2.35
Repayment of long term borrowings including lease obligations	(3.18)	(0.92)
Interest paid	(9.74)	(3.37)
Net Cash flows in financing activities (C)	16.87	122.55

Net decrease in cash and cash equivalents (A+B+C)	37.60	(89.64)
Effects of changes in exchange rates on cash and cash equivalents	1.02	0.04
Cash and cash equivalents at the beginning of the year	50.64	140.24
Cash and cash equivalents at the end of the year	14.06	50.64
Components of cash and cash equivalents (note 16)		
Balance with scheduled banks		
- in current accounts	-	1.50
- in Exchange Earners Foreign Currency (EEFC) accounts	14.06	49.14
	14.06	50.64
Summary of significant accounting policies (note 2.1)		

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

As per our report of even date attached.

**For and on behalf of the Board of Directors
Schneider Electric President Systems Limited**

For S.N. Dhawan & Co LLP

Chartered Accountants

Firm Registration Number: 000050N/N500045

Pankaj Walia

Partner

Membership Number: 509590

Date: May 31, 2022

Place : Gurugram

Sachin Bhalla

Director

DIN: 07325708

Date: May 31, 2022

Place : Gurugram

Srinivasa Narasimhan

Director

DIN: 08488167

Date: May 31, 2022

Place : Bengaluru

Sapna Bhatia

Company Secretary

ACS: 32349

Date: May 31, 2022

Place : Bengaluru

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022**1. Corporate Information**

Schneider Electric President Systems Limited ('SEPSL' or 'the Company') is a designer, manufacturer and supplier of standard and customized enclosure systems for over 30 years in enclosures for IT and Telecom infrastructure, systems management and operations.

The Company's operations predominantly relate to manufacture of enclosures, card frames, components and accessories and trading of electrical equipment. The Company is a manufacturer in India offering standard and customized enclosure solutions, including card frames and components, with a focus on the IT/Networking and ITES, Telecom, General and Industrial Electronics sectors.

The Company also has a nationwide network of sales offices, representatives and distributors to support customers wherever they may need assistance for installation, commissioning and on-going services.

2. Basis of preparation

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards specified under section 133 of the Companies Act 2013 including the Companies (Accounting Standards) Amendment Rules, 2006 (as amended), read with Companies (Accounts) Rules, 2014 (as amended).

The financial statements have been prepared on an accrual basis and under the historical cost convention unless stated otherwise. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

2.1. Summary of significant accounting policies**a. Use of estimates**

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

b. Property, plant and equipment

Property, Plant and Equipment, capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

The Company identifies and determines cost of each component/ part of the asset separately, if the component / part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Advances paid towards the acquisition of property, plant and equipment are disclosed as “Capital advances” under Loans and Advances and the cost of assets not ready to be put to use as at the balance sheet date are disclosed as ‘Capital work-in-progress’.

Property, plant and equipment held for sale is valued at lower of their carrying amount and net realizable value. Any write-down is recognized in the statement of profit and loss.

c. Depreciation on property, plant and equipment

Depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The Company has used the following rates to provide depreciation on its property, plant and equipment.

Particulars	Life as per Schedule II of Companies Act 2013 (years)	Useful lives estimated by the management (years)
Buildings		
Factory buildings	30	30
Office buildings	30	30
Others – fences etc.	5	5
Plant and equipment (including tools, dies and jigs)	15	15
Computer hardware	3	3
Furniture and fixtures	10	10
Vehicles	5	5
Office equipment	5	5

Leasehold land and leasehold improvements are amortized on a straight-line basis over the period of lease or useful life, whichever is lower.

Depreciation is provided on pro-rata basis from/up to the date of purchase or disposal, for asset purchased or sold during the year.

d. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets are amortized on a straight-line basis over the estimated useful economic life. Patents and trademarks, computer software and designs and copyrights are amortized over a period of nine years, six years and five years respectively, from the date available for use. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS 5 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

e. Leases

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in the statement of profit and loss.

A leased asset is depreciated on a straight-line basis over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset or the lease term.

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

f. Borrowing costs

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

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

g. Impairment of property, plant and equipment and intangible assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

h. Inventories

Raw materials, components, stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components and stores and spares is determined on first-in-first-out basis (FIFO).

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of work in progress and finished goods is determined on first-in-first-out basis.

Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first-in-first-out basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Provision for inventory obsolescence is assessed based on expected use of inventory in future period and adjusted from the gross value of the inventory.

i. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Sale of goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The Company collects Goods and Services Tax (GST) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue.

Income from services

Service income primarily comprises income from commissioning and installation and sub-contracted processing income and is recognized on accrual basis as per the terms and over the period of the contract with the customers, as and when the services are rendered.

Interest income

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

Export benefits

Export benefits are recognized when the right to receive credit as per the terms of the scheme is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate realization of the export benefits in accordance with the scheme.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022**Provision/liabilities written back**

Provision/liabilities which are ascertained as not payable are written back after obtaining appropriate approvals as per chart of authority defined.

j. Foreign currency translation**Foreign currency transactions and balances****Initial recognition**

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

Conversion

Foreign currency monetary items are restated using the exchange rate prevailing at the reporting date. Non-monetary items, measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

Exchange differences

The Company accounts for exchange differences arising on translation/settlement of foreign currency monetary items as income or as expenses in the period in which they arise.

k. Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the statement of profit and loss for the year as an expenditure, when an employee renders the related service. The Company has no obligation, other than the contribution payable to the provident fund.

The Company operates defined benefit plan for its employees, viz. gratuity. The costs of providing benefits under the plan are determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out for the plan using the projected unit credit method. Actuarial gains and losses for defined benefit plan are recognized in full in the period in which they occur in the statement of profit and loss.

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 immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

l. Income taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss. The Company has adopted new regime of income tax.

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

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

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

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

m. Segment reporting

The Company has only one reportable business segment and it prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

n. Current and noncurrent classification

An asset or a liability is classified as current when it satisfies any of the following criteria:

- i. It is expected to be realized / settled, or is intended for sale or consumption, in the Company's normal operating cycle; or
- ii. it is held primarily for the purpose of being traded; or
- iii. it is expected to be realized / due to be settled within twelve months after the reporting date; or
- iv. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date; or
- v. the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.
- vi. All other assets and liabilities are classified as non-current.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022
o. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. The effects of anti-dilutive potential equity shares are not considered in calculating dilutive earnings per share.

As at the balance sheet date, the Company does not have any dilutive potential equity shares.

p. Provisions

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

Warranty provision is assessed by management based on past trend of claims.

q. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

r. Cash and cash equivalents

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

3. Share Capital:

(Rs. in million)

	As at March 31, 2022	As at March 31, 2021
Authorized shares		
12,000,000 (31 March 2021: 12,000,000) equity shares of Rs 10 each	120.00	120.00
Issued, subscribed and fully paid-up shares		
6,048,000 (31 March 2021: 6,048,000) equity shares of Rs 10 each fully paid up (refer note (e) below)	60.48	60.48
Total issued, subscribed and fully paid-up share capital	60.48	60.48

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

	March 31, 2022		March 31, 2021	
	Number of Shares	Amount	Number of Shares	Amount
At the beginning of the period	6,048,000	60.48	6,048,000	60.48
Outstanding at the end of the period	6,048,000	60.48	6,048,000	60.48

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in million)

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity is entitled to one vote per share. The Company declares and pays dividend in Indian rupees.

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

(c) Shares held by ultimate holding company and subsidiaries and associates of holding company and ultimate holding company

Out of equity shares issued by the Company, shares held by its Holding Company are as below:

	As at March 31, 2022	As at March 31, 2021
Schneider Electric South East Asia (HQ) Pte Limited 4,867,933 (March 31, 2021: 4,867,933) equity shares of Rs. 10 each fully paid up (refer note (e) below)	48.68	48.68

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

	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	% holding	Number of Shares	% holding
Equity shares of Rs. 10 each fully paid Schneider Electric South East Asia (HQ) Pte Limited	4,867,933	80.49%	4,867,933	80.49%

As per records of the Company, including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

- (e) The equity shares of the Company were listed on the Pune Stock Exchange and permitted to be traded on the Bombay Stock Exchange. Consequent to de-recognition of the Pune Stock Exchange by Securities Exchange Board of India (SEBI), Bombay Stock Exchange had suspended the trading of the equity shares of the Company effective May 22, 2015.

Basis the circular issued by SEBI for the exclusively listed companies of de-recognized stock exchanges placed in the Dissemination Board, Schneider Electric South East Asia (HQ) Pte. Ltd. ("the Promoter") had provided an exit offer on February 14, 2017 to the public shareholders of the Company at an offer price of Rs. 200.40 per share based on an independent valuation performed by valuer empanelled with the National Stock Exchange (NSE).

In the exit offer provided to the public shareholders, 344 shareholders have tendered 331,939 equity shares i.e. (5.49% of the total share capital of the Company) to the Promoter of the Company. Accordingly, Promoter's Shareholding increased to 80.49% of the total share capital.

- (f) No bonus shares, shares issued for consideration other than cash and buy backs have been made by the Company in the previous five years immediately preceding the reporting date.

Sl. No.	Promoter	As at March 31, 2022		As at March 31, 2021	
		Number of Shares	% of Total shares	Number of Shares	% of Total shares
I.	Schneider Electric South East Asia (HQ) Pte Limited	4,867,933	80.49%	4,867,933	80.49%

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in million)

4. Reserves and Surplus:

	As at March 31, 2022	As at March 31, 2021
Securities premium	81.70	81.70
Capital Reserve (profit on equity shares forfeited)	0.17	0.17
General reserve (transferred from Profit and loss)	44.00	44.00
	125.87	125.87
Balance as per last financial statements	730.65	586.89
Profit for the year	160.50	143.76
Net surplus in the statement of profit and loss	891.15	730.65
Total reserves and surplus	1,017.02	856.52

5. Long-term borrowings

	Non-current portion		Current maturities	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Other loans and advances				
Finance lease obligation (secured) (i)	4.52	3.36	2.72	0.88
Amount disclosed under the head "Other current liabilities" (also refer note 8 (b))	-	-	(2.72)	(0.88)
	4.52	3.36	-	-

(i) Finance lease obligation is secured by hypothecation of vehicles taken on lease. The same is payable in 48 monthly instalments each carrying an effective interest rate of 7.33% per annum.

6. Provisions

	Long-term		Short-term	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits				
Provision for gratuity (note 26)	33.47	32.44	1.53	1.18
Provision for leave benefits	-	-	13.99	13.24
Other provisions				
Provision for warranty (i)	-	2.63	1.00	1.40
Restructuring provisions (ii)	-	-	6.50	6.50
Provision for litigation (iii)	-	-	6.67	23.23
Provision for income tax (net)	-	-	-	-
	33.47	35.07	29.69	45.55

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in million)

(i) Provision for warranty:

The management creates provisions on products covered under warranty, basis the past failure rates of these items. Assumptions used to calculate the provision for warranty are based on current sales levels and current information available about the expected returns based on the warranty period for all products sold. The table below gives information about movement in warranty provision.

	As at March 31, 2022	As at March 31, 2021
At the beginning of the year	4.03	6.89
Arising during the year, net of reversals	(3.03)	(2.46)
Utilized during the year	-	(0.40)
As at the end of the year	1.00	4.03

(ii) Restructuring provision represents expenses under the organisational restructuring to achieve higher efficiency, planned over a period of time and includes shifting of factory lines to other locations and related employee settlement cost.

(iii) Pertains to provision for disputed matters primarily relating to pending statutory forms for various assessment years, which the Company is contesting at various forums.

	As at March 31, 2022	As at March 31, 2021
At the beginning of the year	23.23	22.30
Arising during the year, net of reversals	-	0.93
Reversal during the year	-	-
Utilized during the year	(16.56)	-
As at the end of the year	6.67	23.23

7. Short-term borrowings

	As at March 31, 2022	As at March 31, 2021
Cash credit from bank (unsecured) (i)	0.39	0.71
Loans from fellow subsidiary (unsecured) (ii)	151.93	125.27
As at the end of the year	152.32	125.98

(i) Pertains to cash credit facility availed on one of the current account with the Bank.

(ii) The Company has an arrangement with Schneider Electric India Private Limited, India (SEIPL), a fellow subsidiary, for a cash lending limit up to Rs. 350 million. Basis such arrangement, the Company's banker automatically transfers funds from Schneider Electric India Private limited to the Company's bank account in case of shortage / insufficient fund at the end of each day up to the approved limits. This loan carry interest rate of 3.33%. Also refer Note 30(c) for the same.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in million)

8. Trade payables and other current liabilities

	Current	
	As at March 31, 2022	As at March 31, 2021
(a) Trade payables		
- total outstanding dues of micro enterprises and small enterprises (also refer note v below)"	71.62	101.91
- total outstanding dues of creditors other than micro enterprises and small enterprises (also refer notes i, ii, iii & iv below)"	593.32	613.41
	664.94	715.32

Trade Payable ageing schedule as at March 31, 2022

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed							
(i) MSME	-	0.19	58.38	0.70	0.57	11.78	71.62
(ii) Others	118.31	171.97	297.50	1.98	2.50	1.06	593.37
Disputed							
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-	-
Total	118.31	172.16	355.88	2.68	3.07	12.84	664.99

Trade Payable ageing schedule as at March 31, 2021

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed							
(i) MSME	-	99.59	2.09	0.03	0.10	0.10	101.91
(ii) Others	71.37	290.03	248.35	1.19	1.19	1.28	613.41
Disputed							
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-	-
Total	71.37	389.62	250.44	1.22	1.29	1.38	715.32

- (i) Refer note 30 for payables to related parties.
- (ii) Trade payable balance includes amount payable to bank due to vendor credit arrangement with Bank and is repayable within a period of 6 months. The interest costs are borne by the respective vendors availing such facility.
- (iii) Trade payable amounts are non interest bearing and normally settled on 90 day terms.
- (iv) The amounts falling in the category of more than 1 year are related to pending obligation on the part of supplier as per agreed terms and conditions mentioned in contracts.
- (v) Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended March 31, 2022 is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in million)

	As at March 31, 2022	As at March 31, 2021
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.		
Principal amount due to micro and small enterprises.	71.62	101.91
Interest due on above.	0.16	0.13
	71.78	102.04
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.		
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	1.68	1.08
The amount of interest accrued and remaining unpaid at the end of each accounting year.	14.13	12.29
The amount of further interest remaining due and payable even in the succeeding years, 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 of the MSMED Act, 2006	14.13	12.29

(b) Other current liabilities

	As at March 31, 2022	As at March 31, 2021
Current maturities of finance lease obligation (also refer note 5)	2.72	0.88
Interest accrued and due on payables to micro and small enterprises (Refer note 8(a)(v))	14.13	12.29
Advance from customers	12.80	6.12
Payable for capital goods	5.06	1.29
Security deposit payable	1.21	1.21
Employee dues payable	31.35	35.94
Statutory dues payable	7.85	9.05
Other payables	14.52	5.82
	89.64	72.60

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

9 (a) Property, plant and equipment (Rs. in million)

	Freehold Land	Leasehold Land	Leasehold Improvements	Buildings-Factory	Building-Office	Plant and Equipment	Office Equipment	Tools, dies and jigs	Furniture & Fixtures	Computer Hardware	Vehicles	Total
Gross Block												
At April 1, 2020	42.02	5.09	-	185.35	2.76	461.54	19.07	46.41	16.26	28.84	6.81	814.15
Additions	-	-	5.48	-	-	33.91	1.54	2.96	-	2.09	2.35	48.33
Disposals	-	-	-	0.34	-	13.90	1.30	1.10	0.18	6.11	0.69	23.62
At March 31, 2021	42.02	5.09	5.48	185.01	2.76	481.55	19.31	48.27	16.08	24.82	8.47	838.86
Additions	-	-	17.24	-	-	89.74	1.87	0.01	-	4.14	4.56	117.56
Disposals	-	-	-	0.05	-	21.05	0.64	0.14	0.10	10.83	0.96	33.77
At March 31, 2022	42.02	5.09	22.72	184.96	2.76	550.24	20.54	48.14	15.98	18.13	12.07	922.65
Accumulated depreciation												
At April 1, 2020	-	1.01	-	95.77	1.09	325.83	15.14	28.28	13.55	26.99	4.37	512.03
Charge for the year	-	-	0.48	5.98	0.01	31.34	1.49	3.77	0.49	1.27	1.07	45.90
Disposals	-	-	-	0.08	-	13.05	1.33	1.08	0.16	6.11	0.67	22.52
At March 31, 2021	-	1.01	0.48	101.67	1.10	344.12	15.30	30.97	13.88	22.15	4.77	535.41
Charge for the year	-	-	2.59	5.40	0.01	38.66	1.79	3.70	0.48	1.83	1.65	56.11
Disposals	-	-	-	0.05	-	17.46	0.64	0.10	0.10	10.90	0.94	30.19
At March 31, 2022	-	1.01	3.07	107.02	1.11	365.32	16.45	34.57	14.26	13.08	5.48	561.33
Net Block												
At March 31, 2021	42.02	4.08	5.00	83.34	1.66	137.43	4.01	17.30	2.20	2.67	3.70	303.45
At March 31, 2022	42.02	4.08	19.65	77.94	1.65	184.92	4.09	13.57	1.72	5.05	6.59	361.32

- (i) Building – Office, includes Rs. 500/- (March 31, 2021: Rs. 500/-) representing cost of unquoted fully paid shares in co-operative housing society.
- (ii) Building – Factory includes Rs. 1.04 million (March 31, 2021: Rs. 12.03 million) (Gross block: Rs. 30.57 million (March 31, 2021: Rs. 30.90 million)) constructed on leasehold land. Further, vehicles include Rs. 4.67 million (March 31, 2021: Rs. 3.74 million) (Gross block: Rs. 6.20 million (March 31, 2021: Rs. 3.86 million)) taken on finance lease.
- (iii) Property, plant and equipment include assets held for sale Rs. 20.28 million (March 31, 2021: Rs. 20.28 million) (Gross block: Rs. 56.13 million (March 31, 2021: Rs. 56.60 million)). Basis the management estimate, the realisable value of such assets would be more than the carrying costs as at March 31, 2022.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in million)

9(b) Intangible assets:

	Computer Software	Patents and trademarks	Designs and copyrights	Total
At Cost				
At April 1, 2020	37.26	0.04	3.89	41.19
Additions	0.14	-	-	0.14
Disposals	1.51	-	-	1.51
At March 31, 2021	35.89	0.04	3.89	39.82
Additions	1.40	-	-	1.40
Disposals	23.44	-	-	23.44
At March 31, 2022	13.85	0.04	3.89	17.78
Amortisation				
At April 01, 2020	35.02	0.04	3.89	38.95
Charge for the year	0.78	-	-	0.78
Disposals	1.51	-	-	1.51
At March 31, 2021	34.29	0.04	3.89	38.22
Charge for the year	0.93	-	-	0.93
Disposals	23.44	-	-	23.44
At March 31, 2022	11.78	0.04	3.89	15.71
Net book value				
At March 31, 2021	1.60	-	-	1.60
At March 31, 2022	2.07	-	-	2.07

10. Capital work-in-progress

	Amount
At April 01, 2020	11.42
Additions	46.68
Less: Capitalization	48.47
At March 31, 2021	9.63
Additions	118.20
Less: Capitalization	118.97
At March 31, 2022	8.86

Capital work in progress (CWIP) - ageing schedule
As at March 31, 2022

Capital work in progress	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	8.80	0.06	-	-	8.86
Projects temporarily suspended	-	-	-	-	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in million)

As at March 31, 2021

Capital work in progress	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	9.58	0.05	-	-	9.63
Projects temporarily suspended	-	-	-	-	-

Note: For the current and previous year, there were no capital work-in-progress projects where completion was overdue or had exceeded the cost, compared to original plan.

II. Deferred tax asset (net)

	As at March 31, 2022	As at March 31, 2021
Deferred tax asset		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes in subsequent years	44.96	49.38
Deferred tax liability		
Property, plant and equipment (net): Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	5.64	8.15
Net deferred tax asset	39.32	41.23

Pursuant to the Taxation Laws (Amendment) Ordinance, 2019, the Company has elected for the new tax regime with lower rates of tax with effect from April 1, 2019.

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in million)

12. Long-term borrowings

	Non-current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good				
Dues from statutory authorities (i)	117.98	79.55	12.24	7.55
Advance to suppliers	-	-	8.83	2.46
Advance income-tax (net)	11.89	25.40	-	-
Prepaid expenses	-	-	11.55	9.37
Advances to employees	-	-	16.51	6.01
	129.87	104.95	49.13	25.39
Unsecured, considered doubtful				
Dues from statutory authorities (i)	5.29	8.10	27.44	32.14
Less: provision for dues from statutory authorities	(5.29)	(8.10)	(27.44)	(32.14)
Advance to suppliers	-	-	0.69	0.47
Less: provision for doubtful advances	-	-	(0.69)	(0.47)
	129.87	104.95	49.13	25.39

(i) Includes amounts paid under protest Rs. 18.12 million (March 31, 2021: Rs 21.31 million).

13. Other Non Current Assets

	As at March 31, 2022	As at March 31, 2021
Security deposit	25.96	25.96
As at the end of the year	25.96	25.96

14. Inventories (valued at lower of cost and net realizable value)

	As at March 31, 2022	As at March 31, 2021
Raw materials and components	219.81	205.09
Work-in-progress	64.38	51.95
Finished goods	41.69	38.72
Stock-in-trade	0.54	1.36
As at the end of the year	326.42	297.12

	As at March 31, 2022	As at March 31, 2021
The above includes goods in transit as under:		
Raw material	16.00	28.23
Finished goods	8.80	20.25
Stock-in-trade	-	0.73

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in million)

15. Trade receivables

	As at March 31, 2022	As at March 31, 2021
Unsecured		
Trade receivable- considered good	862.97	914.81
Trade receivable - considered doubtful	41.00	79.41
Trade receivable from related parties-considered good(refer note 30)	227.56	124.66
Trade receivables (gross)	1,131.53	1,118.88
Less: Provision for doubtful receivables	(41.00)	(79.41)
	1,090.53	1,039.47

Trade receivable ageing schedule as at March 31, 2022

Particulars	Outstanding for following periods from due date of payment							Total
	Unbilled	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	836.40	218.18	14.64	11.20	3.35	6.76	1,090.53
(ii) Undisputed Trade Receivables – considered doubtful	-	6.45	1.97	1.70	5.54	9.67	15.67	41.00
(iii) Disputed Trade receivable – considered good	-	-	-	-	-	-	-	-
(iv) Disputed Trade receivables – considered doubtful	-	-	-	-	-	-	-	-
Sub total	-	842.85	220.15	16.34	16.74	13.02	22.43	1,131.52
Less: Provision for doubtful receivables	-	6.45	1.97	1.70	5.54	9.67	15.67	41.00
Total	-	836.40	218.18	14.64	11.20	3.35	6.76	1,090.53

Trade receivable ageing schedule as at March 31, 2021

Particulars	Outstanding for following periods from due date of payment							Total
	Unbilled	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	871.47	142.22	13.85	7.93	1.49	2.51	1,039.47
(ii) Undisputed Trade Receivables – considered doubtful	-	1.27	0.65	3.47	7.74	15.26	51.02	79.41
(iii) Disputed Trade receivable – considered good	-	-	-	-	-	-	-	-
(iv) Disputed Trade receivables – considered doubtful	-	-	-	-	-	-	-	-
Sub total		872.74	142.87	17.32	15.67	16.75	53.53	1,118.88
Less: Provision for doubtful receivables		1.27	0.65	3.47	7.74	15.26	51.02	79.41
Total		871.47	142.23	13.85	7.93	1.50	2.51	1,039.47

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in million)

16 Cash and cash equivalents

	As at March 31, 2022	As at March 31, 2021
Balances with banks:		
– On current accounts	-	1.50
– On Exchange Earners Foreign Currency (EEFC) accounts	14.06	49.14
	14.06	50.64

17 Other current assets

	As at March 31, 2022	As at March 31, 2021
Dues from related parties (unsecured) (Refer note 30)	4.54	15.44
	4.54	15.44

18. Revenue from operations:

	Year ended March 31, 2022	Year ended March 31, 2021
Sale of products		
Sale of finished goods	3,569.22	2,406.33
Sale of stock-in-trade	16.03	50.91
	3,585.25	2,457.24
Sale of services	60.16	55.27
Other operating revenue		
Sale of scrap	7.98	6.71
Export incentive	18.16	12.97
	26.14	19.68
Revenue from operations	3,671.55	2,532.19
Details of products sold		
Racks/ enclosures	2,769.71	1,503.58
Card frames	16.57	20.55
Components and accessories *	782.94	882.20
	3,569.22	2,406.33
* There are no items, which in value account for 10% or more of the total value.		
Stock-in-trade sold		
Electrical equipments	16.03	50.91
Details of services rendered		
Sub-contracted processing income	42.72	38.91
Commissioning and installation	17.44	16.36
	60.16	55.27

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in million)

19 Other income

	Year ended March 31, 2022	Year ended March 31, 2021
Interest income		
On income tax refunds	1.38	-
On Bank deposits	-	0.05
Gain on sale of fixed assets (net)	0.52	1.51
Insurance claims	-	1.40
Miscellaneous income	0.50	0.87
	2.40	3.83

20 Cost of materials components consumed

	Year ended March 31, 2022	Year ended March 31, 2021
Inventory at the beginning of the year	205.09	166.67
Add: Purchases	2,658.61	1,731.66
Less: inventory at the end of the year	(219.81)	(205.09)
Cost of raw material and components consumed	2,643.89	1,693.24
Details of raw materials and components consumed		
CRCA sheets	378.91	249.31
Aluminium sheets	-	0.53
Aluminium sections	9.30	6.76
Components and accessories *	2,255.68	1,436.64
	2,643.89	1,693.24
Details of inventory		
CRCA sheets	37.11	26.26
Aluminium sheets	0.29	0.29
Aluminium sections	2.10	5.41
Components and accessories *	180.32	173.13
	219.81	205.09

* There are no items, which in value account for 10% or more of the total value.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in million)

21 Change in inventories of finished goods, work-in-progress and stock-in-trade

	Year ended March 31, 2022	Year ended March 31, 2021
Finished Goods		
At the beginning of the year	38.72	46.48
Less: At the end of the year	41.69	38.72
(Increase) / decrease in Finished goods	(2.97)	7.76
Stock-in-trade		
At the beginning of the year	1.36	0.73
Less: At the end of the year	0.54	1.36
(Increase) / decrease in Stock-in-trade	0.82	(0.63)
Work in Progress		
At the beginning of the year	51.95	40.67
Less: At the end of the year	64.38	51.95
(Increase) / decrease in Work in progress	(12.43)	(11.28)
(Increase) / decrease in inventories	(14.58)	(4.15)
Details of purchase of stock-in-trade		
Electrical equipments	9.07	46.15
Details of inventory		
Work-in-progress		
Enclosures	0.53	0.50
Others*	63.85	51.45
	64.38	51.95
Finished goods		
Enclosures	5.01	23.99
Others*	36.68	14.73
	41.69	38.72
Stock-in-trade		
Electrical equipments	0.54	1.36

*There are no items, which in value account for 10% or more of the total value.

22 Employee benefits expenses

	Year ended March 31, 2022	Year ended March 31, 2021
Salaries, wages and bonus	222.51	201.60
Contribution to provident and other funds	11.66	10.26
Staff welfare expenses	62.93	29.63
Gratuity expenses (note 26)	4.04	8.79
	301.14	250.28

23 Depreciation and amortization expense

	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation of property, plant and equipment	56.11	45.90
Amortization of intangible assets	0.93	0.78
	57.04	46.68

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in million)

24 Finance costs

	Year ended March 31, 2022	Year ended March 31, 2021
Interest on		
Borrowings (note 30 (b))	6.72	2.38
Finance lease obligation (refer note 28)	1.70	0.98
Delay in payments to micro and small enterprises (note 8 (v))	1.84	1.21
Others	1.33	-
Bank charges	2.70	1.00
	14.29	5.57

25 Other expenses

	Year ended March 31, 2022	Year ended March 31, 2021
Consumables	14.42	11.77
Power and fuel	64.74	50.27
Freight and forwarding charges*	16.92	6.70
Rent (refer note 28)	16.16	12.66
Rates and taxes	1.59	1.96
Directors' sitting fees	0.54	0.58
Insurance	10.86	9.13
Sub-contracting charges	128.72	86.46
Repairs and maintenance		
Buildings	9.67	6.33
Plant and machinery	18.87	11.20
Others	13.67	13.26
Travelling and conveyance	1.84	1.75
Payments to auditors (i)	2.50	3.43
Loss on account of foreign exchange fluctuations (net)	0.09	7.15
Provision for doubtful debts and advances (net)**	21.52	(13.51)
Management fees (note 30)	59.40	58.14
Legal and professional fees	57.03	38.93
Advertising and sales promotion	0.05	-
Corporate Social Responsibility (CSR) expenditure (note 40)	3.07	3.54
Warranty expenses/(reversal)	(3.02)	(2.46)
Miscellaneous expenses	7.00	0.78
	445.64	308.07

* Includes prior period expense of Rs. 9.08 million

(i) Payments to auditors**

As auditors:

Audit fee

Tax Audit fee

Reimbursement of expenses

2.20	2.96
0.30	0.40
-	0.07
2.50	3.43

** Includes fee to previous auditor's amounting to Nil (March 31, 2021: Rs 3.43 million)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in million)

26 Gratuity

The Company has a defined benefit gratuity plan. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service. The scheme is funded with insurance companies in the form of qualifying insurance policy. The following tables summarise the components of net benefit, expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the plan.

	Year ended March 31, 2022	Year ended March 31, 2021
Current service cost	3.68	4.07
Interest cost on benefit obligation	4.10	3.43
Expected return on plan assets	(2.03)	(1.83)
Net actuarial (gain)/losses recognized in the year	(1.71)	3.12
Net benefit expense	4.04	8.79
Actual return on plan assets	1.54	2.05

Plan asset / liability	Non-current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Present value of defined benefit obligation	(61.63)	(59.06)	(1.53)	(1.18)
Fair value of plan assets	28.16	26.62	-	-
Plan asset/ (liability)	(33.47)	(32.44)	(1.53)	(1.18)

*The Company expects to contribute Rs. 1.52 million to gratuity in the next year (March 31, 2021: Rs. 1.18 million)

Changes in the present value of the defined benefit obligation as follows:

	Year ended March 31, 2022	Year ended March 31, 2021
Opening defined benefit obligation	60.24	53.88
Current service cost	3.68	4.07
Interest cost	4.10	3.43
Benefits paid	(2.65)	(4.49)
Actuarial (gain)/ losses	(2.21)	3.35
Closing defined benefit obligation	63.16	60.24

Changes in the fair value of plan assets are as follows:

	Year ended March 31, 2022	Year ended March 31, 2021
Opening fair value of plan assets	26.62	24.57
Expected return	2.03	1.83
Contributions by employer	2.65	4.49
Benefits paid	(2.65)	(4.49)
Actuarial gain/ (losses)	(0.49)	0.22
Closing fair value of plan assets	28.16	26.62

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in million)

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Investments with insurer	100%	100%
The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:		
Discount rate	7.25%	6.95%
Attrition rate		
Up to 30 years	3.00%	3.00%
31-44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%
Expected rate of return on assets	7.61%	7.61%
Salary escalation	6.00%	6.00%

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

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

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

	March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2018
Defined benefit obligation	63.16	60.24	53.88	53.23	47.95
Plan assets	28.16	26.62	24.57	23.32	13.00
Surplus/ (deficit)	(35.00)	(33.62)	(29.31)	(29.91)	(34.95)
Experience adjustments on plan liabilities	(0.45)	(5.65)	(3.56)	(2.43)	(6.59)
Experience adjustments on plan assets	(0.48)	0.22	0.69	(0.04)	(0.29)

27 Earning per Share

	Year ended March 31, 2022	Year ended March 31, 2021
Basic and diluted earnings per share		
Numerator for earnings per share		
Profit for the year attributable to the ordinary equity shareholders	160.50	143.76
Denominator for earnings per share		
Weighted average number of equity shares outstanding during the year	6.05	6.05
Earnings per share-Basic and diluted (one equity share of Rs. 10 each)	26.53	23.77

Note: There are no instruments issued by the Company which have effect of dilution of basic earning per share.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in million)

28 Leases
Finance lease

The Company has finance leases and hire purchase contracts for vehicles. Future Minimum Lease Payments (MLP) under finance leases together with the Present Value (PV) of the net MLP are as follows:

	As at March 31, 2022		As at March 31, 2021	
	MLP	PV	MLP	PV
Within one year	5.15	2.72	2.61	0.88
After one year but not more than five years	9.49	4.52	5.63	3.36
Total minimum lease payments	14.64	7.24	8.24	4.24
Less: Amount representing finance charges	(7.40)	-	(4.00)	-
Present value of minimum lease payments	7.24	7.24	4.24	4.24

Lease expense recognised during the year as interest Rs. 1.70 million (March 31, 2021: Rs. 0.98 million).

Operating lease

The Company has entered into commercial leases on certain premises under cancellable operating lease and are renewable by mutual consent. There are no restrictions placed upon the Company by entering into these leases. The rent expense incurred during the year amounts to Rs. 16.16 million (March 31, 2021: Rs. 12.66 million).

29 Segment information

The Company has only one business segment i.e. business relating to enclosure products and accordingly, disclosure requirements as per Accounting Standard - 17 on Segment Reporting are not applicable.

Secondary information is reported geographically.

Geographical segments:

The Company's secondary segments are the geographic distribution of activities. Revenue and receivables are specified by location of the customers while other geographic information is specified by location of the assets. The following table presents revenue and certain asset information regarding the Company's geographical segments:

Segment revenue	Year ended March 31, 2022	Year ended March 31, 2021
Export	712.22	515.81
Domestic	2,959.33	2,016.38
	3,671.55	2,532.19

Segment revenue	Year ended March 31, 2022	Year ended March 31, 2021
Export	282.54	143.29
Domestic	812.53	911.61
Unallocated	957.01	859.98
	2,052.08	1,914.88

Property, plant and equipment (including intangible assets and capital work-in-progress) and current assets (other than trade and other receivables) have not been identified to any reportable segments as they are used interchangeably between segments. All property, plant and equipment are located in India.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in million)

30 Name of the related parties and related party relationship
Related party where control exists

Ultimate Holding Company	Schneider Electric SE, France
Holding Company	Schneider Electric South East Asia (HQ) Pte Limited, Singapore

Related parties under AS 18 with whom transactions have taken place during the year

Fellow subsidiaries	American Power Conversion Corporation (A.P.C) B.V, Phillipines
	Sarel Appareillage Electrique SAS, France
	Schneider Electric (Australia) Pty Limited, Australia
	Schneider Electric Asia Pte.Ltd, Singapore
	Schneider Electric Alpes, France
	Schneider Electric DC MEA FZCO, U.A.E.
	Schneider Electric Egypt S.A.E., Egypt
	Schneider Electric Espana SAU, Spain
	Schneider Electric France SAS, France
	Schneider Electric India Private Limited, India
	Schneider Electric Industries SAS, France
	Schneider Electric Infrastructure Limited, India
	Schneider Electric IT Australia Pty Limited, Australia
	Schneider Electric IT Business India Private Limited, India
	Schneider Electric IT Corporation, USA
	Schneider Electric IT France, France
	Schneider Electric IT Logistics Asia Pacific Pte Limited, Singapore
	Schneider Electric IT Logistics Europe Ltd, Netherlands
	Schneider Electric Limited, U.K.
	Schneider Electric Manufacturing The Netherlands B.V., Netherlands
	Schneider Electric Private Limited, India
	Schneider Electric Singapore Pte Ltd, Singapore
	Schneider (Suzhou) Drives Company Limited, China
	Uniflair SPA, Italy
	Veris Industries LLC, USA
	Schneider Electric India Foundation (SEIF)

Key management personnel

Mohamed Adil Mohamed Aslam Sattar	Wholetime Director (upto March 08, 2022)
Shivaprasad Srinivas	Wholetime Director (w.e.f. March 08, 2022)
Priyanka Gupta	Company Secretary (upto June 09, 2020)
Urvashi Bhatia	Company Secretary (w.e.f. Jun 23, 2020 and upto December 17, 2020)
Sapna Bhatia	Company Secretary (w.e.f. March 03, 2021)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Related party transactions:

a. The following table provides the total amount of transactions that have been entered into with the related parties for the relevant financial year:

Related party	Year ended	Sale of goods	Purchase of services	Management fees	Reimbursement to the Company	Purchase of raw materials	Purchase of stock-in-trade	Purchase of property, plant and equipment	Corporate Social responsibility and other expense	Trade receivables and other current assets	Trade payables	
Ultimate Holding Company												
Schneider Electric SE, France	March 31, 2022	-	-	-	-	-	-	-	-	-	-	
	March 31, 2021	-	-	-	-	-	-	-	-	-	-	
Holding Company												
Schneider Electric South East Asia (HQ) Pte Limited, Singapore	March 31, 2022	-	-	-	-	-	-	-	-	4.54	-	
	March 31, 2021	-	-	-	15.44	-	-	-	-	15.44	-	
Fellow subsidiaries												
Schneider Electric IT Business India Private Limited, India	March 31, 2022	66.32	19.58	-	0.26	43.92	-	7.80	-	21.49	10.56	
	March 31, 2021	31.05	2.28	-	-	43.39	-	0.47	-	14.36	5.02	
Schneider Electric India Private Limited, India	March 31, 2022	12.79	4.31	-	-	50.38	-	3.96	-	3.71	18.69	
	March 31, 2021	3.65	3.85	-	-	49.25	-	0.74	-	0.77	21.98	
Uniflair SPA, Italy	March 31, 2022	-	-	-	-	-	-	-	-	-	-	
	March 31, 2021	-	-	-	-	-	25.78	-	-	-	1.35	

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Related party	Year ended	(Rs. in million)										
		Sale of goods	Purchase of services	Management fees	Reimbursement to the Company	Purchase of raw materials	Purchase of stock-in-trade	Purchase of property, plant and equipment	Corporate Social responsibility and other expense	Trade receivables and other current assets	Trade payables	
Sarel Appareillage Electrique SAS, France	March 31, 2022	33.20	-	-	-	-	-	-	-	-	8.52	-
	March 31, 2021	21.97	-	-	-	-	-	-	-	-	4.82	-
Schneider Electric Industries SAS, France	March 31, 2022	-	0.62	57.11	-	6.38	-	-	-	-	-	73.42
	March 31, 2021	-	0.49	52.59	-	6.23	-	-	-	-	-	70.58
Schneider Electric Alpes, France	March 31, 2022	74.66	-	-	-	-	-	-	-	-	24.37	-
	March 31, 2021	35.06	-	-	-	-	-	-	-	-	14.22	-
Schneider Electric Asia Pte.Ltd, Singapore	March 31, 2022	352.52	-	2.29	-	2.01	-	-	-	-	-	4.91
	March 31, 2021	279.58	-	5.55	-	0.16	-	-	-	-	41.54	7.21
Schneider Electric Private Limited, India	March 31, 2022	0.12	25.95	-	0.13	-	-	-	-	-	0.62	0.61
	March 31, 2021	3.31	25.86	-	0.04	-	-	-	-	-	3.09	2.12
Veris Industries LLC, USA	March 31, 2022	-	-	-	-	6.94	-	-	-	-	-	1.54
	March 31, 2021	-	-	-	-	0.02	-	-	-	-	-	2.10
Schneider Electric France SAS, France	March 31, 2022	97.61	-	-	-	-	-	-	-	-	27.14	-
	March 31, 2021	75.84	-	-	-	-	-	-	-	-	34.92	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Related party	Year ended	(Rs. in million)									
		Sale of goods	Purchase of services	Management fees	Reimbursement to the Company	Purchase of raw materials	Purchase of stock-in-trade	Purchase of property, plant and equipment	Corporate Social responsibility and expense	Trade receivables and other current assets	Trade payables
Schneider Electric Infrastructure Limited, India	March 31, 2022	-	-	-	-	-	-	3.69	-	1.68	-
	March 31, 2021	-	0.44	-	-	-	-	2.02	-	1.68	-
Schneider Electric IT Corporation, USA	March 31, 2022	18.09	-	-	1.20	-	-	-	-	2.59	2.45
	March 31, 2021	18.02	-	-	0.47	-	-	-	-	0.97	0.33
Schneider Electric IT Logistic Asia Pacific Pte. Ltd., Singapore	March 31, 2022	52.05	-	-	14.26	-	-	-	-	92.90	0.45
	March 31, 2021	4.59	-	-	-	-	-	-	-	0.27	0.43
Schneider Electric Singapore Pte Limited	March 31, 2022	55.33	-	-	-	-	-	-	-	24.68	-
	March 31, 2021	6.90	-	-	-	-	-	-	-	6.92	-
Others	March 31, 2022	29.39	-	-	-	16.27	-	-	3.07	19.87	18.82
	March 31, 2021	6.77	0.00	-	-	4.01	-	-	3.54	1.10	4.44
Total	March 31, 2022	792.08	50.46	59.40	15.85	125.90	-	15.45	3.07	232.10	131.44
	March 31, 2021	486.74	32.92	58.14	15.95	103.06	25.78	3.23	3.54	140.10	115.57

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in million)

b. Interest expense on loan

Segment revenue	Year ended March 31, 2022	Year ended March 31, 2021
Schneider Electric India Private Limited, India	6.72	2.38
	6.72	2.38

- c. The Company has an arrangement with Schneider Electric India Private Limited, India (SEIPL), a fellow subsidiary, for a cash lending limit up to Rs. 350 million. Basis such arrangement, the Company's banker automatically transfers funds from SEIPL to the Company's bank account in case of shortage / insufficient fund at the end of each day up to the approved limits. The maximum balance outstanding during the year basis such arrangement is as below.

Segment revenue	Year ended March 31, 2022	Year ended March 31, 2021
Maximum balance outstanding during the year	350.00	300.75
Closing balance of loan as at year end	151.93	125.27

d. Remuneration to key managerial personnel
Managerial remuneration

Segment revenue	Year ended March 31, 2022	Year ended March 31, 2021
Mohamed Adil Mohamed Aslam Sattar*	3.72	4.40
Priyanka Gupta	-	0.40
Urvashi Bhatia	-	0.34
Sapna Bhatia	1.56	0.19
Shivaprasad Srinivas	0.43	-
	5.71	5.33
Managerial remuneration		
Salaries and allowances	5.13	5.14
Contribution to provident fund	0.23	0.18
Perquisites	0.35	0.01
	5.71	5.33

*The aforesaid remuneration does not include benefits received under Long Term Incentive Plan (LTIP) as such benefits are provided directly by the Ultimate Holding Company and no cross charge is made to the Company for the said expenses.

The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

31 Capital commitments

Segment revenue	As at March 31, 2022	As at March 31, 2021
Estimated amount of contracts remaining to be executed on Capital Account (net of advances)	23.32	21.01

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in million)

32 Contingent liabilities

Segment revenue	As at March 31, 2022	As at March 31, 2021
(a) Claims against the Company not acknowledged as debts (i)	1.45	3.74
(b) Customs, Excise & GST matters	6.21	3.74
(c) Sales Tax matters – Non collection of ‘C’ and ‘I’ forms	21.81	41.59
(d) Outstanding bank guarantees	351.27	375.86
	380.74	424.93

(i) The Company reconciles its outstanding vendor balances by obtaining confirmations/account statements received from such vendors. Basis such reconciliations, the Company did not acknowledge vendor (other than related party) claims amounting to Rs 1.45 million (March 31, 2021: Rs. 3.74 million) in absence of adequate documentation evidencing the proof of delivery of the materials to be received from the vendors. Further the management confirms that the materials are yet to be received by the Company.

33 Particulars of unhedged foreign currency exposure as at the reporting date

	As at March 31, 2022			As at March 31, 2021	
	Currency	Foreign Currency	Amount	Foreign Currency	Amount
Trade payables	USD	1.28	97.33	1.24	90.39
	EUR	0.10	8.34	0.11	9.83
Trade receivables (gross of provision)	USD	2.89	218.71	1.00	73.27
	EUR	0.70	59.31	0.64	54.58
Other assets	USD	-	-	0.21	15.44
Loans and advances	USD	0.06	4.49	-	-
	EUR	0.01	0.52	0.02	1.48
	JPY	1.56	0.97		
Cash and bank balances - Exchange Earners Foreign Currency (EEFC) accounts	USD	0.12	8.92	0.46	33.28
	EUR	0.06	5.14	0.18	15.86

34 Value of imports calculated on CIF basis

Segment revenue	Year ended March 31, 2022	Year ended March 31, 2021
Raw materials and components	234.93	104.52
Stock-in-trade	-	28.33
	234.93	132.85

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in million)

35 Expenditure in foreign currency (accrual basis)

Segment revenue	Year ended March 31, 2022	Year ended March 31, 2021
Management fees (refer note 25)	59.40	58.14
Staff welfare expenses	16.53	-
Repairs and maintenance	0.09	-
Legal and professional fees	-	0.81
Consumables	0.13	0.17
	76.15	59.12

36 Imported and indigenous raw materials and components consumed

	Year ended March 31, 2022		Year ended March 31, 2021	
	% of total consumption	Amount	% of total consumption	Amount
Raw materials				
Imported	-	-	-	-
Indigenously obtained	100%	388.21	100%	256.60
	100%	388.21	100%	256.60
Components and accessories *				
Imported	9%	201.80	7%	100.47
Indigenously obtained	91%	2,053.88	93%	1,336.17
	100%	2,255.68	100%	1,436.64
Total cost of raw materials and components consumed		2,643.89		1,693.24

*There are no items, which in value account for 10% or more of the total value of raw materials consumed to be shown as separate items.

37 Earnings in foreign currency (accrual basis)

Segment revenue	Year ended March 31, 2022	Year ended March 31, 2021
Export of goods on FOB basis	712.22	515.81

38 As a part of Schneider Electric SE (Ultimate holding Company) overall pay policy, Schneider Electric SE, has set up a Worldwide Employee Stock Option Plan (WESOP) scheme to the employees of the group companies under which the employees are granted Stock Options of Schneider Electric SE.

The Institute of Chartered Accountants of India has issued a Guidance Note on Accounting for Employee Share-based payments, which is applicable to employee share based payment plans, the grant date in respect of which falls on or after April 01, 2005. The scheme detailed above is managed and administered by the ultimate parent Company for its own benefit and do not have any settlement obligations on the Company. Further, the aforesaid scheme pertains to shares of the ultimate parent Company and impact of compensation benefits in respect of such scheme is assessed and accounted for in the books of the parent Company. Accordingly, the Company is of the opinion that the same is not required to be accounted for as per the said Guidance Note.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in million)

- 39** As per the Transfer Pricing Rules of the Income Tax Act, 1961 every Company is required to get a transfer pricing study conducted to determine whether the transactions with associated enterprises were undertaken at an arm's length basis for each financial year end. Transfer pricing study for the transaction pertaining to the year ended March 31, 2022 is currently in progress and hence adjustments if any which may arise there from have not been taken into account in these financial statements for the year ended March 31, 2022 and will be effective in the financial statements for the year ended March 31, 2023. However, in the opinion of the Company's management, adjustments, if any, are not expected to be material.
- 40** As per provisions of section 135 of the Companies Act, 2013, the Company has to incur at least 2% of average net profits of the preceding three financial years towards Corporate Social Responsibility ("CSR"). Accordingly, a CSR committee has been formed for carrying out CSR activities as per the Schedule VII of the Companies Act, 2013. The Company has contributed and paid a sum of Rs. 3.07 million (refer note 25) (March 31, 2021: Rs. 3.54 million) towards this cause and debited the same to the Statement of Profit and Loss. The funds are primarily allocated to Schneider Electric India foundation, a society registered under section 12A of the Income Tax Act, 1961 for promoting social integration and vocational training of disadvantaged youths and electrification of remote villages with limited resources.

Details of Corporate Social Responsibility

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Gross amount required to be spent by the company during the year	Rs. 3.07 million	Rs. 3.54 million
(b) Amount spent during the year (basis confirmation from SEIF)	Amount spent as follows- 1. Environmental expenses- Rs. 3.00 million 2. SEIF General expenses- Rs. 0.07 million	Amount spent as follows- 1. For Covid-19 relief to contractual labour -Rs. 3.15 million, 2. PM CARES Fund - Rs. 0.30 million 3. Schneider Electric India Foundation (SEIF) - Rs. 0.09 million
(c) Shortfall at the end of the year	Nil	Nil
(d) Total of previous years shortfall	-	-
(e) Reason for shortfall	NA	NA
(f) Nature of CSR activities	Environmental programmes such as Tree Plantation and Maintenance of mangroove saplings.	For Covid-19 relief to contractual labour, PM CARES Fund and Schneider Foundation
(g) Details of related party transactions	Contribution made to Schneider Electric India Foundation	Contribution made to Schneider Electric India Foundation
(h) Movements in the provision	Nil	Nil

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in million)

- 41 The Company has an ongoing litigation in respect of the exit offer given. An appeal was filed by certain public shareholders ("Appellants") of the Company before the Securities Appellate Tribunal ("SAT") contending that SEBI has failed to consider the issues raised by the Appellants in their SCORES complaint and the SEBI Circulars regarding exit of regional stock exchanges and Exclusively Listed Companies (ELCs) and further contending that the fair value price calculated as per the valuation report was incorrect.

SAT after considering the submissions made by the parties, disposed of the Appeal vide its order dated November 26, 2019 ("Order") and directed SEBI to consider the issues raised by the Appellants and pass a reasoned order within three (3) months from the date of Order. In furtherance to this, on February 07, 2020, SEBI filed a Review Application before SAT seeking review of its Order, which was dismissed by SAT on February 21, 2020 and passed an order remanding the matter to SEBI, to reconsider the complaint and pass a reasonable order.

SEBI aggrieved by the SAT Order, approached the Hon'ble Supreme Court in Civil Appeal. Hon'ble Supreme Court by its order dated October 15, 2020 dismissed SEBI's appeal with a direction to SEBI, to decide the matter 'without being influenced by any observations made by SAT.

SEBI passed an Order dated January 19, 2021 and revised order dated January 21, 2021 ("SEBI Order") disposing of the complaints and, inter alia, directed the Company (SEPSL) to either (i) list the equity shares of the Company on a nationwide stock exchange; or delist the Company in terms of the Delisting Regulations within a period of six (6) months from SEBI Order. SEBI further directed that Company shall provide an opportunity to the shareholders who have tendered their shares in the exit offer (which closed on March 10, 2017) to buy back the shares at the exit price of Rs. 200.40/- per share.

The Company on advice of its law firm, representing before the Authorities, had filed a Writ Petition with Hon'ble Bombay High Court against the SEBI order dated January 19, 2021. The Hon'ble High Court by its order dated February 15, 2021 has directed the Company to approach the SAT in an Appeal, to review of the Order passed by the SEBI with an observation that the SAT shall not be influenced with its earlier order and dismissed the Writ petition.

The Company has filed an appeal before the SAT in Appeal (L) No. 128 of 2021. The matter is sub-judice and is listed for hearing on June 27, 2022.

For detailed information, please refer "Status Report-Equity Shares of the Company" in the Board's Report.

- 42 **Details of transactions with Struck off companies are disclosed as below.**

The Company did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in million)

43 Analytical Ratios

Ratios	Numerator	Denominator	As at March 31, 2022	As at March 31, 2021	% Variance	Reason for variance
Current Ratio (in times)	Total Current assets	Total Current liabilities	1.59	1.49	6.50%	Not Applicable
Debt – Equity Ratio (in times)	Total debt ¹	Total equity	0.15	0.14	4.28%	Not Applicable
Debt Service Coverage Ratio (in times)	Earnings available for debt service ²	Debt Service ³	1.74	30.90	-94.37%	Higher repayment of loan in current year
Return on Equity (ROE) (in %)	Net Profits after taxes	Average Equity	16.09%	17.01%	-5.39%	Not Applicable
Inventory Turnover ratio (in times)	Net sales	Average Inventory	11.78	9.18	28.28%	Increase in sales and inventory volumes
Trade receivables turnover ratio (in times)	Net sales	Average Trade Receivable	3.45	3.33	3.46%	Not Applicable
Trade payables turnover ratio (in times)	Net purchases	Average Trade Payables	3.82	3.34	14.51%	Not Applicable
Net capital turnover ratio (in times)	Net Sales	Average Working Capital	7.22	6.55	10.25%	Not Applicable
Net Profit Ratio (in %)	Net Profit after tax	Net Sales	4.37%	5.68%	-23.00%	Not Applicable
Return on capital employed (ROCE) (in %)	Earning before interest and taxes	Capital Employed (Tangible Net Worth + Total Debt)	18.73%	18.69%	0.22%	Not Applicable
Return on investment* (in %)	Earning before interest and taxes	Average total assets	11.68%	11.78%	-0.81%	Not Applicable

1 Debt comprises of borrowings and lease liabilities

2 Earning available for debt service = Net profit after taxes + non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of fixed assets etc.

3 Debt service = Interest & lease payments + principal repayments

- 44** The Company has made an assessment of the impact of the continuing Covid-19 pandemic on its current and future operations. liquidity position and cash flow giving due consideration to the internal and external factors. The Company is continuously monitoring the situation and does not foresee any significant impact on its operations and the financial position as at March 31, 2022.
- 45** The Indian Parliament has approved the Code of Social Security, 2020, which would impact the contributions by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the final rules are yet to be framed. The Company will carry out an evaluation of the impact and record the same in financial results in the period in which the Code becomes effective and the related rules are published.
- 46** The comparative figures have been regrouped/ rearranged wherever considered necessary to make them comparable with current year numbers.
- 47** The figures have been rounded off to the nearest Rs. In million upto two decimal places. The figure 0.00 wherever stated represents value less than Rs. 10,000/-.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in million)

48 Contribution to Provident Fund

The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision has been filed and is pending before the SC for disposal. Further, there are interpretative challenges and considerable uncertainty, including estimating the amount retrospectively.

49 Additional regulatory information required by Schedule III of Companies Act, 2013

- (i) **Details of Benami property:** No proceedings have been initiated or are pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- (ii) **Utilisation of borrowed funds and share premium:** The Company has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
- (iia) The Company has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries
- (iii) **Compliance with number of layers of companies:** The Company has complied with the number of layers prescribed under the Companies Act, 2013.
- (iv) **Compliance with approved scheme(s) of arrangements:** The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- (v) **Undisclosed income:** There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- (vi) **Details of crypto currency or virtual currency:** The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.
- (vii) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- (viii) **PP&E and intangible asset:** The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year, Further no charge exists on property, plant & equipment of the Company.
- (ix) The Company has not been declared as a Willful Defaulter by any bank or financial institution or government or any government authority
- (x) The Company has no borrowings from banks and financial institutions on the basis of security of current assets.

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

As per our report of even date attached.

**For and on behalf of the Board of Directors
Schneider Electric President Systems Limited**

For S.N. Dhawan & Co LLP

Chartered Accountants

Firm Registration Number: 000050N/N500045

Pankaj Walia

Partner

Membership Number: 509590

Date: May 31, 2022

Place : Gurugram

Sachin Bhalla

Director

DIN: 07325708

Date: May 31, 2022

Place : Gurugram

Srinivasa Narasimhan

Director

DIN: 08488167

Date: May 31, 2022

Place : Bengaluru

Sapna Bhatia

Company Secretary

ACS: 32349

Date: May 31, 2022

Place : Bengaluru

Life Is On



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