

## **INDEPENDENT AUDITOR'S REPORT**

**To the Members of Megatherm Induction Limited (Formerly Megatherm Induction Private Limited)  
Report on the Audit of the Financial Statements**

### **Opinion**

We have audited the financial statements of Megatherm Induction Limited (Formerly Megatherm Induction Private Limited) ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss and 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 Companies (Accounts) Rules, 2014 as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and profits 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **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 Director's report but does not include the financial statements and our auditor's report thereon. The director's report has not been made available to us.

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

### **Responsibilities of Management for 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 of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that



were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors 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 Board of Directors 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 financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Financial Statements.

## 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 "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flow 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, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2023 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 C".



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- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
  - 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.
    - 1) The Management has represented that, to the best of it's knowledge and belief, 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.
    - 2) The Management has represented, that, to the best of it's knowledge and belief, 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, as on the date of this audit report, 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.
    - 3) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard 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) as provided under (iv) and (v) above, contain any material mis-statement.
  - v. The company has neither declared nor paid any dividend during the year.
  - vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the company only w.e.f. April 1, 2023, reporting under this clause is not applicable.



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3. In our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

For M S K A & Associates

Chartered Accountants

ICAI Firm Registration No. 105047W



Dipak Jaiswal  
Partner

Membership No. 063682  
UDIN: 23063682BGXVWH1849



Place: Kolkata

Date: July 20, 2023

## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE FINANCIAL STATEMENTS OF MEGATHERM INDUCTION LIMITED (FORMERLY MEGATHERM INDUCTION PRIVATE LIMITED)

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

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

- Identify and assess the risks of material misstatement of the 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 internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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.



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

For M S K A & Associates

Chartered Accountants

ICAI Firm Registration No. 105047W



**Dipak Jaiswal**

Partner

Membership No. 063682

UDIN: 23063682BGXVWH1849



Place: Kolkata

Date: July 20, 2023

# MSKA & Associates

Chartered Accountants

## ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF MEGATHERM INDUCTION LIMITED (FORMERLY MEGATHERM INDUCTION PRIVATE LIMITED) FOR THE YEAR ENDED MARCH 31, 2023

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

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 program of verification to cover all the items of Property, Plant and Equipment 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. Pursuant to the program, certain Property, Plant and Equipment were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in the financial statements are held in the name of the Company.

(d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment or intangible assets or both during the year. Accordingly, the requirements under paragraph 3(i)(d) of the Order are not applicable to the Company.

(e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder. Accordingly, the provisions stated in paragraph 3(i) (e) of the Order are not applicable to the Company.

ii.

(a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification, coverage & procedure of such verification is reasonable and appropriate. No material discrepancies were noticed on such verification.

(b) The Company has been sanctioned working capital limits in excess of Rs. 5 crores in aggregate from Banks/financial institutions on the basis of security of current assets. Quarterly returns / statements are filed with such Banks/ financial institutions which are not in agreement with the books of account.



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Quarter Ended	Value as per books of accounts (In Lacs)	Value as per quarterly return/statement	Difference	Discrepancy (give details)
June 30, 2022	6,299.38	3,670.03	2,629.35	The Company has not considered the trade receivables due for more than 90 days and balances with Group Companies in the quarterly statement.
September 30, 2022	6,181.48	4,790.78	1,390.70	The Company has not considered the trade receivables due for more than 90 days and balances with Group Companies in the quarterly statement.
December 31, 2022	7,240.07	5,547.57	1,692.50	The Company has not considered the trade receivables due for more than 90 days and balances with Group Companies in the quarterly statement.
March, 31, 2023	6,014.64	4,202.32	1,812.32	The Company has not considered the trade receivables due for more than 90 days and balances with Group Companies in the quarterly statement.





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- iii. According to the information explanation provided to us, the Company has not made any 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 or any other parties. Hence, the requirements under paragraph 3(iii) of the Order are not applicable to the Company.
- iv. According to the information and explanations given to us, the Company has neither, directly or indirectly, granted any loan to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of section 185 of the Act nor made investments through more than two layers of investment companies in accordance with the provisions of section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the Company.
- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii.
- (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including goods and service tax, provident fund, employees' state insurance, income-tax, duty of custom, cess have not generally been regularly deposited by the company with the appropriate authorities though delay in deposit have not been serious. As explained to us, the Company does not have any dues on account of sales tax, service tax, duty of excise and value added tax.
- According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us and the records of the Company examined by us, there are no dues of income tax, goods and service tax, customs duty, cess and any other statutory dues which have not been deposited on account of any dispute.
- viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Tax Assessment of the Company. Also, there are no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.



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 borrowings or in 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 wilful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information explanation provided to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised.
- (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 no funds raised on short-term basis have been used for long-term purposes by the company.
- (e) The Company does not have any subsidiary, associate or joint venture. Hence reporting under the clause (ix)(e) of the order is not applicable to the Company.
- (f) The Company does not have any subsidiary, associate or joint venture. Hence, reporting under the clause 3(ix)(f) of the order is not applicable to the Company.

x.

- (a) In our opinion and according to the information explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Hence, the provisions stated in paragraph 3 (x)(a) of the Order are not applicable to the Company.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully, partly, or optionally convertible debentures during the year. Hence, the provisions stated in paragraph 3 (x)(b) of the Order are not applicable to the Company.

xi.

- (a) Based on 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, we report that no material fraud by the Company nor on the Company has been noticed or reported during the course of our audit.
- (b) We have not come across of any instance of material fraud by the Company or on the Company during the course of audit of the financial statement for the year ended March 31, 2023, accordingly the provisions stated in paragraph (xi)(b) of the Order is not applicable to the Company.
- (c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year. Accordingly, the provisions stated in paragraph (xi)(c) of the Order are not applicable to company.



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- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) (a) to (c) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv.
- (a) In our opinion and based on our examination, the Company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act.
- (b) The company did not have an internal audit system for the period under audit.
- xv. According to the information and explanations given to us, in our opinion during the year the Company has not entered into non-cash transactions with directors or persons connected with its directors and hence, provisions of section 192 of the Act are not applicable to company.
- xvi.
- (a) The Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph 3 (xvi)(a) of the Order are not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without any valid Certificate of Registration from Reserve Bank of India. Hence, the reporting under paragraph 3 (xvi)(b) of the Order are not applicable to the Company.
- (c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Hence, the reporting under paragraph 3 (xvi)(c) of the Order are not applicable to the Company.
- (d) The Group does not have any CIC as a part of its group. Hence, the provisions stated in paragraph 3 (xvi)(d) of the Order are not applicable to the Company.
- xvii. Based on the overall review of financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Hence, the provisions stated in paragraph 3 (xvii) of the Order are not applicable to the Company.
- xviii. There has been no resignation of the statutory auditors during the year. Hence, the provisions stated in paragraph 3 (xviii) of the Order are not applicable to the Company.
- 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



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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. According to the information and explanations given to us and based on our verification, the provisions of section 135 of the Act are not applicable to the Company. Hence, reporting under paragraph (xx)(a) to (b) of the Order is not applicable to the Company.

xxi.

According to the information and explanations given to us, the Company does not have any Subsidiary, Associate or Joint Venture. Accordingly, reporting under clause 3(xxi) of the Order is Not applicable.

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



Dipak Jaiswal  
Partner  
Membership No 063682  
UDIN: 23063682BGXVWH1849



Place: Kolkata  
Date: July 20, 2023

**ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF MEGATHERM INDUCTION LIMITED (FORMERLY MEGATHERM INDUCTION PRIVATE LIMITED)**

[Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Megatherm Induction Limited (Formerly Megatherm Induction Private Limited) on the Financial Statements for the year ended March 31, 2023]

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

**Opinion**

We have audited the internal financial controls with reference to financial statements of Megatherm Induction Limited (Formerly Megatherm Induction Private Limited) ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note").

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

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the



risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls With reference to financial statements**

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

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

  
  
Dipak Jaiswal  
Partner

Membership No. 063682  
UDIN: 23063682BGXVWH1849

Place : Kolkata  
Date: July 20, 2023

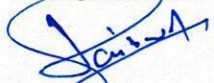
	Note No.	31 March 2023	31 March 2022
<b>I. EQUITY AND LIABILITIES</b>			
<b>1) Shareholders' funds</b>	3	923.25	923.25
(a) Share capital	4	4,139.39	2,738.98
(b) Reserves and surplus		5,062.64	3,662.23
<b>2) Non-current liabilities</b>			
(a) Long-term borrowings	5	1,372.23	877.01
(b) Deferred tax liabilities (net)	6	307.06	254.97
(c) Long-term Provision	7	137.88	137.11
		1,817.17	1,269.09
<b>3) Current liabilities</b>			
(a) Short-term borrowings	8	2,909.81	3,161.79
(b) Trade payables	9		
Total outstanding dues of micro enterprises and small enterprises		1,830.68	1,449.91
Total outstanding dues of creditors other than micro enterprises and small enterprises		2,296.60	2,298.96
(c) Other current liabilities	10	5,117.97	5,303.02
(d) Short-term provisions	7	163.00	117.76
		12,318.06	12,331.44
<b>TOTAL</b>		<b>19,197.87</b>	<b>17,262.76</b>
<b>II. ASSETS</b>			
<b>1) Non-current assets</b>			
(a) Property, Plant and Equipment Property and Intangible assets			
(i) Property, Plant and Equipment	11	5,733.75	3,938.56
(ii) Intangible assets	12	68.05	15.61
(iii) Capital work-in-progress	35	61.52	247.89
		5,863.32	4,202.06
(b) Other non-current assets	13	934.55	157.38
		6,797.87	4,359.44
<b>2) Current assets</b>			
(a) Inventories	14	7,109.34	6,851.11
(b) Trade receivables	15	2,322.00	2,508.25
(c) Cash and Cash Equivalents	16 (a)	1,690.06	1,430.30
(d) Other bank balances	16 (b)	412.44	374.41
(e) Short-term loans and advances	17	843.67	1,677.22
(f) Other current assets	18	22.49	62.03
		12,400.00	12,903.32
<b>TOTAL</b>		<b>19,197.87</b>	<b>17,262.76</b>

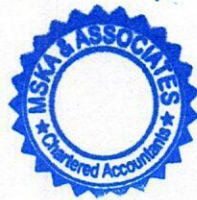
Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements  
As per our report of even date

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1 to 48

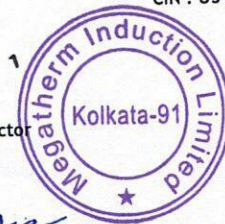
For M S K A & Associates  
Chartered Accountants  
Firm Registration No.:105047W

  
Dipak Jaiswal  
Partner  
Membership No 063682



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

  
Shesadri Bhusan Chanda  
Chairman & Managing Director  
DIN: 00961593



  
Satadri Chanda  
Director & CFO  
DIN: 02302312



Nisha Bhopalka  
Company Secretary  
Membership No:- 57866

Place : Kolkata  
Date: July 20, 2023

Place : Kolkata  
Date: July 20, 2023

Megatherm Induction Limited (Formerly Megatherm Induction Private Limited)  
Statement of Profit and Loss for the year ended 31st March 2023

Rs in Lakhs

	Note No.	31 March 2023-	31 March 2022
I. Revenue from operations	19	26,588.15	18,782.73
II. Other Income	20	55.69	63.79
III. Total Income (I + II)		26,643.84	18,846.52
IV. Expenses			
Cost of materials consumed	21	20,329.04	14,876.57
Changes in inventories of finished goods and work-in-progress	22	(218.78)	164.01
Employee benefits expense	23	1,305.03	1,032.76
Finance costs	24	583.80	499.35
Depreciation and amortisation expense	25	242.82	206.02
Other expenses	26	2,418.46	1,861.78
Total expenses		24,660.37	18,640.49
V. Profit before tax		1,983.47	206.03
VI. Tax expenses			
Current tax		530.97	98.67
Deferred tax (credit) / charge		52.09	(56.77)
Net Tax Expenses		583.06	41.90
VII. Profit for the year		1,400.41	164.13
VIII. Earnings per equity share [nominal value of share Rs 10 each (previous year Rs 10 each)]	27		
Basic		15.17	1.79
Diluted		15.17	1.79

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements

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

Dipak Jaiswal  
Partner  
Membership No 063682



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

Snesadri Bhusan Chanda  
Chairman & Managing Director  
DIN: 00961593



Satadri Chanda  
Director & CFO  
DIN: 02302312

Nisha Bhopalka  
Company Secretary  
Membership No:- 57866

Place : Kolkata  
Date: July 20, 2023

Place : Kolkata  
Date: July 20, 2023



Particulars	Year ended 31 March 2023		Year ended 31 March 2022	
<b>A. Cash Flow from Operating Activities</b>		1,983.47		206.03
Profit Before Provision for Taxation				
Adjustments for :				
Depreciation & Amortisation	242.82		206.02	
Bad Debts/Advances written off	25.45		65.16	
Provision for Doubtful Debts/Advances	30.00		21.00	
Interest Expenses	583.80		499.35	
Interest Income	(13.82)		(26.00)	
Loss on sale/discard of Fixed Assets	1.23		63.53	
Provision for Warranties	169.35		93.23	
		1,038.83		922.29
<b>Operating Profit before Working Capital Changes</b>		3,022.30		1,128.32
Adjustments for :				
(Increase) in trade receivables	(579.78)		(132.07)	
(Increase)/Decrease in loans and advances	721.12		(342.76)	
Decrease/(Increase) in Other Assets	25.08		(28.44)	
Increase in trade payables	378.41		852.44	
(Increase) in inventories	(258.23)		(1,633.84)	
(Decrease) in provisions	(120.72)		(4.29)	
(Decrease)/Increase in other current liabilities	(185.05)	(19.17)	1,916.48	627.52
Cash Generated from Operations		3,003.13		1,755.84
Direct Taxes Paid		(425.49)		(33.47)
<b>Net Cash from Operating Activities</b>		2,577.64		1,722.37
<b>B. Cash Flow from Investing Activities</b>				
Purchase of Property, Plant and Equipment, including movement in CWIP and capital advances	(1,905.32)		(162.31)	
Movement in Fixed Deposits	(100.30)		(156.12)	
Interest received	28.30		14.32	
<b>Net Cash used in Investing Activities</b>		(1,977.32)		(304.11)
<b>C. Cash Flow from Financing Activities</b>				
Repayment of Long Term Borrowings	(730.57)		(978.51)	
Proceeds from Long Term Borrowings	1,238.43		336.50	
Increase/ (Decrease) in Cash Credit facility & other borrowings	(264.62)		353.77	
Proceeds from issuance of equity share capital			40.00	
Interest paid	(583.80)		(499.34)	
<b>Net Cash from Financing Activities</b>		(340.56)		(747.58)
		259.76		670.68
Cash and cash equivalents at the beginning of the year		1,430.30		759.62
Cash and cash equivalents at the end of the year		1,690.06		1,430.30

Cash Flow Statement for the year ended 31st March, 2023

As at 31 March 2023

As at 31 March 2022

Cash and Cash Equivalents comprise:-

Cash in hand	0.04	2.23
Bank Balances with Scheduled Banks :		
Current Account	1,690.02	1,428.07
	<u>1,690.06</u>	<u>1,430.30</u>

Notes :

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

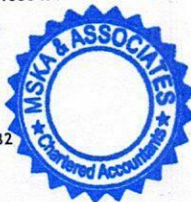
2. Figures in ( ) represents cash outflow.

As per our report of even date attached

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

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

Dipak Jaiswal  
Partner



Shesadri Bhusan Chanda  
Chairman & Managing Director  
DIN: 00961593

Nisha Bhopalka

Nisha Bhopalka  
Company Secretary  
Membership No:- 57866



Satadri Chanda  
Director & CFO  
DIN: 02302312

Place : Kolkata  
Date: July 20, 2023

Place : Kolkata  
Date: July 20, 2023

**1 General Information**

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

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

**2 Summary of Significant Accounting Policies**

**2.01 Basis of preparation**

The financial statements have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP) under the historical cost convention on an accrual basis in compliance with all material aspects of the Accounting Standards (AS) notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014. The accounting policies adopted in the preparation of financial statements have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy until now (hitherto) in use with those of previous year. The financial statements have been authorized and to be issued by the Board of Directors of the Company in meeting held on July 20, 2023

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

**2.02 Use of estimates**

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

**2.03 Property, Plant and Equipment**

**Tangible assets**

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

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

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

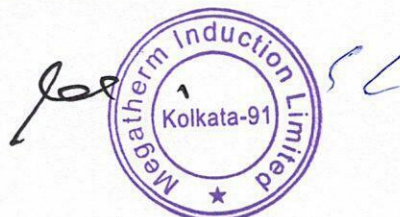
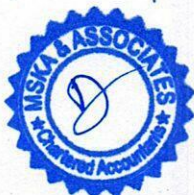
An item of Property, Plant and Equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on derecognition is recognized in the Statement of Profit and Loss.

**Intangible assets**

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

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

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



Megatherm Induction Limited (Formerly Megatherm Induction Private Limited)  
Notes forming part of the Financial Statements for the year ended 31st March, 2023

2.04 Depreciation on property, plant and equipments

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

Particulars	Year ended March 31, 2023 (Useful life in years)	Year ended March 31, 2022 (Useful life in years)
Leasehold Land	99	99
Buildings	30	30
Plant and Machinery	15	15
Electrical Installation	10	10
Furniture and fixtures	10	10
Computer	3	3
Furniture and fixtures	10	10
Office equipment	3-5	3-5
Vehicle	8	8

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

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

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

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

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

2.05 Amortization of Intangible assets

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

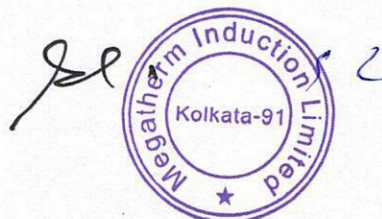
Particulars	Year ended March 31, 2023 (Useful life in years)	Year ended March 31, 2022 (Useful life in years)
Computer Softwares	3	3

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

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

2.06 Impairment of Assets

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



**2.07 Borrowing Costs**

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

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

**2.08 Foreign currency translation**

**Initial recognition:**

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

**Subsequent recognition:**

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

**Exchange differences:**

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

**2.09 Revenue recognition**

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

**Revenue from sale of goods**

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

**Revenue from services**

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

**Interest Income**

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

**Dividend Income**

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

**2.10 Retirement and other employee benefits**

**Defined contribution plan**

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

**Defined Benefit Plan- Gratuity**

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

**2.11 Cash and cash equivalents**

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



#### 2.12 Inventories

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

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

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

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

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

#### 2.13 Income Taxes

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

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

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

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

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

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

Minimum alternate tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

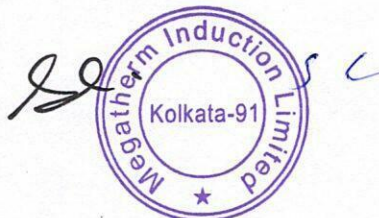
#### 2.14 Contingent Liability, Provisions and Contingent Asset

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

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

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

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



#### 2.15 Earnings Per Share

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

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

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

#### 2.16 Government Grants and Subsidies

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

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

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

#### 2.17 Segment Reporting

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

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

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

#### 2.18 Rounding off

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



	31 March 2023	31 March 2022
<b>Note 3 - Share capital</b>		
The Company has only one class of Share Capital having a par value of Rs. 10 per share, referred to herein as equity shares.		
Authorised	1,000.00	1,000.00
At the commencement of the year	500.00	-
Add: Increased during the year	<u>1,500.00</u>	<u>1,000.00</u>
At the end of the year		
Issued, subscribed and fully paid up	<u>923.25</u>	<u>923.25</u>
92,32,486 (March 31, 2022 : 92,32,486) Equity Shares of Rs. 10/- each		

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

	31 March 2023		31 March 2022	
	Number	Amount	Number	Amount
Equity Shares				
At the commencement of the year	92,32,486	923.25	91,32,486	913.25
Add: Issued during the year	-	-	1,00,000	10.00
At the end of the year	<u>92,32,486</u>	<u>923.25</u>	<u>92,32,486</u>	<u>923.25</u>

b. Rights, preferences and restrictions attached to equity shares

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

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

c. The company has neither issued any bonus shares, shares for consideration other than cash nor bought back any shares during the period of five years immediately preceding the reporting date (31 March 2022 : nil).

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

	31 March 2023		31 March 2022	
	Number	Amount	Number	Amount
Equity shares of Rs 10 each fully paid up held by: Megatherm Electronics Private Limited, Holding Company	91,22,486	912.24	91,22,486	912.24

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

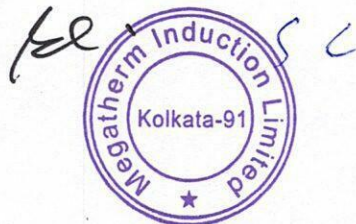
	31 March 2023		31 March 2022	
	Number	% of total shares in the class	Number	% of total shares in the class
Equity shares of Rs 10 each fully paid up held by: Megatherm Electronics Private Limited., the Holding Company	91,22,486	98.81%	91,22,486	98.81%

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

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

Promoter name	31 March 2023			31 March 2022		
	No. Of Shares	% of total shares	% Change during the year	No. Of Shares	% of total shares	% Change during the year
Megatherm Electronics Private Limited	91,22,486	98.81%	-	91,22,486	98.81%	-
Sheasadri Bhusan Chanda	5,000	0.05%	-	5,000	0.05%	-
Ayati Chanda	2,500	0.03%	-	2,500	0.03%	-
Satadri Chanda	2,400	0.03%	-	2,500	0.03%	-
Christina Paul Choudhary	50	0.00%	-	-	-	-

	31 March 2023	31 March 2022
<b>Note 4 - Reserves and surplus</b>		
Securities Premium		
At the commencement of the year	1,241.69	1,211.69
Add: Received during the year	-	30.00
Securities Premium	<u>1,241.69</u>	<u>1,241.69</u>
Surplus/(deficit) in the Statement of Profit and Loss		
At the commencement of the year	1,497.29	1,333.16
Profit for the year	1,400.41	164.13
At the end of the year	<u>2,897.70</u>	<u>1,497.29</u>
Total Reserves and surplus	<u>4,139.39</u>	<u>2,738.98</u>



Note 5 - Long-term borrowings

	Non-current portion		Current maturities	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Term Loans (secured)				
From banks	1,372.23	877.01	799.08	786.44
Less: Amount disclosed under the head "Short-term borrowings" (Ref Note 8)			(799.08)	(786.44)
	<u>1,372.23</u>	<u>877.01</u>	<u>-</u>	<u>-</u>

(A) Terms of repayment

Term loans and COVID Loan

Name of the lender	No of Instalment Due	Rate of Interest (%)	Within one year (Rs.)	After one year but not more than 5 years (Rs.)	More than 5 years (Rs.)
<b>Rupee loans (secured)</b>					
Term Loan Allahabad Bank	3.00	9.15	384.00	232.44	-
Covid Term Loan 20%	16.00	7.50	207.10	59.86	-
HDFC Equipment Loan-Crane-84766357-14-Cr	17.00	10.35	3.95	1.77	-
HDFC Equipment Loan-Crane-84766344-12.50-Cr	17.00	10.35	3.53	1.58	-
HDFC Equipment Loan-Hydra-84529352-13.75-Cr	17.00	10.55	3.89	1.75	-
PNB CAR LOAN 454800NG0000239	33.00	8.00	2.15	4.41	-
Term Loan Account-7204056815	19.00	10.55	95.24	382.15	-
GECLS Loan Account-7209968838	36.00	7.50	95.29	307.85	-
Axis Bank -AUR031907828586(2nd Battery Car)	53.00	8.75	2.76	11.40	-
Open Term Loan Account -7417195951	54.00	10.15	-	366.50	-
Axis Bank-Maruti EECO 55TR	33.00	8.85	1.17	2.49	-
<b>Total</b>			<b>799.08</b>	<b>1,372.20</b>	<b>-</b>

(B) Details of security

The term loan and covid loans are secured as under:

Primary :

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

Collateral :

- i) Equitable mortgage of 5 acres of leasehold land at Vidasagar Industrial Park.
- ii) Equitable Mortgage of Residential Plot at premises No. 05-0685, Plot no. 2128, Block LIC, Rajarhat, New town in the Joint name of Mr. S.B.Chanda & Smt. Ayati Chanda
- iii) Equitable Mortgage of Residential Flat at premises No. UDITA Tower Tritiya, Flat no 402,1050/1, Survey Park Kolkata-700075 in the Joint name of Mr. S.B.Chanda & Smt. Ayati Chanda
- iv) Equitable Mortgage of Residential Flat at premises No. 1E Balkunth,114 NSC Bose Road Kolkata - 700040 in the name of Smt. Ayati Chanda
- v) Equitable Mortgage of Residential Flat at premises No. UDITA Tower Tritiya, Flat no 401/1050/1, Survey Park Kolkata-700075.
- vi) Equitable Mortgage of Commercial Premises at 123 SDF Building Sector-V Salt Lake City Kolkata-700091.
- vii) Pledge of FDR 286 Lakhs
- viii) Pledge of Share held by Megatherm Electronics Private Ltd (MEPL) ( Holding Co.) in the name of Megatherm Induction Private Limited (MIPL) to the extent of 30% of Paid Up Capital of MIPL with the Bank.

Guarantee :

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

(C.) Details of security of Vehicle Loan

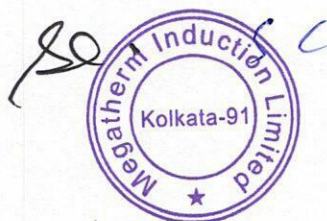
Nature of Security

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

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

	31 March 2023	31 March 2022
<b>Note 6 - Deferred tax liabilities (net)</b>		
<b>Deferred tax liabilities</b>		
Difference between book depreciation & tax depreciation	352.68	336.28
<b>Deferred tax assets</b>		
Expenses provided but allowable in Income Tax on payment basis	(45.62)	(81.31)
C/F Losses to be adjusted against future taxable Income	(45.62)	(81.31)
	<u>307.06</u>	<u>254.97</u>
<b>Deferred tax liability (net)</b>		

	Long-term		Short-term	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
<b>Note 7 - Provision</b>				
Provision for employee benefits:				
Provision for gratuity (unfunded) (Refer Note 33)	137.88	137.11	12.67	9.34
<b>Other provisions:</b>				
Provision for Warranties (Refer Note 28b )	-	-	137.76	93.23
Provision for Income tax [net of advance tax of Rs. 424.97 Lacs (previous year Rs. 35.85 Lacs)]	-	-	12.57	15.19
	<u>137.88</u>	<u>137.11</u>	<u>163.00</u>	<u>117.76</u>





	31 March 2023	31 March 2022
<b>Note 8 - Short-term borrowings</b>		
Loans repayable on demand		
From banks (secured)	2,110.73	2,171.35
Rupee loans		
Current maturities of long-term debt (refer note 5)	799.08	786.44
From others (unsecured)		
Loans and advances from related parties (Refer Note 34)	-	204.00
	<u>2,909.81</u>	<u>3,161.79</u>

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

**Details of security**

**Primary Securities :**

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

**Collateral Securities:**

Refer note no 5 (B)

	31 March 2023	31 March 2022
<b>Note 9 - Trade payables</b>		
Total outstanding dues of micro enterprises and small enterprises	1,830.68	1,449.91
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,296.60	2,298.96
	<u>4,127.28</u>	<u>3,748.87</u>

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

Particulars	31 March 2023	31 March 2022
(a) Amount remaining unpaid to any supplier at the end of each accounting year:		
Principal	1,830.68	1,449.91
Interest	-	-
Total	1,830.68	1,449.91
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	-	-

31 March 2023	Particulars	Unbilled Payables	Current				Total
			Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	1,686.39	90.01	17.09	-	37.19	1,830.68
(ii) Disputed dues - MSME	-	-	-	-	-	-	-
(iii) Others	-	1,979.45	164.45	66.19	-	84.26	2,298.96
(iv) Disputed dues - Others	-	-	-	-	-	2.25	2.25
<b>Total</b>	-	<b>3,665.84</b>	<b>254.46</b>	<b>83.28</b>	-	<b>123.70</b>	<b>4,127.28</b>

31 March 2022	Particulars	Unbilled Payables	Current				Total
			Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	1,210.53	46.31	193.07	-	-	1,449.91
(ii) Disputed dues - MSME	-	-	-	-	-	-	-
(iii) Others	-	2,003.81	63.52	-	-	229.38	2,296.71
(iv) Disputed dues - Others	-	-	-	-	-	2.25	2.25
<b>Total</b>	-	<b>3,214.34</b>	<b>109.83</b>	<b>193.07</b>	-	<b>231.63</b>	<b>3,748.87</b>

	31 March 2023	31 March 2022
<b>Note 10 - Other current liabilities</b>		
Advances received from customers	4,818.79	5,071.62
Goods and Service tax payable	3.43	1.87
TDS payable	18.17	17.51
Other Statutory dues	20.41	19.22
Interest accrued and due on borrowings	-	21.46
Unearned Revenue	20.65	6.49
Other payables	236.52	164.85
	<u>5,117.97</u>	<u>5,303.02</u>



Megatherm Induction Limited (Formerly Megatherm Induction Private Limited)  
Notes forming part of the Financial Statements for the year ended 31st March, 2023

Rs in Lakhs

Note 11 - Property, Plant and Equipments

Particulars	Leasehold Land	Buildings	Plant and Machinery	Material Handling Equipments	Testing & Inspection Equipments	Storage Equipment & Accessories	Electrical Installation	Furniture and fixtures	Office Equipments	Tools & Equipment	Vehicles	Computer	Total
<b>Gross Block</b>													
Balance as at 1 April 2021	530.89	3,045.05	657.12	282.95	50.35	35.31	334.03	38.06	17.22	0.18	22.82	17.76	5,031.74
Additions during the year	-	-	168.43	0.39	3.46	-	-	-	5.41	-	-	15.54	193.23
Disposals/Discard	-	-	(88.77)	-	-	-	-	-	-	-	-	-	(88.77)
Subsidy Received	-	(141.69)	(53.97)	(32.34)	(7.00)	(3.82)	(45.11)	-	-	-	-	-	(283.93)
Balance as at 31 March 2022	530.89	2,903.36	682.81	251.00	46.81	31.49	288.92	38.06	22.63	0.18	22.82	33.30	4,852.27
Additions during the year	-	1,203.22	555.57	118.15	2.38	84.89	5.19	4.26	12.82	0.83	22.50	19.67	2,029.48
Disposals/Discard	-	-	-	-	-	-	-	-	-	-	(2.60)	-	(2.60)
Subsidy Received	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2023	530.89	4,106.58	1,238.38	369.15	49.19	116.38	294.11	42.32	35.45	1.01	42.72	52.97	6,879.15
<b>Accumulated Depreciation</b>													
Balance as at 1 April 2021	55.65	350.78	125.44	53.06	8.93	7.30	106.12	10.67	7.34	0.05	0.56	9.97	735.87
Depreciation for the year	5.30	92.73	40.73	16.50	2.82	2.06	27.84	3.61	3.66	0.02	2.71	5.11	203.08
Accumulated depreciation on disposals/discard	-	-	(25.24)	-	-	-	-	-	-	-	-	-	(25.24)
Balance as at 31 March 2022	60.95	443.50	140.93	69.56	11.74	9.36	133.96	14.29	11.00	0.06	3.27	15.08	913.70
Depreciation for the year	5.30	106.63	46.43	17.28	2.76	2.92	25.08	3.73	5.15	0.10	4.07	12.92	232.37
Accumulated depreciation on disposals/discard	-	-	-	-	-	-	-	-	-	-	(0.67)	-	(0.67)
Balance as at 31 March 2023	66.25	550.13	187.36	86.84	14.50	12.28	159.04	18.02	16.15	0.16	6.67	28.00	1,145.40
<b>Net Block</b>													
Balance as at 31 March 2022	469.94	2,459.84	541.88	181.44	35.06	22.13	154.96	23.77	11.63	0.11	19.55	18.22	3,938.56
Balance as at 31 March 2023	464.64	3,556.45	1,051.02	282.31	34.69	104.10	135.07	24.30	19.30	0.85	36.05	24.97	5,733.75

Note 1 : Details of assets taken on Finance Leases :

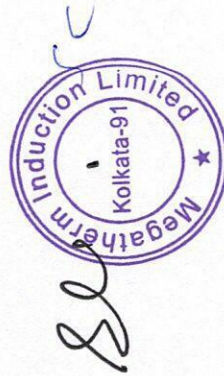
Particulars	Material Handling Equipments		Vehicles		Total
	Material Handling Equipments	Vehicles	Vehicles	Total	
<b>Gross Block</b>					
Balance as at 31 March 2022	42.87	22.82		65.69	
Balance as at 31 March 2023	42.87	42.72		85.59	
<b>Accumulated Depreciation</b>					
Balance as at 31 March 2022	4.11	3.27		7.38	
Balance as at 31 March 2023	6.83	6.67		13.50	
<b>Net Block</b>					
Balance as at 31 March 2022	38.76	19.55		58.31	
Balance as at 31 March 2023	36.04	36.05		72.09	

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



Note 12 - Intangible Assets

Owned Asset- Intangible Asset	Software	Total
<b>Gross Block</b>		
Balance as at 1 April 2021	18.55	18.55
Additions during the year	18.55	18.55
Balance as at 31 March 2022	62.89	62.89
Additions during the year	81.44	81.44
Balance as at 31 March 2023		
<b>Accumulated Amortization</b>		
Balance as at 1 April 2021	2.94	2.94
Amortization for the year	2.94	2.94
Balance as at 31 March 2022	10.45	10.45
Amortization for the year	13.39	13.39
Balance as at 31 March 2023		
<b>Net Block</b>		
Balance as at 31 March 2022	15.61	15.61
Balance as at 31 March 2023	68.05	68.05



	31 March 2023	31 March 2022
<b>Note 13 - Other non-current assets</b> (Unsecured, considered good)		
Security and other deposits	6.70	2.38
Deposit with Bank (more than 12 months)	217.27	155.00
Retention Money	710.58	-
	<u>934.55</u>	<u>157.38</u>

**Ageing of Retention Money :**

31 March 2023 Particulars	Non-Current					Total
	Outstanding for following periods from the date of transaction					
	Less than 6 months	6 months - 1 year	1-2 years years	2-3 years	More than 3 years	
(i) Undisputed Retention Money - considered good	348.88	351.60	8.39	1.71	-	710.58
<b>Total</b>	<u>348.88</u>	<u>351.60</u>	<u>8.39</u>	<u>1.71</u>	<u>-</u>	<u>710.58</u>

	31 March 2023	31 March 2022
<b>Note 14 - Inventories</b> (Valued at the lower of cost and net realisable value unless stated otherwise)		
Raw materials *	4,830.84	4,791.39
Work-in-progress	1,993.82	1,707.17
Finished goods	284.68	352.55
	<u>7,109.34</u>	<u>6,851.11</u>

\* Goods in Transit (i.e. Customs Gowdown) Rs. NIL (31st March 2022 : Rs. 307.06 Lacs)

	31 March 2023	31 March 2022
<b>Note 15 - Trade receivables</b>		
Unsecured, considered good	2,256.96	2,508.25
Unsecured, considered doubtful	116.04	21.00
	<u>51.00</u>	<u>21.00</u>
Less: Provision for doubtful receivables	<u>2,322.00</u>	<u>2,508.25</u>

31 March 2023 Particulars	Current					Total
	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	1,074.25	936.78	195.79	7.88	42.26	2,256.96
(ii) Undisputed Trade Receivables - considered doubtful	-	-	21.00	-	-	21.00
(iii) Disputed Trade Receivables - considered doubtful	-	-	-	-	95.04	95.04
Less: Provision for doubtful receivable (Disputed + Undisputed)	-	-	(21.00)	-	(30.00)	(51.00)
<b>Total</b>	<u>1,074.25</u>	<u>936.78</u>	<u>195.79</u>	<u>7.88</u>	<u>137.30</u>	<u>2,322.00</u>

31 March 2022 Particulars	Current					Total
	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	2,043.51	67.44	45.29	234.61	117.40	2,508.25
(ii) Undisputed Trade Receivables - considered doubtful	21.00	-	-	-	-	21.00
Less: Provision for doubtful receivable (Disputed + Undisputed)	(21.00)	-	-	-	-	(21.00)
<b>Total</b>	<u>2,043.51</u>	<u>67.44</u>	<u>45.29</u>	<u>234.61</u>	<u>117.40</u>	<u>2,508.25</u>

	31 March 2023	31 March 2022
<b>Note 16 (a) - Cash and Cash Equivalents</b>		
Cash on hand	0.04	2.23
Balances with banks	1,690.02	1,428.07
On current accounts	<u>1,690.06</u>	<u>1,430.30</u>

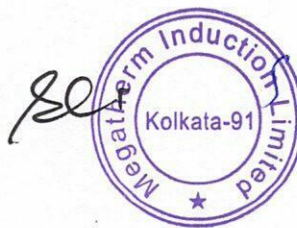
	31 March 2023	31 March 2022
<b>Note 16 (b) - Other Bank Balances</b>		
Current maturities	412.44	374.41
Margin money or deposits under lien	<u>412.44</u>	<u>374.41</u>

	31 March 2023	31 March 2022
<b>Note 17 - Short-term loans and advances</b> (Unsecured, considered good unless otherwise stated)		
To parties other than related parties		
Advances to supplies & Others	190.35	181.99
Advance to employees	20.09	6.97
Prepaid expenses	37.77	32.33
GST input credit receivable	595.46	1,347.83
MAT Credit Entitlement	-	108.10
	<u>843.67</u>	<u>1,677.22</u>

	31 March 2023	31 March 2022
<b>Note 18 - Other current assets</b> (Unsecured, considered good)		
To parties other than related parties		
Interest accrued but not due on deposits	10.56	25.02
Export Incentive receivable	11.93	31.20
Other Receivable	-	5.81
	<u>22.49</u>	<u>62.03</u>



	31 March 2023	31 March 2022		
<b>Note 19 - Revenue from operations</b>				
Sale of products	26,240.56	18,604.34		
Finished Goods	216.20	83.45		
Sale of services				
Other operating revenue	118.79	76.13		
Export incentives	12.60	18.81		
Scrap Sale	<u>26,588.15</u>	<u>18,782.73</u>		
	31 March 2023	31 March 2022		
<b>Note 20 - Other income</b>				
Interest on fixed deposits with banks	13.82	26.00		
Gain on foreign exchange fluctuation	-	36.45		
Miscellaneous income	41.87	1.34		
	<u>55.69</u>	<u>63.79</u>		
	31 March 2023	31 March 2022		
<b>Note 21 - Cost of materials consumed</b>				
Inventory of raw materials at the beginning of the year	4,791.39	2,993.54		
Purchases	20,368.49	16,674.42		
	<u>25,159.88</u>	<u>19,667.96</u>		
Less: Inventory of raw materials at the end of the year	4,830.84	4,791.39		
	<u>20,329.04</u>	<u>14,876.57</u>		
	31 March 2023	31 March 2022		
<b>(a) Details of raw material and components consumed</b>				
Copper	6,098.71	4,462.97		
CRNGO	2,236.19	1,636.42		
Steel, and Structure	4,878.97	3,570.38		
Other Materials	7,115.17	5,206.80		
	<u>20,329.04</u>	<u>14,876.57</u>		
	31 March 2023	31 March 2022		
<b>(b) Value of imported and indigenous raw materials consumed</b>				
	Amount	%	Amount	%
Imported	2,665.98	13.11%	1,494.21	10.04%
Indigenous	17,663.06	86.89%	13,382.36	89.96%
	<u>20,329.04</u>	<u>100.00%</u>	<u>14,876.57</u>	<u>100.00%</u>
	31 March 2023	31 March 2022		
<b>(c) Details of closing inventory of raw material and components</b>				
Copper	717.50	786.86		
CRNGO	608.37	38.49		
Steel, and Structure	387.67	394.42		
Other Materials	3,117.30	3,571.62		
	<u>4,830.84</u>	<u>4,791.39</u>		
	31 March 2023	31 March 2022		
<b>Note 22 - Changes in inventories of finished goods and work-in-progress</b>				
<b>Opening stock</b>				
Finished goods	352.55	190.91		
Work-in-progress	1,707.17	2,032.82		
	<u>2,059.72</u>	<u>2,223.73</u>		
<b>Closing stock</b>				
Finished goods	284.68	352.55		
Work-in-progress	1,993.82	1,707.17		
	<u>2,278.50</u>	<u>2,059.72</u>		
	<u>(218.78)</u>	<u>164.01</u>		
	31 March 2023	31 March 2022		
<b>Note 23 - Employee benefits expense</b>				
Salaries, wages and bonus	1,134.33	908.98		
Contribution to provident and other funds	65.62	55.86		
Staff welfare expenses	105.08	67.92		
	<u>1,305.03</u>	<u>1,032.76</u>		
	31 March 2023	31 March 2022		
<b>Note 24 - Finance costs</b>				
Interest expense				
On bank loan	439.35	381.25		
On assets on finance lease	3.72	4.12		
Other borrowing costs	47.16	52.24		
Bank charges	93.57	61.74		
	<u>583.80</u>	<u>499.35</u>		



	31 March 2023	31 March 2022
<b>Note 25 - Depreciation and amortisation expense</b>		
on tangible assets (refer note 11)	232.37	203.08
on intangible assets (refer note 12)	10.45	2.94
	<u>242.82</u>	<u>206.02</u>
	31 March 2023	31 March 2022
<b>Note 26 - Other expenses</b>		
Consumption of stores and spare parts	184.93	155.44
Labour Charges	344.19	232.33
Erection & Commissioning	105.26	23.90
Power and fuel	98.36	83.32
Freight, clearing and forwarding	133.77	151.61
Packing charges	179.40	130.31
Rent	122.37	114.02
Repairs to:		
Plant and machinery	32.77	12.37
Building	6.20	1.25
Computer	4.93	19.79
Others	61.94	23.83
Insurance	36.05	33.65
Rates and taxes	17.83	4.99
Travelling and conveyance expenses	46.93	54.56
Legal and professional fees	198.46	129.03
Payment to auditors' (refer note (a) below)	19.15	11.10
Advertisement and Sales Promotion	102.52	16.59
Security Service Charges	30.38	15.12
Research and Development Expense	2.49	1.03
Telephone and communication expenses	15.13	10.27
Provision for doubtful debts and advances	30.00	21.00
Provision for Warranty (Refer Note 28 b)	169.35	93.23
Bad Debt/Advance Written Off	25.45	65.16
Loss on sale/discard of fixed assets	1.23	63.53
Selling Expenses	374.35	362.79
Loss on foreign exchange fluctuation	28.35	-
Miscellaneous expenses	46.67	31.56
	<u>2,418.46</u>	<u>1,861.78</u>
	31 March 2023	31 March 2022
<b>a. Payment to auditors':</b>		
As auditors':		
Statutory audit	10.00	10.00
Tax audit	1.50	1.10
Other Services	7.65	-
	<u>19.15</u>	<u>11.10</u>
	31 March 2023	31 March 2022
<b>Note 27 - Earnings per share (EPS)</b>		
Profit after tax as reported	(a) 1,400.41	164.13
Net Profit attributable to Equity Shareholders for calculation of basic and diluted (Rs in lakhs)	(b) 1,400.41	164.13
Weighted average number of equity shares outstanding during the year for calculation of basic and diluted EPS (in no's)	(c) 92,32,486	91,46,370
Basic EPS of Rs 10 each	(d) = (b) / (c) 15.17	1.79
Diluted EPS of Rs 10 each	(d) = (b) / (c) 15.17	1.79
Nominal value of equity share (In Rs)	10.00	10.00



**Note 28 - Contingent liabilities and Commitments**  
(to the extent not provided for)

	31 March 2023	31 March 2022
<b>a) Contingent Liabilities:</b>		
(i) Guarantee Issued By Bank	187.11	170.72
(ii) Letter of Credit By Bank	2,708.61	1,727.04

**b) Provision for Warranty**

Particulars	31 March 2023	31 March 2022
Opening Balance of Provision for Warranty	93.23	-
Add : Created during the year	169.35	93.23
Less : Utilized during the year	124.82	-
Closing Balance of Provision for Warranty	137.76	93.23

**Note 29 - CIF value of imports**

	31 March 2023	31 March 2022
Raw materials	2,671.15	1,674.79
	<u>2,671.15</u>	<u>1,674.79</u>

**Note 30 - Expenditure in foreign currency**

	31 March 2023	31 March 2022
Research and Development Expenses	2.49	1.03
License fees	-	7.03
Erection & Commissioning	83.29	18.31
Commission	73.99	-
Travelling and conveyance	17.99	1.34
<b>Total Expenditure in foreign currency</b>	<u>177.76</u>	<u>27.71</u>

**Note 31 - Earnings in foreign currency**

	31 March 2023	31 March 2022
Exports at F.O.B. Value	6,826.20	3,743.40
<b>Total Earning in foreign currency</b>	<u>6,826.20</u>	<u>3,743.40</u>

**Note 32 - Leases**

Operating lease: Company as lessee

The Company has entered into commercial leases on certain motor vehicles and items of machinery. These leases have an average life of between three and five years with no renewal option included in the contracts. There are no restrictions placed upon the Company by entering into these leases

(Amount in Rs.)

Particulars	31 March 2023	31 March 2022
	Minimum payments	Minimum payments
Within one year	115.20	104.55
After one year but not more than five years	239.20	332.35
More than five years	-	-

**Note 33 - Employee benefits: Post employment benefit plans**

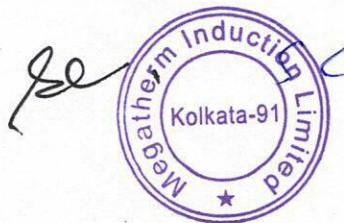
**1. Defined contribution plans**

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

**2. Defined benefit plans**

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

	31 March 2023	31 March 2022
<b>Net Asset / (liability) recognised in Balance sheet as at the year end</b>		
Fair value of plan assets	150.55	146.45
Present value of obligations	(150.55)	(146.45)
<b>Asset / (liability) recognised in balance sheet</b>		
<b>Classification into current/ non-current</b>		
Current portion	12.66	9.34
Non-current portion	137.89	137.11
<b>Movement in present value of defined benefit obligations</b>		
Opening Defined benefit obligation	146.45	112.22
Current service cost	12.35	24.53
Interest cost	10.11	7.09
Actuarial (gains) / losses	(11.45)	12.08
Benefits paid by the plan	(6.91)	(9.48)
Closing Defined benefit obligations	<u>150.55</u>	<u>146.45</u>
<b>Composition of plan assets</b>		
Qualifying insurance policies	0%	0%



Expense recognised in the Statement of Profit and Loss		
Current service cost	12.35	10.07
Interest on obligation	10.11	7.09
Expected return on plan assets	-	-
Net actuarial (gain)/ loss recognised in the year	(11.45)	12.08
Total included in 'Employee benefits expense' (refer note 23)	11.01	29.24

Principal actuarial assumptions		
Discount rate	7.20%	6.60%
Expected return on plan assets	NA	NA
Salary growth rate	5.00%	5.00%

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

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

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

#### Five-year information

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

	31 March 2023	31 March 2022	31 March 2021 *	31 March 2020	31 March 2019
Gratuity					
Present Value of defined benefit obligation	150.55	146.45	112.22	85.34	25.67
Fair value of plan assets	-	-	-	-	-
Surplus / (deficit) in the plan	(150.55)	(146.45)	(112.22)	(85.34)	(25.67)
Experience adjustments arising on plan liabilities [(gain)/ loss]	(11.18)	(19.66)	(8.71)	(1.51)	0.59
Experience adjustments arising on plan assets [gain/ (loss)]	-	-	-	-	-
Actuarial gain/(loss) due to change in assumption	-	7.59	(0.89)	(2.28)	-

#### Note 34 - Information in accordance with the requirements of Accounting Standard 18 on Related Party Disclosures

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

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

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

(c.) Enterprises having significant influence over the Company with which transaction has taken place during the year and previous year.  
SC Aqua Vitae Private Limited

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

(a) Key Managerial Personnel

Mr. Shesadri Bhusan Chanda, Chairman and Managing Director  
Mr. Satadri Chanda, Director  
Mr. Vikas Varshneya, Director (up to 16-07-2021)  
Mrs. Christina Paulchowdhury  
Mrs Nisha Bhopalka, C.S

(iii) Details of transactions with related parties

Particulars	31 March 2023	31 March 2022
Relating to Profit and Loss account		
Sale of Products/services		
EMT Megatherm Private Limited	-	564.22
Megatherm Electronics Private Limited	1,816.61	564.89
Sale of Export Licenses		
Megatherm Electronics Private Limited	-	6.74
Interest Expenses		
Megatherm Electronics Private Limited	19.83	20.40
Rent and Electricity Expenses		
Megatherm Electronics Private Limited	115.77	110.72
Salaries/ Managerial Remuneration		
Mr. Shesadri Bhusan Chanda	62.40	28.00
Mr. Satadri Chanda	82.90	38.50
Mr Vikas Varshneya, Director (upto 16-07-2021)	-	5.80
Mrs Nisha Bhopalka, C.S	1.44	1.49
Relating to Balance Sheet		
Loan Repayment		
Megatherm Electronics Private Limited	204.00	-
Asset Purchased		
EMT Megatherm Private Limited	-	138.77





Advance given	1,450.00	-
Megatherm Electronics Private Limited	-	6.00
SC Aqua Vitae Private Limited	-	-
Advance refunded	1,450.00	-
Megatherm Electronics Private Limited	6.00	-
SC Aqua Vitae Private Limited	-	-
Balances at the year end	31 March 2023	31 March 2022
Particulars		
Trade Receivables	-	757.48
EMT Megatherm Private Limited	1,293.27	603.42
Megatherm Electronics Private Limited	-	-
Advance to supplier and others	-	6.00
SC Aqua Vitae Private Limited	-	-
Closing Balance in Interest Payable	-	18.36
Megatherm Electronics Private Limited	-	-
Closing Balance in Loan	-	204.00
Megatherm Electronics Private Limited	-	-

Note 35 - Capital-Work-in Progress (CWIP)  
(a) For Capital-work-in progress ageing schedule

CWIP	As on March 31, 2023				Total
	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	61.09	-	-	0.43	61.52
Total	61.09	-	-	0.43	61.52

CWIP	As on March 31, 2022				Total
	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	234.49	5.73	3.12	4.55	247.89
Total	234.49	5.73	3.12	4.55	247.89

Note 36 - Reconciliation of quarterly returns or statements of current assets filed with banks or financial institutions

Name of the Bank	Aggregate Working Capital Limits sanctioned	Amount Utilized During Quarter	Quarter Ended	Amount disclosed as per quarterly return/ statement	Amount as per books of accounts	Amount of difference	Reason for Material Variance
Indian Bank	2,700.00	2,663.76	June 30, 2022	3,670.03	6,299.38	(2,629.35)	The Company has not considered the trade receivables due for more than 90 days and balances with Group Companies in the quarterly statement.
		1,897.88	June 30, 2021	3,105.78	4,462.74	(1,356.96)	
		2,652.98	September 30, 2022	4,790.78	6,181.48	(1,390.70)	
		1,481.13	September 30, 2021	3,074.84	3,631.56	(556.72)	
		2,464.70	December 31, 2022	5,547.57	7,240.07	(1,692.50)	
		1,890.36	December 31, 2021	4,413.51	4,901.76	(488.25)	
		2,213.34	March, 31, 2023	4,202.32	6,014.64	(1,812.32)	
		2,128.45	March, 31, 2022	3,558.88	5,609.48	(2,050.60)	

Note 37 - Willful Defaulter  
The Company has not been declared as a willful defaulter by any bank or financial institutions in the current year or previous year.

Note 38 - Relationship with Struck off Companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956  
The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956, in the current year or previous year.

Note 39 - Registration of charges or satisfaction with Registrar of Companies

A brief description of the charges or satisfaction	The location of the Registrar	The period (in days or months) by which such charge had to be registered as on March 31, 2023	The period (in days or months) by which such charge had to be registered as on March 31, 2022	Reason for delay in registration
Motor Vehicle	Kolkata	28	16	No delay
Immovable property or any interest therein; Bookdebts; other assets of the company	Kolkata	111	99	No delay



**Note - 40 Utilisation of Borrowed funds and share premium:**

(i) The Company has not advanced or loaned or invested funds in current year or previous year to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

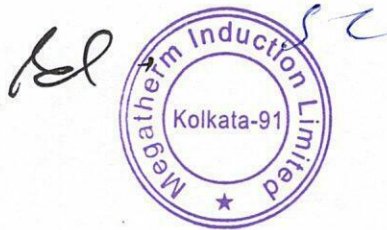
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(ii) The Company has not received any fund in current year or previous year from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

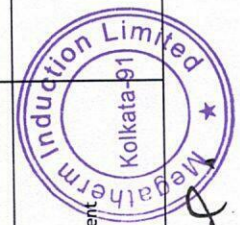
**Note 41 - Undisclosed Income**

The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the current year or previous year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).



Note 42 - Ratios

S No.	Ratio	31 March 2023		31 March 2022		Ratio as on		Variation	Reason (If variation is more than 25%)
		Numerator	Denominator	Numerator	Denominator	31 March 2023	31 March 2022		
(a)	Current Ratio	12,400.00	12,318.06	12,903.32	12,331.44	1.01	1.05	-3.80%	
(b)	Debt-Equity Ratio	4,282.04	5,062.64	4,038.80	3,662.23	0.85	1.10	-23.30%	
(c)	Debt Service Coverage Ratio	2,227.03	1,335.51	869.50	989.73	1.67	0.88	89.81%	The increase in Debt Service Coverage Ratio is mainly due to increase in margins on product sold on account of increase in sales price of products and also per unit cost of production reduced as compared to previous year.
(d)	Return on Equity Ratio	1,400.41	5,062.64	164.13	3,662.23	27.66	4.48	517.23%	The increase in Return on Equity is mainly due to increase in gross margin of product sold on account of increase in sales price of products.
(e)	Inventory Turnover Ratio	20,110.26	6,980.23	15,040.58	6,034.19	2.88	2.49	15.59%	
(f)	Trade Receivables Turnover Ratio	26,456.76	2,770.42	18,687.79	2,485.30	9.55	7.52	27.00%	The increase in Trade Receivable turnover ratio is mainly due to increase in the sales on account of increase in price of product and customer base of the company as compared to previous year.
(g)	Trade Payables Turnover Ratio	22,786.95	3,938.08	18,536.20	3,322.65	5.79	5.58	3.72%	
(h)	Net Capital Turnover Ratio	26,643.84	326.91	18,846.52	984.65	81.50	19.14	325.81%	There is increase in net capital turnover ratio due to increase in the sales on account of increase in price of product and customer base of the company as compared to previous year and also there is lower utilization of working capital in current year.
(i)	Net Profit Ratio	1,400.41	26,588.15	164.13	18,782.73	0.05	0.01	502.77%	The increase in net profit ratio is mainly due to increase in margins on product sold on account of increase in sales price of products.
(j)	Return on Capital Employed	2,426.54	6,879.81	591.40	4,931.33	0.35	0.12	194.10%	The increase in Return on Capital Employed is mainly due to increase in margins on product sold on account of increase in sales price of products and also per unit cost of production reduced as compared to previous year.
(k)	Return on Investment	1,400.41	5,062.64	164.13	3,662.23	0.28	0.04	517.23%	The increase in Return on Capital Employed is mainly due to increase in margins on product sold on account of increase in sales price of products and also per unit cost of production reduced as compared to previous year.



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**Note 43 - Details of Crypto Currency or Virtual Currency**

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

**Note 44 - Details of Benami Property held**

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

**Note 45 - Segment information**

**Primary Segment Information (Business Segment)**

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

**Secondary Segment Information (Geographical Segment)**

Particulars	31 March 2023	31 March 2022
<b>Revenue by Geographical Market</b>		
In India	19,761.95	15,039.33
Outside India	6,826.20	3,743.40
<b>Total</b>	<b>26,588.15</b>	<b>18,782.73</b>
<b>Carrying Amount of Segment Assets</b>		
In India	18,747.03	16,601.53
Outside India	450.84	661.24
<b>Total</b>	<b>19,197.87</b>	<b>17,262.76</b>
<b>Additions to Property, Plant and Equipment (including movement in CWIP)</b>		
In India	1,906.00	446.24
Outside India	-	-
<b>Total</b>	<b>1,906.00</b>	<b>446.24</b>

**Note 46 - Unhedged foreign currency exposures**

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

Particulars	31 March 2023			March 31, 2022		
	Currency	Amount in FC*	Amount	Currency	Amount in FC*	Amount
Trade Receivables	USD	5.49	450.84	USD	8.76	661.24
Trade Payables	USD	6.66	547.09	USD	5.82	439.49
Trade Payables	EUR	0.14	12.09	-	-	-

\* In Lakhs

**Note - 47 The Social Security Code, 2020**

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

**Note - 48**

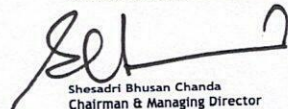
Previous year's figures have been regrouped / reclassified wherever necessary to conform to current year's classification/ disclosure.

As per our report of even date  
For M S K A & Associates  
Chartered Accountants  
Firm Registration No.:195047W

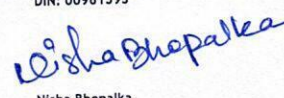
  
Dipak Jaiswal  
Partner  
Membership No 063682

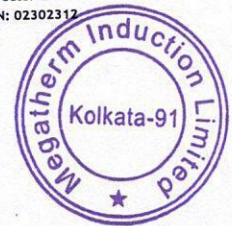


For and on behalf of the Board of Directors of  
Megatherm Induction Limited  
CIN : U31900WB2010PLC154236

  
Shesadri Bhusan Chanda  
Chairman & Managing Director  
DIN: 00961593

  
Satadri Chanda  
Director & CFO  
DIN: 02302312

  
Nisha Bhopalka  
Company Secretary  
Membership No:- 57866



Place : Kolkata  
Date: July 20, 2023

Place : Kolkata  
Date: July 20, 2023