



ANNUAL REPORT 2022-2023



**SHILCHAR
TECHNOLOGIES LIMITED**



Corporate Information

BOARD OF DIRECTORS

Mr. Alay J. Shah	Chairman & Managing Director
Mr. Aashay A. Shah	Executive Director
Mr. Mukesh D. Patel	Non-Executive Independent Director
Ms. Reshma S. Patel	Non-Executive Independent Director
Mr. Zarkis Parabia	Non-Executive Independent Director
Mr. Rajesh Varma	Non-Executive Independent Director
Mr. Prajesh K. Purohit	CFO
Ms. Niki Tiwari	Company Secretary & Compliance Officer

BANKERS

HDFC Bank Limited
The Hongkong and Shanghai Banking Corporation Limited

AUDITORS

M/s. CNK & Associates LLP,
Chartered Accountants,
The Nirat, 3rd Floor, 18-Windward Business Park
Behind Emerald One Complex,
Jetalpur Road,
Vadodara - 390 007, Gujarat

REGISTERED OFFICE

Bil Road, Bil - 391 410, Dist. Vadodara, India.
Phone : 0265-268 0466, 268 0566 Fax : 0265-268 0611
Email : info@shilchar.com
Visit us at www.shilchar.com
CIN : L29308GJ1986PLC008387

REGISTER & TRANSFER AGENT

MCS Share Transfer Agent Limited
1st Floor, Neelam Apartment,
88, Sampatrao Colony
Above Chappanbhog Sweet,
Alkapuri, Vadodara - 390 007
Ph. No. : 0265-231 4757 / 235 0490
Email ID : mcsltbaroda@gmail.com

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NOTICE

NOTICE is hereby given that the 37TH Annual General Meeting (“AGM”) of the members of Shilchar Technologies Limited will be held on Friday, the **25th August, 2023 at 11:00 a.m.** (IST) through video conference (“VC”)/other Audio Visual Means (“OAVM”) to transact the following business. The venue of the meeting shall be deemed to be the Registered office of the Company situated at Bil Road, Bil, Dist. Vadodara 391 410.

Ordinary Business:

- 1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended on 31st March, 2023 including the Balance Sheet as at March 31, 2023 and the Statement of Profit and Loss and Cash Flow for the year ended on that date together with the reports of the Board of Directors and Auditors thereon.**

“RESOLVED THAT the Audited Financial Statement of the Company, the Boards Report and the Auditors’ Report thereon for the financial year ended on 31st March, 2023 be and are hereby received, approved and adopted.”

- 2. To declare a Dividend on equity shares of the Company for the financial year ended 31st March, 2023.**

“RESOLVED THAT the Dividend at the rate of Rs. 10/- per Equity Share on 38, 13,400 Equity Shares of Rs. 10/- each as recommended by the Board of Directors be and is hereby approved.”

- 3. To appoint a Director in place of Mr. Aashay Alay Shah (DIN 06886870), who retires by rotation and being eligible, offers himself for re-appointment.**

“RESOLVED THAT Mr. Aashay Alay Shah (DIN 06886870), a Director of the Company who retires by rotation at this Meeting being eligible for re-appointment, be and is hereby re-appointed as Director of the Company whose period of Office shall be liable to determination by retirement of Director by rotation.”

Special Business:

- 4. Remuneration to the Cost Auditors for the financial year 2023-24:**

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

“RESOLVED THAT pursuant to provision of Section 148(3) of the Companies Act, 2013 read with Rule 4 of Companies (Audit & Auditors) Rules, 2014 and upon recommendation Audit committee and as proposed by the Board, consent of the Company be and is hereby accorded to pay remuneration of Rs. 25,000/- excluding out of pocket expenses plus applicable GST to Cost Auditors of the Company M/s. K H Shah & Co, Cost Accountants, Vadodara for the F.Y. 2023-2024.

RESOLVED FURTHER that the Board of Directors and / or its delegated authority be and is hereby authorized to do all acts and to take all such steps as may be necessary, proper or expedient to give effect to the above resolution.”

- 5. Approval of commission to Mr. Alay Jitendra Shah (DIN: 00263538) as Managing Director of the Company:**

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

“RESOLVED THAT pursuant to the provisions of Sections 203, 196, 197 and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, Regulation 17(6)(e) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the shareholders be and is hereby accorded for payment of commission of 3% in FY 2022-23 on the profits of preceding financial year computed under section 198 of the Companies Act, 2013 in addition to the existing managerial remuneration payable to Mr. Alay J Shah, Managing Director (DIN 00263538).”

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”



6. **Approval of managerial remuneration of Mr. Alay Jitendra Shah (DIN: 00263538) as Managing Director of the Company:**

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

“RESOLVED THAT subject to the provisions of sections 2(54), 196, 197, 198, 201 and 203 and other applicable provisions, if any, of the Companies Act, 2013, read with Schedule V to the Companies Act, 2013 and the Rules made there under, Regulation 17(6)(e) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification or re-enactment thereof) and on recommendation of Nomination and Remuneration Committee and as agreed by the Board of Directors, consent of the Company be and is hereby accorded for payment of remuneration to Mr. Alay Jitendra Shah, Managing Director (DIN 00263538) of the Company as follows with effect from 1st October, 2023 for a period for 3 years, provided in Section 197 and Section II (A) of Part II of Schedule V to the Companies Act, 2013:

(a) Remuneration payable to him upto Rs.15,00,000 lacs per month

In addition to above mentioned remuneration, the above appointees shall be entitled to the following perquisites and allowances, which shall not be included in computation of said ceiling limit for the remuneration viz. Company’s contribution to provident Fund and Superannuation Fund or Annuity Fund to the extent these either singly or together are not taxable under the Income-Tax Act, 1961, Gratuity payable as per the rules of the Company, Leave encashment at the end of the tenure.

(b) Commission upto 3% of net profits of preceding financial year calculated under section 198 of the Companies Act for each Financial Year commencing from FY 2022-23.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to increase, alter and/or vary the remuneration and perquisites including the monetary value thereof as may be permitted or authorised in accordance with the provisions of the Companies Act, 2013, for the time being in force.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

7. **Increase In Authorised Share Capital And Amendment In Capital Clause Of The Memorandum Of Association:**

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

“RESOLVED THAT pursuant to the provisions of Section 61 read with Section 64 of the Companies Act, 2013 (“the Act”) (including any statutory modification(s) or reenactment(s) thereof) and any other applicable provisions of the Act and the rules made thereunder and the Articles of Association of the Company, the Authorised Share Capital of the Company be and is hereby increased from Rs. 5,00,00,000/- (Rupees Five Crores) divided into 50,00,000 (Fifty Lakhs) Equity Shares of Re. 10/- (Rupees Ten) to Rs. 10,00,00,000/- (Rupees Ten Crores) divided into 1,00,00,000/- (One Crores) Equity Shares of Re. 10/- (Rupees Ten) each by creation of 50,00,000 (Fifty Lakhs) Equity Shares of Re. 10/- (Rupees Ten) each ranking pari passu with the existing Equity Shares of the Company.”

“RESOLVED FURTHER THAT pursuant to the provisions of Section 13 and other applicable provisions, if any, of the Act (including any statutory modification(s) or reenactment(s) thereof), clause (V) of the Memorandum of Association of the Company be and is hereby amended by substituting with the following clause:

V. The Capital of the Company is Rs. 10,00,00,000/- (Rupees Ten Crores) divided into 1,00,00,000 (One Crores) Equity Shares of Re. 10/- (Rupees One) each.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company (hereinafter referred to as “Board” which term shall include a Committee thereof authorised for the purpose) be and is hereby authorized to take all such steps and actions and give such directions as may be in its absolute discretion deemed necessary and to settle any question that may arise in this regard, without being required to seek any further consent or approval of the Members or otherwise and that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.”



“RESOLVED FURTHER THAT the Board be and is hereby authorised to sign and execute all necessary forms, documents and papers as may be deemed necessary and expedient in connection with the aforesaid matter and to do such acts and deeds required to give effect to the aforesaid resolutions.”

8. Issue of Bonus Shares:

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

“RESOLVED THAT pursuant to the provisions of Section 63 and other applicable provisions of the Companies Act, 2013 (“the Act”) read with the Companies (Share Capital and Debentures) Rules, 2014 (“the Rules”), and the rules made thereunder, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“ICDR Regulations”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the Foreign Management Act, 1999 and other applicable provisions of regulations and guidelines issued by the Securities and Exchange Board of India (SEBI) and Reserve Bank of India (RBI) from time to time, the enabling provisions of the Memorandum and Articles of Association of the Company, and pursuant to the recommendation of the Board of Directors of the Company (hereinafter referred to as “the Board”, which expression shall be deemed to include a Committee of Directors or officer(s) of the Company duly authorized in this behalf), and subject to such approvals as may be required in this regard, approval of the Members be and is hereby accorded to the Board for capitalization of such sums standing to the credit of the free reserves and/or the securities premium account and/or or such other account as may be considered necessary by Board of Directors of the Company (“the Board”), for the purpose of the issue of bonus equity shares of Rs. 10/- each, credited as fully paid up equity shares to the holders of the existing equity shares of the Company in consideration of their said holding and whose names appear in the Register of Members maintained by the Company/List of Beneficial Owners as received from the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), on such date as may be fixed in this regard by the Board, in the proportion of 1 (One) equity share for every 1 (one) existing equity shares held by the Members.

RESOLVED FURTHER THAT the bonus equity shares so allotted shall rank pari passu in all respects with the fully paid up equity shares of the Company as existing on such date as may be fixed in this regard by the Board.

RESOLVED FURTHER THAT the bonus shares so allotted shall subject to the Memorandum of Association and Articles of Association of the Company.

“FURTHER RESOLVED THAT these New Bonus Equity Shares shall be issued in dematerialized form only, within the period prescribed or that may be prescribed in this behalf, from time to time, pursuant to Companies (Prospectus and Allotment of Securities) Third Amendment Rules, 2018 and such other applicable rules and SEBI Regulations.”

RESOLVED FURTHER THAT the issue and allotment of the bonus equity shares to the extent they relate to Non-Resident Indians (NRIs), Overseas Citizen of India, Overseas Corporate Bodies (OCBs), Foreign Portfolio Investors (FPIs) and other foreign investors of the Company will be subject to the approval of the RBI, if applicable and as may be necessary.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions, the Board including any Committee of the Board, Allotment Committee or person authorised by the Board, be and is hereby authorized to do all such acts, deeds, matters and things and execute all such documents, instruments and writings as may be required and as it may in its sole and absolute discretion deem necessary, expedient or incidental in regard to issue of bonus shares, filing of any documents with the Securities and Exchange Board of India, Stock Exchanges where the shares of the Company are listed, Depositories, Ministry of Corporate Affairs and/ or any concerned authorities, applying and seeking necessary listing approvals from the Stock Exchanges, and to settle any question, difficulty or doubt that may arise in regard thereto.”

9. Shifting of Registered Office of the Company:

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

“RESOLVED THAT pursuant to the provisions of Section 12 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force), consent of the members be and is hereby accorded for shifting the Registered Office of the Company from ‘Bil Road, Bil, District Vadodara, Gujarat – 391410’ to ‘Block No. 460, Near Muval Sub-Station, Padra – Jambusar Highway, Gavasad, Dist. Vadodara, Gujarat, India – 391430.



RESOLVED FURTHER THAT the Board of Directors of the Company (which term shall be deemed to include any Committee of the Board which may have been constituted or hereinafter constitute to exercise the powers conferred on the Board by this resolution, if any requirement) be and is hereby authorized to take such steps as may be necessary and generally to do all acts, deeds and things as may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution.”

By order of the Board of Directors
For Shilchar Technologies Limited

Place: Bil, District Vadodara
Date: 29.07.2023

Niki Tiwari
Company Secretary

NOTES:

1. The Register of members and Share Transfer Books of the Company will remain closed from 18th August 2023 to 25th August 2023 (both days inclusive) for annual closing and determining the entitlement of shareholders to the final dividend for 2022-23.
2. The Explanatory statement pursuant to Section 102 of the Companies Act, 2013, which sets out the details relating to the special business at the meeting, is annexed hereto.
3. The Ministry of Corporate Affairs (“MCA”) has vide its Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020, Circular No. 2/2022 dated May 5, 2022, Circular no. 10 dated December 28, 2022 (collectively referred to as “MCA Circulars”) and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021, SEBI/HO/CFD/CMR2/CIR/P/2022/62 vide dated 13th May, 2022, and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 (collectively referred to as “SEBI Circulars”) permitted the holding of the AGM through video conferencing (VC) or other audio visual means (OAVM) without the physical presence of the members at a common venue. Accordingly in line with the above Circulars, the AGM of the Company will be held through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with said Circulars. The Registered office of the Company shall be deemed to be venue of the AGM.
4. Since this AGM is being held through VC/OAVM, pursuant to MCA Circulars and SEBI Circulars, physical attendance of the members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for this AGM and Proxy Form, Attendance slip and Route Map are not annexed to this Notice.
5. In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report will also be available on the Company’s website www.shilchar.com, website of Stock Exchanges i.e. BSE Limited at www.bseindia.com and on the website of Central Depository Services Limited at www.cdslindia.com.
6. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. SEBI vide its circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November 2021 read with SEBI Circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/ P/C/2021/687 dated 14th December, 2021 (“Circulars”), requires listed companies to record and register the KYC details of all incomplete folio (including joint holders) i.e. PAN, contact details (postal address, Mobile Number & E-mail), Nomination and Bank Account details of first holder and in order to comply with the this Circulars, the Company has sent individual communications to the physical shareholders whose KYC details are pending to be updated and the members are requested to please update/complete the above details at earliest.
8. As per SEBI Notification No. SEBI/LAD-NRO/GN/2022/66 dated January 24, 2022, amending Regulation 40 of the SEBI Listing Regulations, 2015, transfer, transmission or transposition of securities can only be done in dematerialized form with effect from January 24, 2022.



9. In accordance with SEBI Circular No. SEBI/HO/MIRSD/ MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 all the listed companies are required to issue the securities in dematerialized form only while processing any service request of the investor holding shares in physical. In pursuance thereof, Company shall verify and process the service requests received from the investors and upon verifying the documents submitted therefore, a 'Letter of confirmation' shall be issued to the claimant/ securities holder to get the shares in demat form instead of sending physical share certificate(s). In case the security holder/ claimant fails to submit demat request along with such 'Letter of confirmation' within 120 days from the date thereof, such shares shall be credited to the "Suspense Escrow Demat Account" of the Company. The concerned shareholder can claim his/her shares back from such account by placing service request.
10. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
11. Process for those shareholders whose email ids are not registered:
 - a) For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
 - b) For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to Company/RTA email id.
12. With effect from April 01, 2014, *inter-alia*, provisions of section 149 of Companies Act, 2013, has been brought into force. In terms of the said section read with section 152(6) of the Act, the provisions of retirement by rotation are not applicable to Independent Directors. Accordingly, Mr. Aashay Alay Shah (DIN 06886870), Director will retire at the ensuing annual general meeting and being eligible offers himself for re-appointment.
13. In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 of the General Meetings, particulars of director seeking appointment/re-appointment at the ensuing annual general meeting is given in annexure to this notice.
14. Statement as required under Section 102 of the Companies Act, 2013 and SEBI Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto.
15. Subject to the provisions of Section 126 of the Companies Act, 2013, dividend as recommended by the Directors for the year ended 31st March, 2023, if declared, will be payable to those Members, whose names appear in the Register of Members as at the close of business on 18th August 2023 and in respect of shares held in dematerialized form, as per the list of beneficial owners furnished to the Company by NSDL/CDSL, as at the close of business on 18th August 2023 The dividend warrants will be posted on or about 10th September 2023.
 - 15.1.1 *In respect of shares held in electronic / demat form, beneficial owners are requested to notify any change in their address, bank account, mandate, etc. to their respective Depository Participant.*
 - 15.1.2 *Members holding shares in physical form are requested to notify any change in their address, bank account, etc. to the Company or to the Registrar and Transfer Agent.*
 - 15.1.3 *With a view to prevent fraudulent encashment of dividend warrants, Members holding shares in physical form are advised to furnish particulars of their bank account together with their 9 digit MICR code number for recording the same.*
16. Pursuant to the provisions of section 123 to 125 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017 (the Rules), dividend for the financial year ended 31.03.2016 and thereafter, which remain unclaimed for a period of 7 years from the date of transfer of the same as referred to Section 124 of the Companies Act, 2013, will be transferred to the Investor Education and Protection Fund of the Central Government established under Section 125 of the Companies Act, 2013 in month of September, 2022. Members who have not yet encashed their warrant(s) are requested to make their claims to the Company without any delay. Pursuant to the Rules, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on the website of the Company (www.shilchar.com), as also on the website of the IEPF viz. (www.iepf.gov.in).



17. Members are requested to note that SEBI vide circular dated 16th March, 2023 has mandated that Members holding shares in physical mode are required to update the following with the Company/RTA:

- PAN;
- KYC details containing address, mobile number, e-mail address, bank account details;
- Nomination details

Members holding shares in physical mode, who have not registered their above particulars, are requested to register the same with the Company/RTA at the earliest. Any clarifications in this regard may be addressed to the RTA at mcsltbaroda@gmail.com.

18. Pursuant to Section 72 of the Companies Act, 2013, shareholders holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Transfer Agent. In respect of shares held in electronic/demat form, the nomination form may be filed with their respective Depository Participant.

Members are requested to intimate the Company of queries, if any, regarding these accounts / notice at least ten days before the Annual General Meeting to enable the Management to keep the information ready at the meeting.

Members are requested to note that in case of transfers, deletion of name of deceased shareholder, transmission and transposition of names in respect of shares held in physical form, submission of photocopy of PAN Card of transferee(s), surviving holder(s), legal heirs(s) and joint holder(s) respectively, along with necessary document at the time of lodgment of request for transfer/ transmission / transposition, is mandatory.

All documents referred to in the accompanying Notice and Explanatory Statement shall be open for inspection at the registered office of the Company during normal business hours (9.30 a.m. to 5.00 p.m.) on all working days except Sundays, upto and including the date of Annual General Meeting of the Company.

19. INSTRUCTIONS FOR VOTING THROUGH ELECTRONIC MEANS AND ATTENDING MEETING THROUGH VC/OAVM:

- a. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars, the Company is providing facility of remote e-voting and e-voting during the meeting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL. Instructions for shareholders for Remote e-voting and joining meeting through VC/OAVM are provided herein below at point no. **(A.)**. Instructions for shareholders attending the AGM through VC/OAVM & e-voting during the meeting provided at point no. **(B.)**. Process for those shareholders whose email/ mobile no. are not registered with the Company/ RTA/Depositories are given at point no. **(C.)**.
- b. The Members can join the AGM in the VC/OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- c. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the meeting through VC or OAVM but shall not be entitled to cast their vote again. Once the vote on a resolution is cast by the members, the members shall not be allowed to change it subsequently.
- d. The Company has appointed Mr. Bhautik Kanasagara, Practicing Company Secretary, Vadodara, as the Scrutinizer for conducting the remote e-voting and e-voting process on the date of AGM in a fair and transparent manner.
- e. The voting results shall be declared on receipt of Scrutinizer's Report. The e-voting results along with the scrutinizer's report shall be placed on the Company's website www.shilchar.com and on the website of CDSL within two working days of the conclusion of the AGM of the Company. The results will also be communicated to BSE Limited where the shares of the Company are listed.



(A) THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

(i) The voting period begins on Tuesday, 22nd August 2023 at (IST 10.00 a.m.) and ends on Thursday, 24th August 2023 at (IST 5.00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 18th August 2023, (record date) may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Login Method for e-voting and joining virtual meeting for individual shareholders holding shares in demat mode:

In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 Individual shareholders holding securities in demat mode are allowed to vote electronically by way of single login credential without having to register again with the e-voting service providers (ESPs), through their demat accounts/websites of Depositories/ Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below.

❖ Individual Shareholders holding securities in Demat mode with CDSL:-

1. Users of who have opted for CDSL's Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URLs for users to login to Easi / Easiest are <https://web.cdslindia.com/myeasi/home/login> or www.cdslindia.com and click on Login icon and select new System Myeasi.
2. After successful login the Easi / Easiest user will be able to see the e-Voting Menu. On clicking the e-voting menu, the user will be able to see his/her holdings along with links of the respective e-Voting service provider i.e. CDSL as per information provided by Issuer / Company. Additionally, we are providing links to e-Voting Service Providers, so that the user can visit the e-Voting service providers' site directly.
3. If the user is not registered for Easi/Easiest, option to register is available at <https://web.cdslindia.com/myeasi/Registration/EasiRegistration>.
4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP where the e-Voting is in progress during or before the AGM.

❖ Individual Shareholders holding securities in demat mode with NSDL:-

1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <https://eservices.nsd.com> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
2. If the user is not registered for IDeAS e-Services, option to register is available at <https://eservices.nsd.com>. Select "Register Online for IDeAS" Portal or click at <https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp>.
3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsd.com/> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e- voting period or joining virtual meeting & voting during the meeting.



- ❖ Individual Shareholders (holding securities in demat mode) login through their Depository Participants:-

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL.

Login type	Halpdesk details
Individual shareholders holding securities in Deman mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 22-23058542-43
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

- iii. Login method for e-voting and joining virtual meeting for shareholders other than individual shareholders & physical shareholders:-
 - 1) The shareholders should log on to the e-voting website www.evotingindia.com
 - 2) Click on "Shareholders" module.
 - 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 - 4) Next enter the Image Verification as displayed and Click on Login.
 - 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
 - 6) If you are a first-time user follow the steps given below:-

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- 7. After entering these details appropriately, click on "SUBMIT" tab.



8. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
9. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
10. Click on the EVSN for the relevant <SHILCHAR TECHNOLOGIES LIMITED> on which you choose to vote.
11. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
12. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
13. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
14. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
15. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
16. If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
17. Shareholders can also use Mobile app - "m-Voting" for e voting. m-Voting app is available on IOS, Android & Windows based Mobile. Shareholders may log in to m-Voting using their e voting credentials to vote for the company resolution(s).

Note for Non – Individual Shareholders and Custodians

- a) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as "Corporates" module.
- b) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- c) After receiving the login details, User would be able to link the account (s) for which they wish to vote on.
- d) The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- e) A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(A) INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING THE MEETING ARE AS UNDER:-

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders are encouraged to join the meeting through Laptop for better experience. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least (10) ten days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at cs@shilchar.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries 10 days in advance prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at cs@shilchar.com. The queries will be replied suitably by the company.



6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
7. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
8. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

(C) PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ RTA/DEPOSITORIES:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to RTA.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP).

If you have any queries or issues regarding attending AGM & e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or call 1800225533.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call 1800225533, 022-23058542/43

General:

- (a) If you are already registered with CDSL for e-voting then you can use your existing user ID and password for casting your vote.
- (b) Once the vote on a resolution is cast by the shareholder, he shall not be allowed to change it subsequently.
- (c) The voting rights of the shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date (record date) of 18th August 2023.
- (d) The scrutinizer shall within a period of not exceeding two working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in employment of the Company and make a scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- (f) Corporate members intending to send their authorized representative(s) to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.

Explanatory Statement pursuant to Section 102 of Companies Act, 2013 & Regulation 36(5) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

Item No. 4

- ❖ As per the Cost Audit Rule 3A (IV) which are notified by the Ministry of Corporate Affairs on 30th June, 2014, the same is applicable to the Company and accordingly the Company is required to keep the Cost Records on or after the 1st day of April, 2014, and shall in compliance with the same within one hundred and eighty days of the commencement of every financial year to appoint a cost auditor with the approval of the shareholders.
- ❖ As per the provisions of Section 148 of the Companies Act, 2013 read with Companies (Audit & Auditors) Rules, 2014, the proposal of Appointment of Cost Auditors was placed before the Audit Committee and as recommended by Audit Committee along with the remuneration of Cost Auditors, the Board in its meeting held on 29.04.2023 considered and approval the said proposal to appoint M/s. K H Shah & Co., as Cost Auditors of the Company for the F.Y. 2023-24 at the remuneration of Rs. 25,000/- excluding out of pocket expenses plus applicable service tax. Now, the resolution is being placed before the Members of the Company for the approval and ratification of the remuneration to the Cost Auditors.



- ❖ The Board of Directors recommends the resolution set forth at Item No. 4 of this notice for your approval.
- ❖ None of the Directors, Key Managerial Personnel and relatives thereof has any concern or interest, financial or otherwise, in the resolution at Item No. 4 of this Notice.

Item No. 5 & 6

- ❖ Mr. Alay J Shah has been appointed as Managing Director of the Company for a period of 5 years w.e.f 01.10.2022.
- ❖ Mr. Alay J. Shah is founder Director of the Company. He has been associated with the Company as one of the Promoter Directors since its incorporation. He is a bachelor of science with specialization in electronics and possesses more than 30 years of experience in the various areas of business including production, finance, marketing and administration. Mr. Alay J. Shah has been shouldering the responsibility of Managing Director since 1991. During his tenure, the Company has, year after year, achieved sizeable turnover, profitability and also continuous dividend payout since 2005-06.
- ❖ In view of his excellent leadership and contribution to the growth and performance of the Company, based on the recommendation of Nomination and Remuneration Committee, the Board of Directors at their meeting held on 30.01.2023 approved payment of commission of 3% in FY 2022-23 based on the net profits of previous financial year calculated under the provisions of section 198 of the Companies Act, 2013. Accordingly, the Board recommends Special Resolution at item no. 5 of this notice for your approval.
- ❖ Moreover, the members at 34th Annual General Meeting of the Company held on 14th August, 2020 have approved managerial remuneration of Mr. Alay J Shah, Managing Director for a period of 3 years from 01/10/2020 to 30/09/2023. As per the provisions of Schedule V of the Companies Act, 2013, the Nomination and Remuneration Committee has recommended and the Board of Directors have proposed remuneration of Mr. Alay J Shah, Managing Director for further tenure of three years from 01.10.2023 to 30.09.2026, subject to the approval of members.
- ❖ In terms of provisions contained in section II of Part II (A) of Schedule V of the Companies Act, 2013, and SEBI Listing Regulations, the relevant details regarding the performance of the Company and terms of appointment and remuneration of Mr. Alay Shah, Managing Director are as under:

Tenure of Appointment:

- ❖ A period of five years with effect from 01.10.2022 to 30.09.2027.

Entrusted Duties:

- ❖ Subject to the supervision and control of the Board of Directors of the Company, the Managing Director shall look after the day to day affairs and overall operations of the Company and shall carry out such other duties as may be entrusted to him by the Board of Directors from time to time.

Confidentiality:

- ❖ Mr. Alay Shah will perform his duties truly and comply with the directives given to him from time to time by the Board, and further not disclose to any person, firm or Company any confidential information.

Liable to Retire by Rotation:

- ❖ During his tenure as Managing Director of the Company, the office of Mr. Alay Shah shall be reckoned for the purpose of arriving Directors liable to retire by rotation.

Sitting Fees:

- ❖ As long as Mr. Alay Shah functions as Managing Director, will not be paid any sitting fees for attending the meetings of the Board of Directors or any committee(s) thereof.

Re-imbusement of Expenses, Costs etc.:

- ❖ Mr. Alay Shah shall be entitled to be paid / reimbursed all costs, charges and expenses as may be incurred by him for the purpose of or on behalf of the Company.



Termination:

- ❖ Either party shall have liberty to terminate the aforesaid appointment, by giving six months' notice in writing to the other.

Arbitration:

- ❖ Disputes to be settled by arbitration.

Information about the Appointees:

- ❖ Mr. Alay Shah has been associated with the Company as one of the Promoter Directors since its incorporation. He is a bachelor of science with specialization in electronics and possesses more than 30 years of experience in the various areas of business including production, finance, marketing and administration.

Reorganization of Awards:

- ❖ The Company has been authorized by the Bureau of Energy Efficiency (BEE) for using three (4) Star Rating labels on its Distribution Transformers with the capacity of 25KVA/63KVA/100KVA and 200KVA, respectively.
- ❖ The Company is also holding ISO 9001:2000 Certificate since September, 2004 for quality systems in relation to its factory located at village Bil, District Vadodara in the State of Gujarat.

Job Profile and Suitability:

- ❖ Shri Alay Shah, Managing Director is responsible for the day to day management of the Company. He is actively involved in various areas of business including production, finance, marketing and administration. He is working under the Superintendence and control of the Board of Directors.

Remuneration Proposed: from 01.10.2023 to 30.09.2026:

- (a) Remuneration payable to him upto Rs.15,00,000 lacs per month

In addition to above mentioned remuneration, the above appointees shall be entitled to the following perquisites and allowances, which shall not be included in computation of said ceiling limit for the remuneration viz. Company's contribution to provident Fund and Superannuation Fund or Annuity Fund to the extent these either singly or together are not taxable under the Income-Tax Act, 1961, Gratuity payable as per the rules of the Company, Leave encashment at the end of the tenure.

- (b) Commission upto 3% of net profits of preceding financial year calculated under section 198 of the Companies Act for each Financial Year commencing from FY 2022-23.

Provided further that the aggregate amount of remuneration covering salary, allowances, perquisites and commission payable to Mr. Alay J Shah, Managing Director and in aggregate to all such Directors should not exceed the prescribed percentage of the Net Profit of the Company in each year as provided under Sections 197 and 198 of the Act read with Schedule V of the Companies Act, 2013.

- ❖ Notwithstanding anything to the contrary herein contained, where in any financial year, during the currency of tenure of Mr. Alay J Shah, if the Company has no profits or its profits are in-adequate, the Company will pay the minimum remuneration by way of salary, perquisites and allowances, as specified above, which shall be governed by the limits prescribed under Section II (A) of Part II of the Schedule V to the Companies Act, 2013.

I. GENERAL INFORMATION:

1. Nature of Industry: Electronics & Telecom Transformers Manufacturer
2. Date or expected date of commencement of Commercial Production -. The Company was incorporated in the year 1986 and started its business since then.
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in prospectus - Not applicable.



4. Financial performance based on given indicators as per audited financial statements as at 31.03.2023:

Particular	2022-23 (Rs.in Lakhs)
Revenue from Operations	28,024.12
Other Income	808.12
Total Revenue	28,832.24
Less: Expenses before Interest and Depreciation	23,316.52
Less: (a) Interest	59.96
(b) Depreciation	240.36
Profit / (Loss) Before Tax	23,016.20
Less: Tax Expenses	
Current Tax	1,489.92
Deferred Tax	10.74
Short/ (Excess) provision of earlier year	3.14
Profit after Tax	4,312.24

2. Foreign Investments or collaborations, if any – Not Applicable
Mr. Alay Shah holds 1045516 equity shares of the Company. Besides the remuneration proposed, Mr. Alay Shah does not have any pecuniary relationship with the Company. Except Mr. Aashay Shah, no other managerial personnel are concerned or interested.

II. OTHER INFORMATION

- Reasons of loss or inadequate profits: Not Applicable
- Steps taken or proposed to be taken for improvement: The Company is in continuous efforts to take appropriate steps for improvement of its business.
- Expected increase in productivity and profits in measurable terms: The Company is very conscious about improvement in productivity and is undertaking constant measures to improve it.

III. DISCLOSURES:

The following disclosures are mentioned in the Boards' Report under the heading "Corporate Governance" attached to the financial statement:

- All elements of remuneration package such as salary, benefits, bonuses, stock options, pensions, etc., of all the directors;
- Details of fixed component and performance linked incentive along with the performance criteria;
- Service contracts, notice period, severance fees; and
- Stock option details, if any and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.

The copy of the draft Appointment as referred to in the resolution will be available for inspection by the members at the Registered Office of the Company on all working days between 10.00 a.m. to 1.00 p.m. except Saturdays and holidays.

Except Mr. Alay Jitendra Shah, Managing Director and Mr. Aashay Alay Shah, Whole Time Director of the company, none of the Directors and Key Managerial Personnel of the Company and their relatives, is in any way, concerned or interested in the said resolutions.

The Board of Directors of the Company, therefore, recommends passing of the resolution as set out in Item No. 6 of the Notice above by way of Special Resolution.

Item No. 7:

The present Authorised Share Capital of the Company is Rs. 5,00,00,000/- (Rupees Five Crores Only) divided into 50,00,000 (Fifty Lakhs) Equity Shares of Re. 10/- (Rupees Ten) each. In order to facilitate the issue of bonus equity shares and for meeting future requirements, if any, it is proposed to increase the Authorised Share Capital to Rs. 10,00,00,000/- (Rupees Ten Crores) divided into 1,00,00,000 (One Crores) Equity Shares of Re. 10/- (Rupees Ten)



each. The increase in the Authorised Share Capital as aforesaid would entail consequential alteration of the existing Clause V of the Memorandum of Association of the Company.

The increase in the Authorised Share Capital and consequential alteration to Clause V of the Memorandum of Association of the Company require Members' approval in terms of Sections 13 and 61 of the Companies Act, 2013, Articles of Association of the Company and any other applicable statutory and regulatory requirements.

None of the Directors / Key Managerial Personnel / their relatives is in any way concerned or interested, financially or otherwise in the resolutions.

The Board recommends this resolution as set out in Item no. 7 of the Notice for your approval as an Ordinary Resolution.

Item No. 8:

The Reserves and Surplus Account Balance (including Securities Premium) were amounting to Rs. 11,762.89 Lakhs as on 31st March, 2023. The Board of Directors were of view to capitalise required amount from this balance for the benefits of members of the Company and With a view to encourage the participation of small investors by making equity shares of the Company affordable, increasing the liquidity of the equity shares and to expand the retail shareholder base. Hence, the Board of Directors, at their meeting held on 29th July, 2023 recommended an issue and allotment of Bonus Shares in the proportion of 1 (One) new equity share of the Company for every 1 (one) existing equity share of the Company held by the members as on the record date by way of capitalization of balance in Reserves and Surplus Account (including Securities Premium). (Record date will be decided in consultation with the management). Pursuant to the provision of Section 63 and other applicable provisions, issue of bonus shares of the Company requires the approval of the members of the Company.

It is also proposed to authorize the Board of Directors, including Allotment Committee of the Board of the Company including any Committee thereof to complete all the formalities in connection with the issue of Bonus Shares.

Accordingly, resolution of this Notice seek Members' approval for capitalization of the amount standing to the credit of free reserves and/or the securities premium account on the terms and conditions set out in the resolutions.

No Director, Key Managerial Personnel or their relatives are in any way concerned or interested in the resolution of this Notice except to the extent of their shareholding.

The Board recommends this resolution as set out in Item no. 8 of the Notice for your approval as an Ordinary Resolution.

Item No. 9:

Presently, the Company's Registered Office is located at Bil Road Bil District Baroda, Vadodara, Gujarat – 391410 whereas new factory/ works of the Company is situated at 'Block No. 460, Near Muval Sub-Station, Padra – Jambusar Highway, Gavasad, Vadodara, Gujarat, India – 391430. Moreover, majority of commercial activities are carried at the works at new factory Gavasad. The Board of Directors of your Company at their meeting held on 29th July, 2023 has decided to shift the Registered Office of the Company from the 'Bil Road Bil District Baroda, Vadodara, Gujarat - 391410 to 'Block No. 460, Near Muval Sub-Station, Padra – Jambusar Highway, Gavasad, Vadodara, Gujarat, India – 391430, to carry on the business of the Company more economically, efficiently and with better operational convenience. Since majority of operational plant, factory and units of our company is located at new factory at Gavasad, it will be Convenient and smooth function of business operation, therefore shifting of Registered Office to Gavasad shall facilitate better coordination and interaction with Stakeholders, Vendors, employees and leading to improve the Company's relationship with all stakeholders.

As per provisions of Section 12 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, shifting of Registered Office of the Company outside the local limits but within the same State requires approval of the Members by way of Special Resolution through Postal Ballot. Though Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management & Administration) Rules, 2014 requires the Company to pass the resolution through Postal Ballot for shifting of registered office outside the local limits of any city, town or village, but as per the Companies (Amendment) Act, 2017, any such item of business can to be transacted at a general meeting by a Company which is providing the facility to members to vote by electronic means at the Annual General Meeting.



Therefore the Board recommends the Resolution as set out in Item No. 9 for approval of the Members as Special Resolution.

None of the Directors, Key Managerial Personnels or their respective relatives is in any way concerned or interested in the resolution mentioned as Item No. 9 of the Notice.

By order of the Board of Directors
For Shilchar Technologies Limited

Place: Bil, District Vadodara
Date: 29.07.2023

Niki Tiwari
Company Secretary

**ANNEXURE TO NOTICE OF 37th ANNUAL GENERAL MEETING
Details of Directors seeking appointment/re-appointment at the 37th Annual General Meeting**

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 of the General Meeting]

Name of Director	Mr. Aashay Alay Shah
DIN	06886870
Designation	Whole-time Director (Executive Director)
Date of Birth	06.08.1991
Date of Appointment	01.11.2021
Terms and conditions of appointment/ re-appointment	Director liable to retire by rotation
Qualifications	Bachelor of Science in Electrical Engineering from University of Illinois, Urbana-Champaign, USA and Masters in Business Administration from Cass Business School, London, UK
Expertise in Specific Functional Area	Marketing, Production, Procurement And Design Department
No. of Equity Shares held in the company	3,94,382
Remuneration last drawn	Rs.42 Lakhs Yearly
Directors in other companies	1) AJSHAH ENTERPRISE PRIVATE LIMITED
Membership of committees in other public limited companies	Nil
No. of Board meetings attended during the financial year 2022-23	4
Inter relationship	Son of Managing Director Mr. Alay Shah



BOARD'S REPORT

Your Directors have pleasure in presenting the 37th Annual Report on the business and operations of the Company and the Audited Accounts for the Financial Year ended 31st March 2023.

1. FINANCIAL RESULTS:

	[Rupees in Lacs]	
	2022-23	2021-22
Revenue from Operations	28,024.12	18,018.21
Other Income	808.12	335.38
Total Revenue	28,832.24	18,353.60
Less: Expenses before Interest and Depreciation	23,316.52	16,076.62
Less: (a) Interest	59.96	107.43
(b) Depreciation	240.36	257.93
Profit / (Loss) Before Tax	5,816.04	1,911.62
Less: Tax Expenses		
Current Tax	1,489.92	508.42
Deferred Tax	10.74	29.05
Short/ (Excess) provision of earlier year	3.14	(29.89)
Profit after Tax	4,312.24	1,404.04

1. TRANSFER TO RESERVES:

No amount is transferred to the reserves by the Company.

2. DIVIDEND:

Your Directors have recommended a dividend of Rs. 10 /- per share (i.e. 100%) on Company's paid up equity share capital comprising of 3,813,400 equity shares of Rs. 10/- each. Thus, the total dividend outgo for the current fiscal will amount to Rs. 3,81,34,000/-.

3. OPERATIONAL HIGHLIGHTS AND PROSPECTS/ STATEMENT OF AFFAIRS:

The Company earned operational income of Rs. 28,024.12 lakhs compared to Rs. 18,018.21 lakhs for the previous year. The other income is Rs. 808.12 lakhs compared to Rs.335.38 lakhs in the previous year.

The total revenue for the year is Rs. 28,832.24 lakhs against Rs. 18,353.60 lakhs in the previous year. Profit after tax is Rs. 4,312.24 lakhs as compared to previous year figure of Rs. 1,404.04 lakhs.

The Company has concentrated on catering needs of renewable energy sector including solar and wind energy in local market where in the Company has been enjoying commendable position being one of the top companies in India supplying transformers for renewable energy.

There is no change in nature of business of the Company during the financial year. The Company has prepared the Financial Statements for the Financial Year 2022-2023 in accordance with Indian Accounting Standards (IND-AS).

4. PROSPECTS:

The current economic scenario would show positive signal of growth in power production especially in renewable energy sector. The company has tremendous foothold in this sector. The Company also looks forward to new business from local private sectors and its export business.



INSURANCE:

All the properties of the Company including buildings, plant & machinery and stocks have been insured.

4. ACCREDITATION:

Your Company has taken BIS approval for many ratings of transformers during the year. The Company has also received ISO 9001:2015 Certificate for its new plant during year 2018-19.

5. CREDIT FACILITIES:

Company has availed working capital facilities from HDFC Bank Limited & The HongKong and Shanghai Banking Corporation Limited. During the year under review, the Company was comfortable in meeting its financial requirements. Effective financial measures have been continued to reduce cost of interest and bank charges.

6. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

In terms of Section 125 of the Companies Act, 2013, any unclaimed or unpaid Dividend relating to the financial year ended on 31/03/2015 was due for remittance on or before 14/08/2022 and Interim Dividend during FY 2015-16 was due for remittance on or before 19/04/2023 to the Investor Education and Protection Fund established by the Central Government. Pursuant to the provisions of Section 125 of the Companies Act, 2013, every year the Company transfers shares to IEPF Account of Central Government for which dividend has remained unclaimed/unpaid for consecutive 7 years.

During the financial year 2022-23, the Company transferred unclaimed dividend amount of Rs. 45,989/- and Rs. 72,742 with IEPF Account of Central Government on 14/08/2022 and 14/03/2023 respectively. Further, the Company transferred 1000 Equity Shares with IEPF Account effective from 16.09.2022 and 200 Equity Shares with IEPF Account effective from 03.04.2023, for which dividend / interim dividend were unclaimed for seven consecutive years. The amount of Unpaid / Unclaimed Dividend Account 2016 (Final Dividend) is Rs. 17681.50 and it will be transferred to Investor Education and Protection Fund by 13-08-2023 (i.e. after 7 years from the date of transfer to unpaid dividend account i.e 13-08-2023).

7. SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2023 was Rs. 3,81,34,000/-, divided into 38,13,400 Equity Shares of Rs. 10 each. During the year under review the company has not issued any shares or any convertible instruments.

8. MATERIAL CHANGES AND COMMITMENT OCCURRED AFTER THE END OF FINANCIAL YEAR AND UP TO THE DATE OF REPORT.

No material changes and commitments affecting the financial position of the Company occurred between the ends of the financial year to which this financial statement relate and the date of this report.

9. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in **Annexure I** and is attached to this report.

10. RISK MANAGEMENT

The Company has framed a sound Risk Management Policy to identify and evaluate business risks and opportunities and the same has become integral part of Company's day to day operations. The key business risks identified by the Company are as follows viz. Industry Risk, Management and Operations Risk, Market Risk, Government Policy risk, Liquidity risk, and Systems risk. The Company has in place adequate mitigation plans for the aforesaid risks.

11. CORPORATE SOCIAL RESPONSIBILITY

As per the provisions of Section 135 of the Companies Act, 2013 regarding Corporate Social Responsibility, the Company has laid down CSR Policy. The composition of CSR committee, contents of CSR Policy and Report on CSR activities carried out during the year 2022-23 is as per **Annexure- II** attached with this Report. The Policy has been uploaded on the Company's website and can be accessed at the web[https://www.shilchar.com/under investors/ policy documents](https://www.shilchar.com/under%20investors/policy%20documents).



12. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

There were no loans, guarantees made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the furnishing above information is not applicable. Particulars of Investments are mentioned in Note no. 8 of the Financial Statements.

13. RELATED PARTY TRANSACTIONS

Related party transactions that were entered during the financial year were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company. Transactions with related parties entered by the Company in the normal course of business are periodically placed before the Audit Committee for its omnibus approval and the particulars of contracts entered during the year as per Form AOC-2 is enclosed as **Annexure-III**.

The Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act 2013, the Rules thereunder and the Listing Regulations. This Policy was considered and approved by the Board has been uploaded on the website of the Company at [https://www.shilchar.com/under investors/ policy documents/Related Party Policy](https://www.shilchar.com/under%20investors/policy%20documents/Related%20Party%20Policy) link.

14. DIRECTORS & KMP

During the year, the shareholders at 36th Annual General Meeting held on 8th August, 2022 made re-appointment of Mr. Alay J. Shah (DIN-00263538) as Managing Director with effect from 1st August, 2022 for a further tenure of 5 years. Moreover, the appointment of Mr. Aashay Alay Shah (DIN- 06886870) was regularized as a Director and designated as Whole Time Director.

14.1 BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Compliance Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

14.2 REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Independent Directors, Senior Management and their remuneration. The Remuneration Policy is enclosed as **Annexure-IV**.

14.3 MEETINGS

A calendar of Meetings is prepared and circulated in advance to the Directors.

During the year four Board Meetings and four Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

The required particulars of various Committees are stated in the Corporate Governance Report, attached herewith.

14.4 DECLARATION OF INDEPENDENT DIRECTORS

The Independent Directors have submitted their disclosures to the Board that they fulfil all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013, Listing Regulations and the relevant rules. The Independent Directors confirm that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence and that he/she is independent of the management.



Policies

During the year under review, the Board of Directors of the Company has adopted /approved changes policies in compliance with the recent amendments in the Act and SEBI Listing Regulations.

14.5 WHISTLE BLOWER POLICY

The Whistle Blower Policy (Vigil Mechanism) was constituted by the Board of Directors, pursuant to Section 177 of the Companies Act, 2013 and the Rules made thereunder to report genuine concerns of Directors and Employees. The Policy has been uploaded on the Company's website and can be accessed at the web[https://www.shilchar.com/under investors/policy documents/Whistle Blower Policy](https://www.shilchar.com/under%20investors/policy%20documents/Whistle%20Blower%20Policy).

15. AUDIT COMMITTEE AND VIGIL MECHANISM

The composition and other particulars of Audit Committee are provided in the Corporate Governance Report, attached herewith.

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at www.shilchar.com under investors/policy documents/Vigil Mechanism Policy link.

16. COMPLIANCE OF SECRETARIAL STANDARDS

The Company has complied with the Secretarial Standard 1(SS-1) relating to the meetings of the Board of Directors and Secretarial Standard 2 (SS-2) relating to the General meetings issued by the Institute of Company Secretarial of India and approved by the Central Government.

17. DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility Statement:—

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

18. ANNUAL RETURN

The Annual Return will be placed at the website of the Company at Investors Desk in Annual Reports option on [https://shilchar.com/power/investors-desk/Annual Return](https://shilchar.com/power/investors-desk/Annual%20Return).

19. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company.



20. DEPOSITS

The Company has neither accepted nor renewed any deposits during the year under review. No Unsecured loan availed from Directors during the year.

21. AUDITORS

21.1 STATUTORY AUDITORS

The Company's Auditors M/s. CNK & Associates LLP, Chartered Accountants, Vadodara have been re-appointed as Auditors of the Company to hold the office from the conclusion of ensuing 36th Annual General Meeting until conclusion of 41st Annual General Meeting. As required under Listing Regulations, the auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

21.2 SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Kashyap Shah & Co., a Practicing Company Secretaries to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is annexed herewith as "Annexure-V".

21.3 COST AUDITORS

Pursuant to provisions of section 148 of the Companies Act, 2013 and the Companies (Audit & Auditors) Rules, 2014, the Board, on the recommendation of the Audit Committee, has approved the appointment of M/s. K.H. SHAH & Co., Cost Accountants as the Cost Auditors and remuneration payable to them, to conduct

the audit of the cost records of the Company for the financial year ending March 31, 2023. The Company has received a letter from M/s. K.H. SHAH & Co., Cost Accountant, Vadodara showing their willingness to be appointed as a cost Auditors stating that they are not disqualified under section 148(2) read with section 141(3) of the Companies Act, 2013.

21.4 INTERNAL AUDITORS

M/s. Sharp & Tannan Associates, Chartered Accountants (FRN: 109983W), Vadodara has been appointed as Internal Auditors of the company from the financial year 2022-2023 onwards. The reports of the Internal Auditors are being reviewed by the audit committee from time to time.

22. OBSERVATION OF AUDITORS

There are no material qualifications, reservations or adverse remarks made by the Auditors. Observations of auditors are self-explanatory and do not call for further information. The auditors have not reported any frauds under sub section 12 of Section 143.

23. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY.

The Company has adequate system of internal control/ Internal Finance Control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The internal auditor of the company checks and verifies the internal control and monitors them in accordance with policy adopted by the company.

The Company continues to ensure proper and adequate systems and procedures commensurate with its size and nature of its business.

24. SHARES

a. BUY BACK OF SECURITIES

The Company has not bought back any of its securities during the year under review.

b. SWEAT EQUITY

The Company has not issued any Sweat Equity Shares during the year under review.



c. BONUS SHARES

No Bonus Shares were issued during the year under review.

d. EMPLOYEES STOCK OPTION PLAN

The Company has not provided any Stock Option Scheme to the employees.

25. CORPORATE GOVERNANCE:

As per Regulation 34(3) and Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate Section on Corporate Governance on corporate governance practices followed by the Company, together with a certificate from the Company's Auditors confirming compliance forms an integral part of this Report.

26. MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis Report is appended as **Annexure-VI** to this Report.

27. PARTICULARS OF EMPLOYEES:

The information required under the provisions of Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given as below:

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2022-2023, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2022-2023 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/ KMP and Designation	% increase/decrease (-) in Remuneration in the Financial Year 2021-2022	Ratio of remuneration of each Director / to median remuneration of employees
1.	Mr. Alay Shah, Managing Director	16.67%	55.41:1
2.	Mr. Prajesh Purohit, Chief Financial Officer	8.37%	4.11:1
3	Mrs. Niki Tiwari, Company Secretary	6.67%	0.63:1
4.	Mr. Aashay Alay Shah	100%	15.86:1

Note: Independent Directors are paid only sitting fees and hence not included in the above table.

- ii) The median remuneration of employees of the Company during the financial year was Rs 25,207/-.
 - iii) In the financial year, there was an increase of 16.69% (Rs.3,606/-) in the median remuneration of employees;
 - iv) There were 115 permanent employees on the rolls of Company as on March 31, 2023.
 - v) Average percentage decrease made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2022-2023 was 6.135% whereas the increase in the managerial remuneration for the same financial year was 13.75%
 - vi) Remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
- None of the Directors of the Company are in receipt of any commission from the Company.

The statement containing names of top Ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of managerial personnel) Rules, 2014 is furnished as below:



Sr. No.	Name of Employee	Designation	Age	Qualification	Experience (in years)	Date of joining
1	Ashok Bhambhani	HEAD - BUISNESS DEVLOPMENT	61	BE	36	02-04-2019
2	Rajendra Nath	COO	55	BE Mechanical ,MBA	31	22-07-2019
3	H G Manjunath	DGM	44	BE EC	21	08-04-2018
4	Varun Rekhi	Sr Business Dev. North Region	35	BE Electrical	12	12-04-2021
5	Sohil Dave	Sr Manager	36	BE Electrical	15	01-05-2018
6	Prajesh Purohit	Sr Manager (F & A)	61	B.Com	38	11-09-1995
7	Nirav Pandya	Sr Manager	42	DEE	21	22-11-2011
8	Piyush Trivedi	Sr Manager	50	B. Com	28	15-10-2007
9	Vishwas Desai	Sr. Manager	38	MSW,DLP & PGDHRD	16	22-06-2015
10	Hitesh Patel	Sr. Manager	46	BE	19	06-12-2011

28. MAINTENANCE OF COST RECORDS

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014 dated 31/12/2014, the activity of your Company falls under Non-regulated sectors and maintenance of cost records as well as the cost audit, as the case may be has been applicable to the Company for the Financial Year 2022-2023.

29. HUMAN RESOURCES:

During the period under review, the personal and industrial relations with the employees remained cordial in all respects. The management has always carried out systematic appraisal of performance and imparted training at periodic intervals. The Company recognizes talent and has judiciously followed the principle of rewarding performance.

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

Your Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013.

In terms of Schedule V read with Regulation 34(3) of SEBI (LODR) Regulation, 2015, disclosures relating to Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013 are given as below: No complaint is outstanding as on March 31, 2023 for redressal.

- (i) Number of complaints filed during the financial year: NIL
- (ii) Number of complaints disposed of during the financial year: NIL
- (iii) Number of complaints pending as at the end of the financial year: NIL

31. SIGNIFICANT AND MATERIAL ORDER PASSED BY THE REGULATORS/ COURTS

During the year, no significant and material order was passed by the Regulators or courts.

32. Details of application made or any proceeding pending under Insolvency and Bankruptcy Code, 2016 during the year along with the current status:



During the year under Review, neither any application was made nor any proceedings were pending under Insolvency and Bankruptcy Code, 2016.

33. The Details Of Difference Between Amount Of The Valuation Done At The Time Of One-Time Settlement And The Valuation Done While Taking Loan From The Banks Or Financial Institutions Along With The Reasons Thereof: Not Applicable

34. ACKNOWLEDGEMENTS

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

For and on behalf of the Board of Directors
For **SHILCHAR TECHNOLOGIES LIMITED**

Place: Bil, District Vadodara
Date: 29.04.2023

Alay Shah
Chairman & Managing Director
(DIN- 00263538)



Annexure-I

Particulars under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988
for the year ended 31st March, 2023

Sr. No.	Particulars		
[A]	Conservation of Energy:		
(a)	Energy conservation measures taken:		
1.	Application of Gas based Ovens.		
2.	The lighting changed to Picture Tube Lights (PL)		
3.	The Company set up a wind mill project to generate eco friendly electricity, being used for captive consumption.		
4.	The numbers as well as capacity of capacitors changed to achieve improved power factor.		
5.	The consumption of Diesel is under close supervision.		
6.	Putting thrust on developing energy efficient transformers.		
(b)	Additional investments and proposals if any, being implemented for reduction of consumption of energy:-		
(c)	Impact of measures at (a) & (b) above for reduction of energy consumption and consequent impact on the cost of production of goods: Saving in power cost		
(d)	Total energy consumption and energy consumption per unit of production as per prescribed Form A:		
A.	Power & Fuel Consumption	2022-23	2021-22
1.	Electricity:		
a)	Purchased		
	Unit	1,364,598	1,219,984
	Total Amount (in Rs.)	10,360,976	8,531,824
	Rate/ Unit	7.59	6.99
b)	Own Generation:		
i)	Through Diesel Generator		
	Diesel Qty (in Ltr)	1,886	1,595
	No. of Units Generated	6,846	5,742
	Total Amount (in Rs.)	175,000	150,000
	Unit per Ltr of Diesel Oil	3.63	3.60
	Total Cost per Unit	25.56	26.12
ii)	Through Steam	Nil	Nil
	Turbine/ Generator	—	—
	Unit	—	—
	Units per Ltr. of Fuel Oil/ Gas	—	—
2.	Coal (Specify quantity and - where used)	NIL	NIL
3.	Furnace Oil:		
	Quantity in Liters	NIL	NIL
	Total Amount	NIL	NIL
	Average Rate/ Liter	NIL	NIL



4.	Others:		
a)	Light Diesel Oil:		
	LDO Consumed in Liters	NIL	NIL
	Total Amount	NIL	NIL
	Average Rate/ Liter	NIL	NIL
b)	Wind Generation:		
	Generated Units	448,112	449,783
	Total Amount (in Rs.)	2,705,910	2,224,166
	Average Rate/ Unit	6.03	4.94

B. CONSUMPTION PER UNIT OF PRODUCTION:

Since the Company manufactures different types of transformers, it is not practicable to give consumption per unit of production.

FORM B

[B] Technology Absorption:

(a) Research & Development:

(1) Specific area in which R & D is carried out by the Company:

1.1 The Company is in the process of establishing state of the art facilities for research.

1.2 The Company has been investing in setting up optimum testing facilities at various stages of production process.

(2) Benefits derived as a result of the above R & D

Improvement in quality and better product mix

(3) Future plan of action:

To invest more in R & D activities.

(4) Expenditure on R & D:

During the financial year ended on 31.03.2023, the Company spent Rs.65.91 lakhs on R & D activities, being 0.24 % of its total turnover, as compared to Rs.63.13 lakhs, being 0.35% in the previous year.

(b) Technology Absorption, Adaptation & innovation:

(1) Efforts in brief, made towards technology absorption, adaptation and innovation.

Your Company has continued its efforts to upgrade its manufacturing facilities of Electronics & telecommunication transformers.

[C] Foreign Exchange earnings and outgo:

(in Rs.)

Sr. No.	Particulars	2022-2023	2021-2022
01.	Earning from Export during the year	1,141,349,873	201,034,809
02.	Outgo:a) CIF value of Imports	3,968,645	877,425
	b) Expenditure in foreign currency	12,372,144	499,343
	c) Travelling	1,938,531	NIL

For and on behalf of the Board of Directors
For **SHILCHAR TECHNOLOGIES LIMITED**

Place: Bil, District Vadodara
Date: 29.04.2023

Alay Shah
Chairman & Managing Director
(DIN- 00263538)



**Annexure- II
ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**

1. A brief outline of the Company's CSR policy:-

The Company is committed to its stakeholders to conduct its business in a responsible manner that creates a sustained positive impact on the society. This means working with underserved communities to improve the quality of their life and preserve the ecosystem that supports the communities and the Company. we are building an increased commitment at all levels in the organization to operate our business in an economically, socially & environmentally sustainable manner, while recognizing the interests of all stakeholders.

2. (i) Composition of the CSR Committee:

Sr No.	Name of Director	Designation / Nature of Directors hip	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year	Date of meeting
1.	Shri Alay Shah	Chairman	1	1	30/04/2022
2.	Shri Mukeshbhai Patel	Member	1	1	30/04/2022
3.	Shri Zarksis Jahangir Parabia	Member	1	1	30/04/2022

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company : www.shilchar.com

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report). :- **Not applicable**

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

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set off for the financial year, if any (in Rs)
1	2019-2020	NIL	NIL
2	2020-2021	NIL	NIL
3	2021-2022	NIL	NIL
4	2022-2023	1.32 Lacs	NIL

6. Average net profit of the company as per section 135(5) :- Rs. 944.30 Lacs

7.(a) Two percent of average net profit of the company as per section 135(5):- Rs. 18.89 Lakhs

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

(c) Amount required to be set off for the financial year, if any :- Rs. 1.32 Lakhs

(d) Total CSR obligation for the financial year (7a+7b-7c) :- Rs. 17.57 lakhs

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

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of transfer
Rs.27.78 lacs	NIL	NA	NA	NIL	NA



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

Sr. No.	Name of the Project	Item from the List of activities in Schedule VII to the Act	Local area (Yes/N)	Location of the Project.	Project duration	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per section 135(6) (in Rs.).	Mode of Implementation -Direct (Yes/No).	Mode of Implementation -Through Implementing Agency
1.	NA	NA	NA	NA	NA	NIL	NIL	NIL	NA	NA

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

Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes / No.)	Location of the project	Amount spent for the project (in Rs.)	Mode of Implementation Direct (Yes/No)	Mode of implementation Through implementing Agency			
							Name	CSR Reg. No.		
1.	Medical	Medical	Yes	Vadodara	547,500/-	No	Medical Care Centre (Kashiba Children Hospital)	CSR0000 3940		
2.	Education	Education	Yes	Vadodara	3,90,580/-	No	Baroda Citizen Council	CSR0000 7015		
3.	Education	Education	Yes	Vrindavan, Mathura	11,08,000/-	No	Anand Vrindavan Charitable Trust	CSR000 18850		
4.	Eradicating hunger and Promoting education	Eradicating hunger and Promoting education	Yes	Vadodara	100,000/-	No	The Akshaya Patra Foundation	CSR00000 286		
5.	Health Care/ Child Education	Health Care & Child Education	Yes	Vadodara	100,000/-	No	AIM for Seva	CSR0000 3273		
6	Sports	Sports	Yes	Vadodara	335,000/-	No	Baroda Football Academy	CSR000 13346		
7	Culture	Art and culture	Yes	Vadodara	75,000/-	No	United Way of Baroda	CSR000 02187		
8	Education	Education	Yes	Vadodara	50,000/-	No	Maharani Chimnabai	CSR000 08218		
9	Eradicating hunger	Eradicating hunger	Yes	Vadodara	72,000/-	No	Lagni Foundation	CSR000 00351		
Total				Rs. 27.78/- Lakh						



- (d) Amount spent in Administrative Overheads: Nil
- (e) Amount spent on Impact Assessment, if applicable: NA
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e):-Rs. 27.78/- lakhs
- (g) Excess amount for set off, if any:- Rs. 8.89/- lakhs

Sr. No.	Particular	Amount (in Rs.)
1.	Two percent of average net profit of the company as per section 135(5)	Rs. 18.89/- lakhs
2.	Total amount spent for the Financial Year	Rs. 27.78/- lakhs
3.	Excess amount spent for the financial year [(ii)-(i)]	Rs. 8.89/- Lakhs
4.	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	NIL
6.	Amount available for set off in succeeding financial years[(iii)-(iv)]	Rs. 8.89/- Lakhs

9. (a) Details of Unspent CSR amount for the preceding three financial years: NIL
- (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): NIL
10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): N.A.
- (a) Date of creation or acquisition of the capital asset(s). - Nil
- (b) Amount of CSR spent for creation or acquisition of capital asset.
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): N.A

Mukesh Patel
Director

Alay Shah
Chairman of the Committee

Place: Vadodara
Date: 29.04.2023



Annexure-III

Form No. AOC-2

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

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

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

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

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

S.N	Particulars				
a)	Name(s) of the Related Party	Mr. Aatman Alay Shah	Mr. Aashay Alay Shah	Mr. Alay Shah	Nile Transformers Limited
b)	Nature of relationship	Related to Mr. Alay Shah, MD	Related to Mr. Alay Shah, MD	Managing Director	Common Director
c)	Nature of contracts/arrangements/ transactions	Employment	Employment	Employment	Manufacturing of Distribution and Power Transformers
d)	Duration of the contracts / arrangements/ transactions	01.04.2022 to 31.03.2023	01.04.2022 to 31.03.2023	01.04.2022 to 31.03.2023	01.04.2022 to 31.03.2023
e)	Salient terms of the contracts or arrangements or transactions including	Working as Manager (Operations) Salary Rs.2,00,568/- per month	Director Remuneration Rs. 4,00,000/- per per month.	Director Remuneration & Commission paid /payable Rs. 4,21,18,409/-	Sales of Transformers during the year Rs.13,751,445/-
f)	date(s) of approval by the Board, if any	N.A.	N.A.	N.A.	N.A.
g)	Amount paid as advances, if any:	NIL	NIL	NIL	NIL

For and on behalf of the Board of Directors
For **SHILCHAR TECHNOLOGIES LIMITED**

Place: Bil, District Vadodara
Date: 29.04.2023

Alay Shah
Chairman & Managing Director
(DIN- 00263538)



Annexure- IV

NOMINATION AND REMUNERATION POLICY

SHILCHAR TECHNOLOGIES LIMITED ("the Company") has constituted Nomination and Remuneration Committee ("Committee") pursuant to the provisions of section 178 of the Companies Act, 2013 and rules made thereunder and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements Regulations 2015). This Policy has been formed for nomination and deciding remuneration of Directors, Key Managerial Personnel (KMP) and other employees of the Company, by the Nomination and Remuneration Committee and approved by the Board of Directors at their respective meetings held on 04th June, 2021.

OBJECTIVE

The Policy has been formed with an objective that the remuneration of Directors, Key Managerial Personnel (KMP) and other employees of the Company is appropriate considering short and long term performance objectives appropriate to the working of the Company and the same is suitable based on the Company's size, financial position and practices prevailing in peer companies in the industries, with a view to ensure long term sustainability of the Company.

APPLICABILITY

The Remuneration Policy shall be applicable to all Directors, KMPs and Other employees, present as well as future and shall be of guidance for the Board.

SCOPE & FUNCTIONS

The Committee shall identify persons who are qualified to become Directors and who may be appointed in senior management, in accordance with the criteria laid down, and recommend to the Board, their appointment and removal and shall carry out evaluation of every Director's performance.

The Committee shall ensure that

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- Remuneration to Directors, Key Managerial Personnel and officials working at senior management level involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

RETIREMENT & REMOVAL

The Director, KMP and other employees of the Company, shall retire as per the applicable provisions of the regulations and the prevailing policy of the Company and / or the provisions of the Companies Act, 2013 & applicable Act, Rules and Regulations, if any. The removal of Director and KMP shall be subject to the provisions of the Companies Act, 2013 and the rules made thereunder.

REMUNERATION TO MANAGING DIRECTORS

At the time of appointment or re-appointment, the remuneration (including perquisites, commission, etc.) to be paid to the Managing Director, shall be recommended by the Nomination & Remuneration Committee and approved by the Board. The overall remuneration shall be in accordance with the terms and conditions and overall limit prescribed as per the applicable provisions of the Companies Act, 2013 and the rules made thereunder and schedules thereto and shall be subject to prior / post approval of the shareholders of the Company and Central Government, if required.

If, in any financial year, the Company has no profits or the profits are inadequate, the Company shall pay remuneration to the Managing Director/s in accordance with the provisions of Schedule V of the Companies Act, 2013 OR with the previous approval of the Central Government, if required.

REMUNERATION TO NON-EXECUTIVE / INDEPENDENT DIRECTORS

The Non-executive Directors of the Company shall be paid sitting fees as per the applicable regulations, and as approved by the Board of Directors from time to time.

REMUNERATION TO KMP AND OTHER EMPLOYEES

The KMPs and other employees of the Company shall be paid monthly remuneration as per the Company's HR policies and / or as may be approved by the Committee, if required. The break-up of pay scale and quantum of perquisites including employer's contribution to P.F., pension scheme, etc. shall be as per the Company's HR policies.

AMENDMENT

The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, the same shall be recorded in the minutes of the Committee and Board.



Annexure- V

Form No. MR-3

Secretarial Audit Report

(For the Financial year ended on 31st March, 2023)

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

To,
The Members,
SHILCHAR TECHNOLOGIES LIMITED
Bil Road, Village Bil,
Dist. Vadodara

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by SHILCHAR TECHNOLOGIES LIMITED (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, for the financial year ended on 31st March, 2023, according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder.
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings.
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act').
 - A. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - B. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - C. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. - Not Applicable to the Company during the Audit Period;
 - D. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 - Not Applicable to the Company during the Audit Period;
 - E. The Securities and Exchange Board of India (Issue and Listing of Non Convertible Securities) Regulations, 2021. - Not Applicable to the Company during the Audit Period;
 - F. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - G. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021. - Not Applicable to the Company during the Audit Period; and



H. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. - Not Applicable to the Company during the Audit Period;

I. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We have also examined compliance with the applicable clauses of the following: (i) The mandatory Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, and Standards etc. except BSE Limited imposed fine amounting to Rs. 3,42,000/- for violation of regulation 17(1) of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015 in the FY 2021-22 and the Company has paid the fine during the year.

Further, as per representation of management letter, considering its nature of business, process and location, the following Acts are specifically applicable to the Company. There are adequate systems and processes in the company to monitor and ensure compliance.

1. The Water (prevention and control of pollution) Act, 1974 & Rules
2. Air (Prevention & Control of Pollution) Act, 1981 & Rules
3. Environment Protection Act, 1986 & Rules
4. Water Cess Act, 1997 & Rules

We further report that;

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were *generally* sent at least 7 days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. It is mentioned that Secretarial Standards were not mandatory to comply with during the Audit period.

We further report that as per the minutes of the meetings duly recorded and signed by the Chairman, the decisions were carried at meetings without any dissent.

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

During the year under review, the Company passed Special Resolutions at 36th Annual General Meeting held on 8th August, 2022 for re-appointment of Mr. Alay J Shah (DIN- 00263538) as Managing Director with effect from 01.10.2022 and confirmation of appointment of Mr. Aashay A. Shah (DIN- 06886870), as Whole Time Director with effective from 01.11.2021.

**For Kashyap Shah & Co.
Practising Company Secretaries**

**(Kashyap Shah)
Proprietor
FCS No. 7662; CP No. 6672
UDIN: F007662E000213120
PR No. 1378/2021**

**Place: Vadodara
Date: 29.04.2023**

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



Annexure to Secretarial Audit Report

To,
The Members,
SHILCHAR TECHNOLOGIES LIMITED
Bil Road, Village Bil,
Dist. Vadodara

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and the practices, we followed provided a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company. The Compliance of applicable financial laws like direct and indirect laws have not been reviewed in this Audit since the same have been subject to review by Statutory Financial Audit and Other designated professionals.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of the Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Kashyap Shah & Co.
Practicing Company Secretaries

(Kashyap Shah)
Proprietor
FCS No. 7662; CP No. 6672

Place: Vadodara
Date: 29.04.2023



Annexure- VI
Management Discussion and Analysis

a) Industry Structure and Developments

The global power transformer market size is expected to reach a valuation of USD 38.91 billion by 2030 and is expected to expand at 7.1% CAGR from 2023 to 2030. Technical developments and growing electricity consumption is expected to accelerate power transformer industry growth.

b) Opportunities

A number of government initiatives to upgrade the current grids along with the installation of cutting-edge technology will fuel the expansion of the power transformer industry. Global demand is anticipated to be driven by an increase in the use of 100 MVA to 500 MVA products in transmission networks.

The government has also announced large target for installation of renewable energy capacity. This is generating high requirement of transformers for solar & wind applications.

Various governments in Middle East & Africa are also taking initiatives in renewable energy production which is driving high demand for transformers.

c) Threats

Major threat for transformer industry is fluctuation in raw material cost like Copper, Steel, Oil, etc ... The material cost has stabilize in last one year and there is no indication of any major fluctuation hence risk is minimal.

d) Segment wise performance

Distribution transformer division is having large orders on hand and it will continue to receive orders throughout the year due to high demand in foreign countries.

Medium power transformer division is also having good orders and due to large projects coming up in renewable sector all over the world, the demand will be generated continuously.

e) Internal control system

Your Company's internal controls systems are commensurate with the nature and size of its business operations. Adequate internal Audits and internal controls, systems and checks are in place and the management exercises financial controls on the operations through a well – defined processes.

f) Discussion on financial performance with respect to operational performance.

The Company earned operational income of Rs. 28,024.12 lakhs compared to Rs. 18,018.21 lakhs for the previous year. The other income is Rs. 808.12 lakhs compared to Rs. 335.48 lacs in the previous year. The total revenue for the year is Rs. 28,832.24 lacs against Rs. 18,353.60 lakhs in the previous year. Profit after tax is Rs. 4,312.24 lakhs as compared to previous year figure of Rs. 1,911.62 lakhs. The Company has concentrated on catering needs of renewable energy sector including solar and wind energy in local market wherein the Company has been enjoying commendable position being one of the top companies in India supplying transformers for renewable energy.

g) Material developments in Human resources / Industrial Relations front, including number of people Employed.

Your Company continued its activities during the year in a cordial atmosphere with utmost co-operation amongst employees and the management. As of the date of the report, the total numbers of the employees of Company are 115. The management is committed to promote safety, occupational health and proper environment is design, planning, training and completion of all tasks. Trainings are imparted to workmen in various new techniques and systems. During the period under review, your Company remains "Zero Discharging Pollution Unit". The Company undertakes various CSR activities before it became mandatory for the up liftment of society, betterment of human being, and the Company believes growth of all stakeholders vis a vis growth of the Company.

During the year, your company received an award by GEO for " Best Practices & Innovation in the field of HR"



- h) **Details of significant changes (i.e. Change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with details explanations as under:**

Ratios	Current Financial Year 2022-2023	Previous Financial Year 2021-2022	Details Explanations
Debtors Turnover Ratio	2.87	3.61	Reduction indicate speedy recovery
Inventory Turnover Ratio	10.26	6.13	Due to increase in holding period of inventory in proportion of increase in sales.
Interest Coverage Ratio	374.06	18.79	Only Rs. 15.57 lakhs interest on Term Loan which was fully paid in January 2023
Operating Profit Margin % Ratio	20.75%	10.62%	Due to increase in Profitability
Net Profit Margin % or sector-specific equivalent ratio (as Applicable)	15.38%	7.79%	Due to increase in Profitability

- i) **Details of any change in return on Net worth as with immediately previous financial year.**
Net worth increased from Rs.7976.94 lakhs to Rs.12144.23 Lakhs due to increase in profitability of the Company.



**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To,
The Members,
SHILCHAR TECHNOLOGIES LIMITED
Bil Road, Village Bil,
Dist. Vadodara.

I/We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Shilchar Technologies Limited having **CIN : L29308GJ1986PLC008387** and having registered Bil Road, Village Bil, Dist. Vadodara. (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my/our opinion and to the best of my/our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me / us by the Company & its officers, I/We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, any such other Statutory Authority except Mr. **N.A.** DIN- **N.A.** who has been debarred/disqualified by **N.A.** [give name of Statutory Authority and reason].

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	MUKESH DAHYABHAI PATEL	00009605	01/01/1995
2	RESHMA SURESH PATEL	00165162	27/03/2015
3	ALAY JITENDRA SHAH	00263538	01/10/2007
4	ZARKSIS JAHANGIR PARABIA	02667359	14/03/2016
5	RAJESH RAMA VARMA	01034325	08/02/2020
6	AASHAY ALAY SHAH	06886870	01/11/2021

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

**For Kashyap Shah & Co.
Practicing Company Secretaries**

(Kashyap Shah)
Proprietor
FCS No. 7662; CP No. 6672
UDIN: F007662E000213076
PR No. 1378/2021

Date : 28.04.2023
Place : Vadodara



CORPORATE GOVERNANCE REPORT

A. MANDATORY REQUIREMENTS

1. Company's Philosophy on Code of Governance

The Company's purpose is business and to maximize long-term shareholder value by selling its goods and services. Therefore, our Corporate Governance processes are directed at ensuring that Company's actions, assets and agents are directed to achieving this purpose while complying with the Code of Governance and the Company's own policies and expectations and covers aspects such as ethical conduct, health, safety and the environment; control and finance; commitment to employees; and relationships.

Company's corporate governance conforms to regulatory and legal requirements, such as the terms of Listing Regulations. In addition, it incorporates several practices aimed at a high level of business ethics, effective supervision and enhancement of value for all stakeholders. The Board lays emphasis on integrity and accountability.

Key aspects of the Company's Governance Processes are:

- Clear statements of Board Processes and Board Executive linkage.
- Disclosure, accountability, transparency, adequate systems and procedures to monitor the state of affairs of the Company to enable the Board in effectively discharging its responsibilities to the stakeholders of the Company.
- Identification and management of key risks to delivery of performance of the Company.

2. Board of Directors:

The Management of your Company is entrusted to the Managing Director.

Your Board of Directors closely monitors the performance of the Company and its Management, accord approvals and reviews strategies and, determines the remuneration of the management based on its performance. Your Board ensures legal and ethical conduct and high quality financial reporting. It holds itself accountable to the shareholders as well as other stakeholders for the long-term health of the Company.

(a) Composition & Category of Directors

Category	Number of Directors	%
Non-Executive and Independent Directors	04	66.67
Other Non-Executive Directors including the Chairman	0	0
Managing Director/Whole Time Director	02	33.33
Total	06	100.00

As of the year ended 31st March, 2023, the Board of Directors had 6 (six) members that includes one-woman director. The Board comprises of 4 (four) Non-Executive Independent Directors and Mr. Alay Shah, Managing Director, and Mr. Aashay Alay Shah, Whole-time Director.

Mr. Alay Shah, Chairman of the Board is an Executive Director.

The Non-Executive Independent Directors included Mr. Mukesh D. Patel, Mr. Zarksis J Parabia, Mrs. Reshma Patel and Mr. Rajesh Varma.

Accordingly, the numbers of independent directors or numbers of non-executive directors are in compliance with the numbers stipulated by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.



(b) Number of Board Meetings held, dates on which held and Attendance of each Director at the Board Meetings and the last Annual General Meeting.

Board Meetings held during the Year: 04

Dates on which Board Meetings were held	Total Strength of Board	No. of Directors Present
30.04.2022	6	5
08.08.2022	6	6
20.10.2022	6	5
30.01.2023	6	6

Attendance of Directors at Board Meeting and Annual General Meeting:

Name of Director	Attendance at Board Meetings held on					Attendance at Annual General Meeting held on
	30.04.2022	08.08.2022	20.10.2022	30.01.2023	% of Attendance	
Mr. Alay J. Shah	✓	✓	✓	✓	100	yes
Mr. Mukesh D. Patel	✓	✓	✓	✓	100	Yes
Ms. Reshma Patel	-	✓	✓	✓	75	Yes
Mr. Zarksis J Parabia	✓	✓	-	✓	75	Yes
Mr. Rajesh R Varma	✓	✓	✓	✓	100	Yes
Mr. Aashay Alay Shah	✓	✓	✓	✓	100	Yes

(c) Number of other Boards or Board Committees in which the Director is a Director/Member/Chairperson

Name of the Director(s)	Number of other Companies in which Director (including Alternate/Nominee Director)	Number of Committees (other than Shilchar Technologies Limited) in which Chairman / Member		Name of other Listed company in which holding directorship & category
		Chairman	Member	
Mr. Alay Shah Managing Director	01	NIL	NIL	NIL
Mr. Mukesh Patel Independent Director	03	02	03	Punjab Chemicals And Crop Protection Limited, Banco Products (India) Limited (Independent non executive Director)
Mr. Aashay Alay Shah Whole time Director	01	NIL	NIL	NIL
Mr. Zarksis J. Parabia Independent Director	04	NIL	NIL	NIL
Mrs. Reshma Patel Independent Director	03	NIL	NIL	Shri Dinesh Mills Limited (Independent & Non-Executive Director)
Mr. Rajesh Varma, Independent Director	00	NIL	NIL	NIL

**(d) Directors Profile & Chart of skill/ expertise/ competence of Board of Directors:-**

The Board of Directors consists of multifaceted experienced directors in different field. A brief profile of all the Directors which outlines their expertise and competence on the Board is given herein below:

Mr. Alay Shah:

Mr. Alay Shah, aged 57 years, is son of Late Shri Jitendra Shah, the Chairman and founder Director of the Company. He has been associated with the Company as one of the Promoter Directors since its incorporation. He is a bachelor of science with specialization in electronics and possesses more than 32 years of experience in the various areas of business including production, finance, marketing and administration. He is also a Director at AJS Shah Enterprise Private Limited. Besides, he holds membership in Shareholders and Investor Grievance Committee of the Company and attends meetings of the Audit Committee as Invitee.

Mr. Aashay Shah:

Mr. Aashay Shah is son of Mr. Alay J Shah, promoter and Managing Director of the Company. Mr. Aashay Shah has done Bachelor of Science in Electrical Engineering from University of Illinois, Urbana-Champaign, USA and done Masters in Business Administration from Cass Business School, London, UK. Mr. Aashay Shah served the Company as Manager- Operations from January 2014 to August 2016 and looked after various departments including marketing, production, procurement and design department. Mr. Aashay Shah has been shouldering responsibility as Manager-Business Development of Shilchar Technologies Limited from October 2017.

Mr. Mukesh D. Patel:

Mr. Mukesh D. Patel, aged 74 years, is a graduate in Chemical Engineering, having over 42 years of experience in various areas of finance and Corporate Management at Director Level and had also played active role in various management associations. Mr. Mukesh D. Patel is Chairman of Shareholders and Investors' Grievance Committee and Audit Committee of the Board, respectively and member of Nomination and Remuneration Committee and CSR committee.

Besides, Mr. Mukesh D. Patel is Director on the Board of Punjab Chemicals and Crops Protection Limited, Banco Products (India) Limited. Shri Mukesh D. Patel does not hold any shares in the Company.

Mrs. Reshma Patel:

Ms. Reshma Patel, aged 63 years, educated in Print Production Management and Emerging Technologies from the Graphic Arts Technical Foundation, Pittsburgh, USA. She is presently working as the Chief Operating Officer at Light Publications since 1st October 2011. She is a member in Audit Committee, Shareholders and Investors' Grievance Committee and Nomination & Remuneration Committee. She is well averse of nitty-gritty of corporate matters. She does not hold any shares in the Company.

Mr. Zarksis Parabia:

Mr. Zarksis J Parabia, aged 49 years, is a Mechanical Engineer. He has versatile and rich experience in the field of Transportation of Super Heavy Over Dimensioned equipments, material management and Erection of Power Transformers with PAN India presence since last many years. He is having rich experience and business acumen in handling various facets of Corporate World, India and abroad. Mr. Zarksis Parabia is Chairman of Remuneration Committee and Member of Shareholders and Investors' Grievance Committee of the Board, respectively. Shri Zarksis Parabia does not hold any shares in the Company.

Mr. Rajesh Varma:

Mr. Rajesh Varma, aged 59 years and holds the qualification of B.com (University of Mumbai) and FCA (ICAI). He is a Senior Professional – Advisor and Consultant. His areas of specialization are internal controls, risk assessment and Corporate Governance. In addition, he has also undertaken several business valuations on behalf of foreign / domestic Companies and for Private Equity funds. He has also served as a member of the Expert Committee on Power and Energy conservation of the Bombay Chamber of Commerce and Industry. He is Chairman of Audit Committee of the Board.



3. Audit Committee

(a) Terms of Reference:

The terms of reference of this Committee include matters mandated in the Listing Regulations and the Companies Act, 2013, respectively. The Audit Committee reviews the audit reports submitted by the Internal Auditors, Cost Auditors and Statutory Auditors and to meet them to discuss their findings, suggestions and other related matters, financial results, effectiveness of internal audit processes, Company's risk management strategy and Company's established systems and procedures. The Audit Committee also reviews the functioning of the Whistle Blower mechanism. Besides having access to all the required information from within the Company, the Committee may obtain external professionals advice, whenever required. The Committee acts as a link between the Statutory and the Internal Auditors and the Board of Directors of the Company.

(b) The Composition of Audit Committee as at 31.03.2023 and details of the Members participation at the Meetings of the Committee are as under:

As on 31st March 2023, the Audit Committee comprised of 3 Non-Executive and Independent Directors viz. Mr. Mukesh Patel, Mrs. Reshma Patel and Mr. Rajesh Rama Varma, with the Mr. Alay Shah, being a Permanent Invitee to the Committee.

Mr. Rajesh Rama Varma, is a Chairman of the Audit Committee. All the members of Audit Committee have financial and accounting knowledge.

The Chairman of the Audit Committee has attended the last AGM of the Company.

The Company Secretary acts as the Secretary to the Committee.

Four meetings were held during the financial year 1st April, 2022 to 31st March, 2023. The attendance of each Member of the Committee is given below:

Name of Director	Category	Attendance at Audit Committee Meetings held on				% of Attendance
		30.04.2022	08.08.2022	20.10.2022	30.01.2023	
Mr. Rajesh Rama Varma	Independent Director	√	√	√	√	100
Mr. Mukesh D. Patel	Independent Director	√	√	√	√	100
Ms. Reshma Patel	Independent Director	-	√	√	√	75

4. Nomination and Remuneration Committee

(a) Terms of Reference:

This Committee shall identify the persons, who are qualified to become Directors of the Company / who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and also shall carry out evaluation of every director's performance. Committee shall also formulate the criteria for determining qualifications, positive attributes, independent of the Directors and recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

(b) The Composition of the Nomination and Remuneration Committee as at 31.03.2023 and details of the Members participation at the Meetings of the Committee are as under:

As on 31st March, 2023, the Committee comprised of 3 Non-Executive Directors viz. Ms. Reshma Patel and Mr. Zarksis J Parabia, and Mr. Mukesh Patel being Independent Directors. Mr. Zarksis J Parabia is Chairman of the Committee.



Name of Director	Category	Attendance at Nomination and Remuneration Committee Meetings held on		% of Attendance
		30.04.2022	30.01.2023	
Ms. Reshma Patel	Independent Director	–	√	50
Mr. Zarksis J Parabia	Independent Director	√	√	100
Mr. Mukesh Patel	Independent Director	√	√	100

The Company Secretary acts as the Secretary to this Committee.

(c) Remuneration & Board Diversity Policy

Sitting Fees

The Company pays sitting fees of Rs. 30000/- for attending the meeting of the Board of Directors and Rs. 5000/- for attending the meeting of the Committee of Directors to Non-Executive Director/s.

Managing and Executive Directors

The Company pays remuneration to its Managing Director by way of salary, allowances and perquisites as per the Company's rules. The salary and other perquisites are approved by the Board of Directors on recommendation of the Nomination and Remuneration Committee and the salary is paid within the overall limits approved by the members of the Company. The Board on the recommendation of Nomination and Remuneration Committee approves the annual increment effective 1st April each year.

The Remuneration paid to the Directors is as under:

Rs. In lakhs

Sr. No.	Name of Director	Remuneration Rs	Perquisites & Allowances	Sitting Fees Rs.	Commission Paid / payable	TotalRs
1.	Mr. Alay J. Shah	174.63	3.40	Nil	246.55	424.58
2.	Shri Aashay Alay Shah	43.96	1.20	Nil	Nil	45.16
3.	Shri Mukesh D. Patel	Nil	Nil	1.55	Nil	1.55
4.	Smt. Reshma Patel	Nil	Nil	1.10	Nil	1.10
5.	Shri Zarksis J Parabia	Nil	Nil	1.05	Nil	1.05
6.	Shri Rajesh Rama Varma	Nil	Nil	1.20	Nil	1.20

No sitting fee is paid to Executive Directors.

Remuneration paid to Executive Directors includes Company's contribution to Provident Fund and Pension Fund.

1. Introduction: Remuneration Policy

The remuneration policy for members of the Board of Directors and Executive Management of Shilchar Technologies Limited (herein after referred to as "Shilchar") reflects the interest of the shareholders and the Company taking into consideration any specific matters, including the assignments, the responsibilities undertaken and also be competitive with the external market. The Company recognizes the benefit of a Board that possesses the right balance of skills, knowledge, experience, expertise and diversity of perspective.

2. The Nomination and Remuneration Committee shall formulate eligible criteria for nomination and selection of Directors and recommended remuneration policy for the directors.



3. Appointment and Qualification of the Directors and the Composition of the Board shall be governed by the Nomination and Remuneration Committee.

In recognition of the fact that the selection of qualified directors is complex and crucial to the long-term success of the Company, the Nomination and Compensation Committee has established the following guidelines for the identification and evaluation of candidates for the membership on the Company's Board of Directors.

Candidates should be distinguished individuals who are prominent in their fields or otherwise possess exemplary qualities that will enable them to effectively function as directors of the Company. While the Nomination and Compensation Committee may not believe it appropriate at this time to establish any specific minimum qualification for candidates, the Committee shall focus on the following qualities in identifying and evaluating candidates for Board membership.

Board Membership Criteria

- Educational background, business experience and skills
- Charter, reputation of highest ethical standards and personal integrity
- Practical wisdom, Sound Business Judgment and strong sense of professionalism
- Independence and objectivity
- Diversity and multi-cultural experience and understanding
- Strong understanding of marketing, finance and other disciplines relevant to the success of business.
- Willingness to commit, as well as have sufficient time to discharge his or her duties to the Board.
- Ability to consider and understand all the constituencies of the Company, which includes stockholders, employees, customers, governmental units, creditors and the general public.
- Any other factors that the Nomination and Compensation Committee may consider to be relevant and appropriate for the appointment.

Recognizing that the overall composition of the Board is essential to the effective functioning of the Board the Nomination and Compensation Committee shall make appointment in the context of the existing composition of the Board so as to achieve an appropriate mix of backgrounds, skills, diversity and qualities. In making its determinations, the Nomination and Compensation Committee shall take into account all applicable legal, regulatory and stock exchange requirements concerning the composition of the Board and its committees.

4. Evaluation Criteria:

The Board constantly evaluates the contribution of the members and re-appoints them for tenure as per company requirement based on their performance linked to strategic objectives of the Company. Evaluation criteria may be membership accountability, governance, board operations, legal responsibilities, financial overview, board management relations and personal leadership.

5. Remuneration to the Board of Directors and Executive Management:

The remuneration of the Board of Directors and Executive Management is set by the Nomination and Remuneration Committee under the delegated powers of Board.

Efforts are made to ensure that the remuneration of the Managing Director / Whole time Director matches the level in comparable companies, whilst also taking into consideration board members' required competencies, qualification, efforts and scope of the board work, including the number of meetings.

Attracting and retaining top talent is the key objective of our approach to remuneration. This is done keeping in mind that the competitive and fair awards are linked to the key deliverable and also aligned with the market practices and stakeholders' expectations.

Accordingly, the Board of Directors believes that a combination of fixed and performance based pay to the Executive Management helps ensure the Company can attract, motivate and retain key employees while reflecting the short and long term performance objectives and goal of the Company.



7. Linkage to Performance:

The relationship of remuneration to performance is clear and ties the larger part of remuneration to long-term performance. The level varies according to performance relative to measure linked directly to strategic priorities.

8. Policy on Diversity:

Shilchar is committed to the highest standards of corporate governance, transparency and accountability. Hence, we strive to leverage Diversity to contribute to the achievement of Shilchar's strategic objectives.

Accordingly, the Board aims to attract and maintain a Board which has an appropriate mix of Diversity, education, skills, knowledge, experience, expertise and cultural background. The Shilchar Board recognizes the value of appointment of individual who bring a variety of diverse opinions, perspectives, skills, experience, background and orientations to its business decision and its decision-making processes.

An overriding principle is that all appointment to the Board will be based upon the merit and suitability of the candidate. Taking this in to account, appointment of female members to the Board is also to add value of a more diverse board.

9. Review of the Board Diversity Policy:

The Nomination and Remuneration committee shall review this policy, as appropriate, to ensure the effectiveness of this policy. The nomination committee shall discuss any revision that may be required and recommend any such revisions to the Board for consideration any approval.

10. Corporate Social Responsibility Committee

The Sustainability and Corporate Social Responsibility Committee of the Company has been constituted in compliance with the statutory requirement. As on 31.03.2023, Mr. Alay J. Shah, (Chairman), Mr. Mukesh Dahyabhai Patel, Non Executive- Independent Director and Mr. Zarkis Jahangir Parabia, Non Executive- Independent Director are members of the Committee. One CSR Meeting was held on 30.04.2022 and all members were present.

Terms of Reference

In terms of the provisions of Section 135(1) of the Companies Act, 2013, the Company has constituted a Corporate Social Responsibility Committee of the Board of Directors. Such Committee should consist of 3 or more Directors, out of which at least 1 Director shall be an independent Director. The CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy and shall include the following activities to be carried out for implementing in the financial year:

- a) the list of CSR projects or programs that are approved to be undertaken in areas or subjects as specified in the Act and rules made thereunder;
- b) the manner of execution of such projects or programs as specified in the Act and rules made thereunder;
- c) the modalities of utilization of funds and implementation schedules for the projects or programs;
- d) monitoring and reporting mechanism for the projects or programs; and
- e) details of need and impact assessment, if any, for the projects undertaken by the company:

Provided that Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

The Board's Report has disclosed the composition of the Corporate Social Responsibility Committee.

CSR Policy

The CSR Policy of the Company is available on the website of the Company at www.shilchar.com.

11. Disclosure and Publication:

A summary of this policy shall be disclosed in the Corporate Governance Report of the Annual Report of Company.

The aforesaid Policy has been re-affirmed and adopted by the Board of Directors in their Meeting held on 04/06/2021.



12. Meeting of Independent Directors:

The Company has complied with the definition of Independence as per Listing Regulations and according to the Provisions of section 149(6) Companies Act, 2013. The company has also obtained declarations from all the Independent Directors pursuant to section 149 (7) of the Companies Act, 2013.

Training of Independent Directors:

Whenever new Non-executive and Independent Directors are inducted in the Board they are introduced to our Company’s culture and they are also introduced to Company’s organization structure, business, constitution, board procedures, major risks and management strategy. The appointment letters of Independent Directors has been placed on the Company’s website at www.shilchar.com under investors/ policy documents / independent directors’ letters link.

Performance Evaluation of non-executive and Independent Directors

The Board has done evaluating the performance of Non-executive and Independent Directors for the financial year ended on 31/03/2023. All the Non-executive and Independent Directors are eminent personalities having wide experience in the field of business, industry and administration. Their presence on the Board is advantageous and fruitful in taking business decisions.

Separate Meeting of the Independent Directors:

A meeting of the Independent Directors was held on 30.01.2023 during the current financial year without the attendance of Non-Independent Directors and members of Management for:

- I) reviewing the performance of non-independent directors and the Board as a whole;
- II) Reviewing the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- III) Assessing the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Independent Directors viz., Mr. Mukesh D. Patel, Ms. Reshmaben Patel and Mr. Zarksis Parabia, Mr. Rajesh Verma were present at the above meeting.

13. Stakeholder’s Relationship Committee

As on 31st March, 2023, the Stakeholder’s Relationship Committee comprised of Mr. Mukesh D. Patel Chairman, Mrs. Reshmaben Patel, Mr. Zarksis J Parabia. Mrs. Niki Tiwari, Compliance Officer is the Secretary of the Committee.

(a) Terms of Reference

The Committee focuses primarily on monitoring expeditious redressal of investors / stakeholder’s grievances.

(b) The Composition of the Stakeholder’s Relationship Committee as at 31.03.2023 and details of the Members participation at the Meetings of the Committee are as under:

Name of Director	Category	Attendance at Stakeholder’s Relationship Committee held on				% of Attendance
		30.04.2022	08.08.2022	20.10.2022	30.01.2023	
Mr. Mukesh D. Patel	Independent Director	√	√	√	√	100
Mr. Zarksis Parabia	Independent Director	√	√	-	√	75
Mrs. Reshmaben Patel	Independent Director	√	√	-	√	75



Company Secretary is a Compliance Officer of the Company and regularly interacting with Registrar & Transfer Agent to ensure that the complaints/grievances of the shareholders are attended promptly until the same is/are resolved to the satisfaction of the shareholders.

The Chairman of the SRC was present in the last Annual General Meeting to answer the shareholders queries. Company Secretary acts as the Secretary to the Committee.

(c) The status on the total number of complaints during the financial years are as follows:

Sr. No.	Nature of Complaints	2022-23		2021 - 22	
		Received	Answered	Received	Answered
1.	Non receipt of Shares lodged for Demat	NIL	NIL	NIL	NIL
2.	Non receipt of Dividend Warrants	NIL	NIL	NIL	NIL
3.	Others	NIL	NIL	NIL	NIL

13. General Body Meetings:

Annual General Meeting:

Year	Date	Venue	Time	Special Resolution(s)
2019-20	14/08/2020	AGM held Through Video Conference Hence Deemed Venue is Registered office of the company: Shilchar Technologies Limited Bil Road, Bil 391 410 District Vadodara.	10.00 a.m.	Re-appointment of Mr. Zarksis Parabia as Independent Director. To pay Remuneration to Mr. Alay J. Shah Managing Director of the company for further period of three years.
2020-21	14/08/2021	AGM held Through Video Conference Hence Deemed Venue is Registered office of the company: Shilchar Technologies Limited Bil Road, Bil 391 410 District Vadodara	10.00 a.m.	—
2021-22	08/08/2022	AGM held Through Video Conference Hence Deemed Venue is Registered office of the company: Shilchar Technologies Limited Bil Road, Bil 391 410 District Vadodara	11.00a.m.	Re-appointment of Mr. Alay Jitendra Shah as Managing Director of the Company. Re-appointment of Mr. Aashay Alay Shah as Whole Time Director of the Company.

No Extra-Ordinary General Meeting was held during the financial year 2022-23.

Postal Ballot:

Pursuant to the provisions of Section 110 of the Companies Act, 2013, there were no Resolutions passed through Postal Ballot during the financial year 2022-23.

14. Other Disclosure

(I) Disclosures on materially significant related party transactions that may have potential conflict with the interest of company at large:



All transactions entered into with related parties as defined under the Act, and Regulation 23 of the Listing Regulations during FY 2022-23 were in the ordinary course of business and on arm's length pricing basis and therefore no approval of the Board of Directors/ Shareholders is applicable under the provisions of Section 188 of the Act. There were no materially significant transactions with the related parties during the financial year 2022-23 which were in conflict with the interest of Company. Suitable disclosures as required by Indian Accounting Standards (Ind AS 24) have been made in the notes to the Financial Statements. There was no transaction of a material nature with any of the related parties which was in conflict with the interest of the Company.

In terms of Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 the Company is complying with the relevant Accounting Standards with reference to Related Party Disclosures. Further, the Company does not have any holding/ subsidiary and associate company and hence disclosure requirement under Para A.2 of Schedule V of the Regulations are not applicable. Policy dealing with related party transaction can be accessed at www.shilchar.com.

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

- a. number of complaints filed during the financial year: Nil
- b. number of complaints disposed of during the financial year:- Nil
- c. number of complaints pending as on end of the financial year:- Nil

(iii) Cases of Non-Compliance:

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, and Standards etc. except BSE Limited imposed fine amounting to Rs. 3,42,200/- for violation of regulation 17(1) of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 in the FY 2021-22 and the Company has paid the fine during the year. The Company has regularized the same by making appointment of Mr. Ashay Shah as Director w.e.f. 01.11.2021.

(IV) Whistle Blower Policy / Vigil Mechanism:

The Company has designed Whistle Blower Policy / Vigil Mechanism to enable any person dealing with the Company to raise the alarm to the Audit Committee of the Company if he has reliable information about a malpractice, unethical practice, impropriety, abuse or financial wrongdoing. The disclosure will be thoroughly investigated by the Committee. The members of the Committee may seek information from any sources inside and outside the organization to investigate as deemed fit.

Vigil Mechanism/Whistle Blower Policy is uploaded on the Company's website www.shilchar.com and during the year under review, no personnel have been denied access to the Audit Committee.

15. Means of Communication

(a)	Half – yearly report sent to each household of shareholders	:	No, as the results of the Company are published in the Newspapers.
(b)	Quarterly results - Newspapers in which results are normally published in	:	English and Gujarati newspapers
(c)	Any website, where displayed	:	www.shilchar.com
(d)	Whether it also displays official news releases	:	Yes
(e)	The presentations made to institutional investors or to the analysts	:	NIL

SEBI has initiated SCORES for processing the investor complaints in a centralized web based redress system and online redressal of all the shareholders' complaints. The Company is in compliance with the SCORES.



16. General Shareholder information

(a) 37 th AGM Date, Time and Venue	:	Friday, 25 th August, 2023 at 11.00 a.m. at Shilchar Technologies Limited, Bil Road, Bil, District Vadodara - 391 410.																																																				
(b) Financial calendar	:	<table border="1"> <tr> <td>i.</td> <td>April 2023 to March 2024</td> </tr> <tr> <td>ii.</td> <td>First Quarter 2023 Results – on or before 30th June, 2023</td> </tr> <tr> <td>iii.</td> <td>Second Quarter/ Half yearly Results 2023 – on or before 15th November, 2023</td> </tr> <tr> <td>iv.</td> <td>Third Quarter 2023 Results – on or before 15th February, 2024</td> </tr> <tr> <td>v.</td> <td>Audited Results for the Fourth Quarter/ Year ending 31st March 2024, - on or before 31st May, 2024.</td> </tr> </table>	i.	April 2023 to March 2024	ii.	First Quarter 2023 Results – on or before 30 th June, 2023	iii.	Second Quarter/ Half yearly Results 2023 – on or before 15 th November, 2023	iv.	Third Quarter 2023 Results – on or before 15 th February, 2024	v.	Audited Results for the Fourth Quarter/ Year ending 31 st March 2024, - on or before 31 st May, 2024.																																										
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(c) Date of Book closure	:	18/08/2023 to 25/08/2023 (both days inclusive)																																																				
(d) Dividend Payment date	:	On or after 22/09/2023 if declared at Annual General Meeting on 25/08/2023.																																																				
(e) Listing on Stock Exchange	:	BSE Limited. The Company has paid Listing Fees for the period 1 st April, 2023 to 31 st March 2024 to BSE Limited.																																																				
(f) (i) Stock Code – Physical (ii) Demat ISIN Number for NSDL & CDSL	:	531201 INE 024F01011																																																				
(g) Market price Date : High, Low during each month in last Financial year	:	<p>The High / Low market price of the shares during the year 2022-23 at the Bombay Stock Exchange were as under. (Rs.)</p> <table border="1"> <thead> <tr> <th>Month</th> <th>High</th> <th>Low</th> <th>Close</th> </tr> </thead> <tbody> <tr> <td>Apr-22</td> <td>493.70</td> <td>346.00</td> <td>466.20</td> </tr> <tr> <td>May-22</td> <td>720.00</td> <td>483.10</td> <td>595.85</td> </tr> <tr> <td>Jun-22</td> <td>624.00</td> <td>469.50</td> <td>559.65</td> </tr> <tr> <td>Jul-22</td> <td>666.00</td> <td>531.25</td> <td>632.85</td> </tr> <tr> <td>Aug-22</td> <td>656.95</td> <td>562.00</td> <td>570.60</td> </tr> <tr> <td>Sep-22</td> <td>725.00</td> <td>552.10</td> <td>633.10</td> </tr> <tr> <td>Oct-22</td> <td>947.80</td> <td>619.05</td> <td>811.25</td> </tr> <tr> <td>Nov-22</td> <td>870.00</td> <td>737.05</td> <td>795.85</td> </tr> <tr> <td>Dec-22</td> <td>1020.10</td> <td>771.20</td> <td>962.85</td> </tr> <tr> <td>Jan-23</td> <td>1297.30</td> <td>960.05</td> <td>1238.30</td> </tr> <tr> <td>Feb-23</td> <td>1533.00</td> <td>1181.70</td> <td>1289.60</td> </tr> <tr> <td>Mar-23</td> <td>1590.00</td> <td>1300.00</td> <td>1511.20</td> </tr> </tbody> </table>	Month	High	Low	Close	Apr-22	493.70	346.00	466.20	May-22	720.00	483.10	595.85	Jun-22	624.00	469.50	559.65	Jul-22	666.00	531.25	632.85	Aug-22	656.95	562.00	570.60	Sep-22	725.00	552.10	633.10	Oct-22	947.80	619.05	811.25	Nov-22	870.00	737.05	795.85	Dec-22	1020.10	771.20	962.85	Jan-23	1297.30	960.05	1238.30	Feb-23	1533.00	1181.70	1289.60	Mar-23	1590.00	1300.00	1511.20
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(h) Stock Performance in comparison to Broad-based indices BSE SENSEX. (Rs.)	:	<table border="1"> <thead> <tr> <th>Particulars</th> <th>Shilchar Technologies Ltd</th> <th>BSE SENSEX</th> </tr> </thead> <tbody> <tr> <td>As on 1st April, 2022</td> <td>363.95</td> <td>55,629.30</td> </tr> <tr> <td>As on 31st March, 2023</td> <td>1511.20</td> <td>58,991.52</td> </tr> <tr> <td>Changes(%)</td> <td>315.22%</td> <td>6.04%</td> </tr> </tbody> </table>	Particulars	Shilchar Technologies Ltd	BSE SENSEX	As on 1st April, 2022	363.95	55,629.30	As on 31st March, 2023	1511.20	58,991.52	Changes(%)	315.22%	6.04%																																								
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(i) Registrar and Transfer Agents	:	<p>M/s. MCS Share Transfer Agent Limited CIN: U67120WB2011PLC165872 Administrative Office: 1st Floor, Neelam Apartment,88, Sampatrao Colony, Above Chappanbhog Sweet, Alkapuri, Vadodara - 390 007 Gujarat. Ph.Nos. 231 4757, 2350490 Email:mcsLtdbaroda@gmail.com</p>																																																				



(j) Share Transfer System	:	All the transfer and transmission requests are processed on fortnightly basis by MCS Share Transfer Agent Limited, being the Registrar & Transfer Agent (RTA). To facilitate prompt services, the RTA is also authorized to approve the transfers and dispatch the share certificates within stipulated time frame.
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DISTRIBUTION OF SHAREHOLDINGS AS ON 31.03.2023

Shareholders			Nos. of Shares	
Number of Shares held	Holders	% To Total	Number	%
Up to 500	3245	94.4412	192897	5.0584
501 to 1000	98	2.8522	73944	1.9391
1001 to 2000	38	1.1059	52122	1.3668
2001 to 3000	8	0.2328	21172	0.5552
3001 to 4000	6	0.1746	21036	0.5516
4001 to 5000	5	0.1455	21987	0.5766
5001 to 10000	9	0.2619	63351	1.6613
10001 to 50000	18	0.5239	373210	9.7868
50001 to 100000	2	0.0582	108906	2.8559
AND ABOVE	7	0.2037	2884775	75.6484
Total	3436	100.00	3813400	100.00

(l) Dematerialization of Shares and liquidity	:	99.53% of the paid-up capital has been dematerialized as on 31 st March, 2023.
(m) Outstanding GDRs / ADRs / Warrants or any Convertible instruments, conversion date and likely impact on equity.	:	The company has not issued any GDRs / ADRs / Warrants or any convertible instruments
(n) Commodity price risk or foreign exchange risk and hedging activities	:	N.A.
(o) Plant Locations	:	The Company's plants are located at Bill Road Village: Bil 391 410 Vadodara and at Near Muval Sub Station. Padra-Jambusar Highway, Gavasad - 391430, Vadodara, India
(p) Address for correspondence	:	i. Shareholders correspondence should be addressed to either at Registered Office of the Company or at the address of RTA M/s. MCS Share Transfer Agent Limited given as above :
		ii. Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participant.

17. The Company has adopted and been complying with the discretionary requirements as per Regulation 27(1) and Part E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has displayed all applicable policies at its website at www.shilchar.com.
18. The Company has been complying with the corporate governance requirements specified in Regulation 17 to 27 of the Regulations and Website disclosures as envisaged in clause (b) to (i) of Regulation 46(2) of the Regulations.
19. Familiarization programme for independent Directors: The Chairman and secretary of the Company used to familiarize the independent Directors of the Company, their roles, rights, responsibilities, nature of industry, compliance procedures & checkpoints etc., from time to time and details of which has been posted on Company's Website.



20. Total fees paid by the Company to M/s. CNK & Associates LLP as Remuneration of Statutory Auditors is a below:

Sr.	Particulars	Amount (Rs)
1	Statutory Audit Fees	Rs. 2.75
2	Other Services	Rs. 1.24
3	Re-imbusement of Expenses	Nil

Declaration / Certification:

a. Code of Conduct:

The Board has laid down a Code of Conduct applicable to all the Directors and senior management of the Company. Necessary certification to this effect is appended to this Corporate Governance Report.

b. CEO & CFO Certification:

As per requirements of Corporate Governance Code, Mr. Alay J. Shah, Managing Director and Mr. Prajesh Purohit, Chief Financial Officer has jointly furnished the necessary Certificate to the Board of Directors with respect to financial statements and cash flow statements for the year ended 31st March, 2023. The said certificate is annexed herewith.

CERTIFICATE UNDER REGULATION 17(8) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Board of Directors
Shilchar Technologies Limited,
Bil Road, Village Bil-391 410
District Vadodara

Dear Sirs,

We, Alay J. Shah, Managing Director and Prajesh P. Purohit, CFO of Shilchar Technologies Limited (the Company), hereby report that during the fourth quarter ended on 31.03.2023:

- A. We have reviewed financial statements statement for the quarter and that to the best of our knowledge and belief:
- (1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - (2) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit Committee:
- (1) Significant changes in internal control over financial reporting during the year,
 - (2) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements, and
 - (3) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Shilchar Technologies Limited

Alay J. Shah **Prajesh Purohit**
Managing Director **CFO**

Place: Bil, District Vadodara
Date: 29/04/2023



Declaration Regarding Compliance with Code of Conduct

[Pursuant to Part D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
SHILCHAR TECHNOLOGIES LTD

In terms of Part D of the Schedule V read with Regulation 34(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, I hereby declare that all Board members and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the Financial Year ended 31st March, 2023.

Place: Bil, District Vadodara
Date: 29.04.2023

ALAY SHAH
MANAGING DIRECTOR
DIN: 00263538



CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

To the Members of
Shilchar Technologies Limited

We have examined the compliance of the conditions of Corporate Governance by “**Shilchar Technologies Limited**” (hereinafter referred to as the Company), for the financial year ended on March 31, 2022 as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as Listing Regulations).

The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations during the financial year 2022-2023.

We state that in respect of investor grievances received during the year ended March 31, 2023, no investor grievance is pending against the Company, as per the records maintained by the Company and presented to the Stakeholders Relationship Committee.

It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

**For Kashyap Shah & Co.
Practising Company Secretaries**

(Kashyap Shah)
Proprietor
FCS No. 7662; CP No. 6672
UDIN: F007662E000213111
PR No. 1378/2021

Date : 29.04.2023
Place : Vadodara



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SHILCHAR TECHNOLOGIES LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of SHILCHAR TECHNOLOGIES LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 together with the independence requirements that are relevant to our audit of the Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Financial Statements.

Emphasis of Matter

We draw attention to note no 52 of the financial statement wherein it is mentioned that managerial remuneration paid/payable of Rs. 246.55 lakhs to the managing director is subject to approval of shareholders in ensuing Annual General Meeting. The same has been provided based on recommendation by Nomination and Remuneration Committee and as agreed by the Board of Directors and with the consent of the Company.

Our Opinion is not modified in respect of this matter.

Key Audit Matters

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

We have determined that there are no key audit matters to communicate in our report.

Information other than the Financial Statement and Auditor's Report thereon

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

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

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

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



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

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

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

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

Auditor's Responsibilities for the Audit of 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.

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

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



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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the relevant 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 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B";
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

It is mentioned in the note 52 of financial statements that the remuneration paid/payable by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act and is subject to approval of shareholders in ensuing Annual General Meeting.

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:



- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 36 to the Financial Statements;
- ii. The Company did not have any long-term contracts including derivative for which there were any material foreseeable losses.;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv.
 - i. The Management has represented that, to the best of its 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, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - ii. The Management has represented, that, to the best of its 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, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - iii. Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
- v. The final dividend paid by the company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.

As stated in note 53 to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act, to the extent it applies to declaration of dividend.
- vi. As the 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 for the year under audit.

For CNK & Associates LLP

Chartered Accountants

Firm Registration No. 101961W/W-100036

Alok Shah

Partner

Membership No.042005

Place: Vadodara

Date: 29th April, 2023

UDIN:23042005BGSQYU6849



ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

Referred to in Para 1 ‘Report on Other Legal and Regulatory Requirements’ in our Independent Auditor’s Report to the members of the Company on the Financial Statements for the year ended 31st March, 2023.

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

- I.
 - (A) Based on our verification of the documents provided to us and according to the information and explanations given by the Management, the Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
 - (B) Based on our verification of the documents provided to us and according to the information and explanations given by the Management, the Company is maintaining proper records showing full particulars of intangible assets;
 - (b) The Company has formulated a phased programme for physical verification of fixed assets, designed to cover all items over a period of three years. According to the programme, the company has during the year, physically verified the relevant assets. In our opinion, the frequency of the verification is reasonable having regard to the size of the company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification;
 - (c) Based on our verification of the documents provided to us and according to the information and explanations given by the Management, the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in the financial statements, are held in the name of the Company as at the Balance Sheet date;
 - (d) According to information and explanations given to us, the company has not revalued its Property, Plant and Equipment and intangible assets during the year;
 - (e) Based on our verification of the documents provided to us and according to the information and explanations given by the Management, the Company does not have any proceedings initiated or pending for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Hence the requirements under paragraph 3(i)(e) of the Companies (Auditor’s Report) Order, 2020 (“the Order”) are not applicable to the Company.
- II.
 - (a) Based on our verification of the documents provided to us and according to the information and explanations given by the Management, the inventory have been physically verified by the Management at reasonable intervals. Considering the size of the Company, the frequency of verification is reasonable and the procedures are adequate. No discrepancies have been noticed on such verification;
 - (b) Based on our verification of the documents provided to us and according to the information and explanations given by the Management, the Company has working capital limits sanctioned from banks or financial institutions exceeding Rs. 5 crores during the year and the quarterly returns / statements filed by the Company are generally in agreement with the books of accounts and no material discrepancy was observed.
- III. Based on our verification of the documents provided to us and according to the information and explanations given by the Management, 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 of paragraph 3(iii) of the Companies (Auditor’s Report) Order, 2020 (“the Order”) are not applicable to the Company.
- IV. Based on our verification of the documents provided to us and according to the information and explanations given by the Management, in respect of loans, investments, guarantees, and security, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013.
- V. Based on our verification of the documents provided to us and according to the information and explanations given by the Management, the Company has not accepted any deposits or the amounts which are deemed to be deposits within the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under, therefore, the provisions of paragraph 3(v) of the Order are not applicable to the Company.
- VI. According to the information and explanations given to us and the records of the company as examined by us, maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, and prima facie, the prescribed cost records have been maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.



- VII. According to the information and explanations given to us, in respect of statutory dues:
- (a) Based on our verification of the documents provided to us and according to the information and explanations given by the Management, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, Cess and any other material statutory dues applicable to it.
- According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues, were outstanding, as on 31st March 2023, for a period of more than six months from the date they became payable.
- (b) According to the records of the company examined by us and information and explanations given by the management, there are no statutory dues of referred in sub-clause (a) that has not been deposited on account of disputes.
- VIII. According to the information and explanations given to us, Company has no transactions which were not recorded in the books of account, have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961)
- IX. (a) Based on our verification of the documents provided to us and according to the information and explanations given by the Management, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender;
- (b) Based on our verification of the documents provided to us and according to the information and explanations given by the Management, the Company is not declared wilful defaulter by any bank or financial institution or other lender;
- (c) Based on the procedures performed by us and according to the information and explanations given by the Management, we report that the term loans were applied for the purpose for which the loans were obtained;
- (d) Based on the procedures performed by us and according to the information and explanations given by the Management, we report that no funds raised on short-term basis have been used for long-term purposes by the Company;
- (e) According to the information and explanations given to us, and the records examined by us, the company has no subsidiaries, associates or joint ventures. Accordingly, reporting under the clause 3 (ix) (e) and (f) is not applicable.
- X. (a) Based on the procedures performed by us and according to the information and explanations given by the Management, the Company has not raised moneys by way of initial public offer or further public offer including debt instruments, and term loans were applied for the purposes for which those are raised during the year;
- (b) Based on our verification of the documents provided to us and according to the information and explanations given by the Management, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, the provisions of paragraph 3(x)(b) of the Order are not applicable.
- XI. (a) During the course of our examination of the books of account and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any incidence of fraud on or by the Company noticed or reported during the year, nor we have been informed of any such case by the management;
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.
- XII. The Company is not a nidhi company and hence the reporting under clause 3(xii) of the order is not applicable to the Company.
- XIII. Based on our verification of the documents provided to us and according to the information and explanations given by the Management, the Company is in compliance with Section 177 and 188 of the Companies Act where applicable, for all transactions with the related parties and the details of related party 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 has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered report of the internal auditors for the period under audit;
- XV. Based on our verification of the documents provided to us and according to the information and explanations given by the Management, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him. Therefore, the provisions of paragraph 3(xv) of the Order are not applicable.
- XVI. Based on our verification of the documents provided to us and according to the information and explanations given by the Management, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and therefore, the provisions of paragraph 3(xvi) of the Order are not applicable.
- XVII. Based on our verification of the documents provided to us and according to the information and explanations given by the Management, the Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
- XVIII. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause 3(xviii) is not applicable.
- XIX. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- XX. (a) Based on our verification of the documents provided to us and according to the information and explanations given by the Management, there are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- (b) Based on our verification of the documents provided to us and according to the information and explanations given by the Management, the company has not spent amount towards Corporate Social Responsibility (CSR) on ongoing project. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.
- XXI. As the Company is not required to prepare consolidated financial statements, reporting under clause 3(xxi) of the Order is not applicable.

For **CNK & Associates LLP**
Chartered Accountants
Firm Registration No. 101961W/W-100036

Alok Shah
Partner
Membership No.042005

Place: Vadodara
Date: 29th April, 2023
UDIN:23042005BGSQYU6849



ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

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

We have audited the internal financial controls over financial reporting of **SHILCHAR TECHNOLOGIES LIMITED** (“the Company”) as of 31st March, 2023 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements of the company were established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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



Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an internal financial controls with reference to financial statements of the Company and such internal financial controls over financial reporting were operating effectively as at 31st March, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **CNK & Associates LLP**

Chartered Accountants

Firm Registration No. 101961W/W-100036

Alok Shah

Partner

Membership No.042005

Place: Vadodara

Date: 29th April, 2023

UDIN:23042005BGSQYU6849



BALANCE SHEET AS AT 31st MARCH, 2023

Particulars	NOTE	As At March 31, 2023	As At March 31, 2022
ASSETS			
(a) Property, Plant and Equipment	3	3,817.50	3,513.88
(b) Capital work in progress	3	6.49	4.61
(c) Intangible Assets	3	7.98	10.38
(d) Investment Property	4	65.88	68.65
(e) <u>Financial Assets</u>			
(i) Other financial asset	5	296.86	337.83
(f) Other Non Current Assets	6	11.40	26.62
(2) Current assets			
(a) Inventories	7	2,312.19	3,152.81
(b) <u>Financial Assets</u>			
(i) Investments	8	692.89	-
(ii) Trade receivables	9	9,210.66	6,900.03
(iii) Cash and cash equivalents	10	859.78	5.69
(iv) Bank balances other than Cash and cash equivalents	11	68.36	83.58
(v) Other financial assets	12	30.48	17.50
(c) Other current assets	13	396.22	476.21
Total Assets		17,776.69	14,597.81
EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share capital	14	381.34	381.34
(b) Other Equity	15	11,762.89	7,595.60
Total equity attributable to equity holders of the Company		12,144.23	7,976.94
LIABILITIES			
(2) Non-Current liabilities			
(a) <u>Financial Liabilities</u>			
(i) Borrowings	16	-	250.68
(ii) Other financial liabilities	17	7.50	7.50
(b) Provisions		85.31	99.91
(c) Deferred Tax Liability (Net)	19	230.17	216.88
(3) Current liabilities			
(a) <u>Financial Liabilities</u>			
(i) Borrowings	20	-	1,452.31
(ii) Trade payables	21		
(a) total outstanding dues of micro enterprises and small enterprises		74.66	408.26
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		3,555.43	3,159.70
(iii) Other financial liabilities	22	7.58	19.84
(b) Other current liabilities	23	1,530.57	871.36
(c) Provisions	24	52.87	17.58
(d) Current Tax Liability (net)		88.38	116.83
Total Liabilities		5,632.46	6,620.87
Total Equity and Liabilities		17,776.69	14,597.81

The accompanying notes are an integral part of the financial statements.
As per our Report of even date
For C N K & Associates LLP
CHARTERED ACCOUNTANTS
Firm Registration No.101961W/W-100036

Alok Shah
(Partner)
Membership No. 042005

Place: Bill, Vadodara
Date: 29th April, 2023

For and on behalf of Board of Directors of
Shilchar Technologies Limited

Alay Shah
Managing Director
DIN - 00263538

Aashay Shah
Director
DIN - 06886870

Niki Tiwari
Company Secretary

Prajesh Purohit
Chief Financial officer

Place: Bill, Vadodara
Date: 29th April, 2023



STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2023

Particulars	NOTES	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue From Operations	25	28,024.12	18,018.21
Other Income	26	808.12	335.38
Total Income		28,832.24	18,353.60
EXPENSES			
Cost of materials consumed	27	19,030.89	14,570.49
Changes in Inventories of Finished goods and work-in-progress	28	951.04	(508.95)
Employee benefits expense	29	1,162.13	769.81
Finance costs	30	59.96	107.43
Depreciation and amortization expense	3,4	240.36	257.93
Other expenses	31	1,571.83	1,245.28
Total expenses		23,016.20	16,441.98
Profit/(loss) before tax		5,816.04	1,911.62
Tax expense:			
(1) Current tax	32	1,489.92	508.42
(2) Deferred tax		10.74	29.05
(3) Short/ (Excess) provision of earlier year		3.14	(29.89)
Profit (Loss) for the period		4,312.24	1,404.04
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss			
- Remeasurement of Defined benefit plans		10.13	(4.64)
Income tax relating to items that will not be reclassified to profit or loss			
- Income tax relating to Remeasurement of Defined benefit plans		(2.55)	1.17
Total other comprehensive income		7.58	(3.47)
Total comprehensive income for the period		4,319.83	1,400.57
Earnings per equity share:			
(1) Basic		113.08	36.82
(2) Diluted		113.08	36.82

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

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Date: 29th April, 2023



STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2023

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
A Cash flow from operating activities		
Profit / (Loss) before income tax	5,816.04	1,911.62
Adjustments for :		
Depreciation and amortisation expense	240.36	257.93
Finance Costs	59.96	107.43
Interest Income	(46.01)	(24.74)
(Gain) / Loss on disposal of Property, Plant and Equipment	(2.05)	-
Loss on Property Plant and Equipment written off	15.44	-
Expected Credit Loss Allowance	18.44	23.15
Fair valuation of Investments through FVTPL	(3.59)	-
Other Comprehensive Income (OCI) Reclassification	10.13	4.64
Unrealised foreign exchange (Gain)/Loss	(16.01)	(15.16)
Operating profit before working capital changes	6,092.72	2,264.87
Movements in working capital:		
(Increase) / Decrease in trade receivables	(2,311.87)	(3,776.25)
(Increase) / Decrease in inventories	840.61	(431.68)
(Increase) / Decrease in other assets	83.13	136.45
Increase / (Decrease) in trade payables	61.14	769.87
Increase / (Decrease) in other liabilities	678.21	781.55
Cash generated from operations :	5,443.93	(255.19)
Direct taxes paid (net)	(1,521.51)	(389.76)
Net cash from operating activities (A)	3,922.42	(644.95)
B Cash flows from investing activities		
Capital expenditure on property, plant and equipment (PPE)(including Capital work-in-progress and capital advances)	(552.48)	(238.15)
Proceeds from sale of property, plant and equipment (PPE)	3.06	-
Purchase/Proceeds from sale of investments (Net)	(689.30)	125.86
Interest Received	28.89	25.77
Net cash (used) in Investing activities (B)	(1,209.84)	(86.52)
C Cash flow from financing activities :		
Interest paid	(59.96)	(107.43)
Proceeds/ (Repayment) of Long term Borrowings	(250.68)	(297.04)
Proceeds/ (Repayment) of Short term Borrowings	(1,452.31)	1,165.27
Dividend Paid	(152.54)	(57.20)
(Increase)/ Decrease in Bank Balances other than Cash & Cash Equivalents	56.99	(97.15)
Net cash (used) in financing activities (C)	(1,858.50)	606.45
NET INCREASE IN CASH AND CASH EQUIVALENTS [(A) + (B) + (C)]	854.08	(125.03)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		
Balances with banks in current accounts and deposit account	4.54	129.35
Cash on hand	1.16	1.38
CASH AND CASH EQUIVALENTS	5.69	130.73
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		
Balances with banks in current accounts and deposit account	855.81	4.54
Cash on hand	3.97	1.16
CASH AND CASH EQUIVALENTS	859.78	5.69

The accompanying notes are an integral part of the financial statements.
As per our Report of even date
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CHARTERED ACCOUNTANTS
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(Partner)
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Place: Bill, Vadodara
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For and on behalf of Board of Directors of
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Managing Director
DIN - 00263538

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Niki Tiwari
Company Secretary

Prajesh Purohit
Chief Financial officer

Place: Bill, Vadodara
Date: 29th April, 2023

A. Equity Share Capital

Balance as at 1st April, 2022	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1st April, 2022	Changes in equity share capital during the year	Balance as at 31st March, 2023
381.34	-	381.34	-	381.34
Balance as at 1st April, 2021	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1st April, 2021	Changes in equity share capital during the year	Balance as at 31st March, 2022
381.34	-	381.34	-	381.34

B. Other Equity

Particulars	Reserves and Surplus						Total
	Capital Reserve	General Reserve	Securities Premium Reserve	Share Forfeiture	Subsidy	Retained Earnings	
Balance as at 01st April, 2022	163.66	107.84	306.57	-	-	7,017.53	7,595.60
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated balance as at 01st April, 2022	163.66	107.84	306.57	-	-	7,017.53	7,595.60
Total Comprehensive Income for the year	-	-	-	-	-	4,319.83	4,319.83
Dividends	-	-	-	-	-	(152.54)	152.54
Balance as at 31st March, 2023	163.66	107.84	306.57	-	-	11,184.82	11,762.89

Particulars	Reserves and Surplus						Total
	Capital Reserve	General Reserve	Securities Premium Reserve	Share Forfeiture	Subsidy	Retained Earnings	
Balance as at 01st April, 2021	137.56	103.59	306.57	26.10	4.25	5,674.16	6,252.23
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated balance as at 01st April, 2021	137.56	103.59	306.57	26.10	4.25	5,674.16	6,252.23
Total Comprehensive Income for the year	-	-	-	-	-	1,400.57	1,400.57
Dividends	-	-	-	-	-	(57.20)	(57.20)
Transferred during the year	26.10	4.25	-	(26.10)	(4.25)	-	-
Balance as at 31st March, 2022	163.66	107.84	306.57	-	-	7,017.52	7,595.60

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

As per our Report of even date

For C N K & Associates LLP

CHARTERED ACCOUNTANTS

Firm Registration No.101961W/W-100036

Alok Shah
(Partner)
Membership No. 042005

Place: Bill, Vadodara
Date: 29th April, 2023

For and on behalf of Board of Directors of
Shilchar Technologies Limited

Alay Shah
Managing Director
DIN - 00263538

Niki Tiwari
Company Secretary

Place: Bill, Vadodara
Date: 29th April, 2023

Aashay Shah
Director
DIN - 06886870

Prajesh Purohit
Chief Financial officer



SHILCHAR TECHNOLOGIES LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. **COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES:**

1.1 **Description of Business**

SHILCHAR TECHNOLOGIES LIMITED (“the Company”), incorporated in the year 1986 is Public Limited Company and engaged in the business of manufacturing of “Distribution & Power Transformers” as well “Electronics & Telecommunication Transformers.”

The Company made its public issue in the year 1995 and is listed on Mumbai Stock Exchange.

1.2 **Basis of Preparation of Financial Statements**

i. **Compliance with Ind AS**

The Financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Act to be read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant amendment rules issued thereafter.

ii. **Historical cost convention**

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

- Certain financial assets and liabilities that are measured at fair value;
- Defined benefit plans – plan assets measured at fair value.

iii. **Functional and presentation currency**

These financial statements are presented in Indian Rupees, which is the Company’s functional currency, and all values are rounded to the nearest lakhs, except otherwise indicated.

iv. **Composition of Financial Statements**

The financial statements comprise:

- Balance Sheet
- Statement of Profit and Loss
- Statement of Cash Flow
- Statement of Changes in Equity
- Notes to Financial Statements

1.3 **Key Accounting Judgments, Estimates and Assumptions**

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Any change in these estimates and assumptions will generally be reflected in the financial statements in current period or prospectively, unless they are required to be treated retrospectively under relevant accounting standards.

2.1 **Significant Accounting Policies and Other Explanatory Notes**

A. **Property, Plant and Equipment:**

i. **Recognition and measurement**



Freehold land is carried at cost and not depreciated. All other items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognized in the Statement of Profit and Loss.

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

An Item of Property, Plant and Equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss on disposal of an item of property, plant and equipment is recognized in the Statement of Profit and Loss.

ii. Subsequent Expenditure

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

iii. Depreciation

Depreciation is recognised so as to write off the cost of the assets (other than freehold land) less their residual values over their useful lives, using the StraightLine Method on the basis of useful lives specified in part C of Schedule II to the Companies Act, 2013 except plant and equipment ranging from 10 – 20 years. The Estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in the estimated accounted for on a prospective basis.

B. Investment Property:

Property that is held for long-term rental yields or for capital appreciation or both, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised. Investment properties are depreciated using the straight-line method over their estimated useful lives. Though the Company measures investment property using cost-based measurement, the fair value of investment property is disclosed in the notes.

C. Intangible Assets:

i. Recognition and measurement

Intangible Assets are stated at cost of acquisition less accumulated amortization and accumulated impairment, if any. Amortization is done over their estimated useful life on straight line basis from the date that they are available for intended use, subjected to impairment test.

ii. Amortization

Software, which is not an integral part of the related hardware is classified as an intangible asset and is amortized over the useful life of 3 years.

iii. De-recognition of Intangible Assets:

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



D. Impairment:

i. Non - financial assets

At each balance sheet date, the Company assesses whether there is any indication that any property, plant and equipment and intangible assets with finite life may be impaired. If any such impairment exists, the recoverable amount of an asset is estimated to determine the extent of impairment, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. If the recoverable amount of the asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in statement of Profit and Loss.

E. Leases

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

Company as a lessee

(A) Lease Liability

At the commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using incremental borrowing rate.

(B) Right-of-use assets

Initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives.

Subsequent measurement

(A) Lease Liability

Company measure the lease liability by (a) increasing the carrying amount to reflect interest on the lease liability; (b) reducing the carrying amount to reflect the lease payments made; and (c) remeasuring the carrying amount to reflect any reassessment or lease modifications.

(B) Right-of-use assets

Subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight line basis over the shorter of the lease term and useful life of the underlying asset.

Impairment

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

Short term Lease:

Short term lease is that, at the commencement date, has a lease term of 12 months or less. A lease that contains a purchase option is not a short-term lease. If the company elected to apply short term lease, the lessee shall recognise the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis. The lessee shall apply another systematic basis if that basis is more representative of the pattern of the lessee's benefit.

As a lessor



Leases for which the company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Lease income is recognised in the statement of profit and loss on straight line basis over the lease term.

F Inventories:

Inventories are measured at the lower of Cost and Net Realizable Value. The cost of inventories is based on the first-in first-out formula, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. In the case of manufactured inventories and work in progress, costs include an appropriate share of fixed production overheads based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The Net realisable value of work in progress is determined with reference to the selling prices of related finished products.

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

G Investments and Other Financial Assets:

i. Classification:

The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through Statement of Profit and Loss), and
- Those measured at amortized cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in Statement of Profit and Loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt or equity investments when and only when its business model for managing those assets changes.

ii. Measurement

At initial recognition, in case of a financial asset not at fair value through profit and loss, the Company measures a financial asset at its fair value plus, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through Statement of Profit and Loss are expensed in Statement of Profit and Loss.

- (a) Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost.
- (b) Fair Value through Other Comprehensive Income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through Other Comprehensive Income (OCI), except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit and loss and recognized in other gains/losses. Interest income from these financial assets is included in other income using the effective interest rate method.



- (c) Fair value through profit and loss: Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through Statement of Profit and Loss. Interest income from these financial assets is included in other income.

Trade Receivables:

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

iii. Equity Instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to Statement of Profit and Loss. Dividends from such investments are recognized in Statement of Profit and Loss as other income when the Company's right to receive payment is established.

Changes in the fair value of financial assets at fair value through profit and loss are recognized in other gain/losses in the Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

iv. Derecognition

A financial asset is derecognized only when

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

H. Cash and Cash Equivalents:

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and highly liquid investments with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

Cash flow statement

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

I. Financial Liabilities:

i. Measurement

All financial liabilities are recognized initially at fair value and in the case of loans, borrowings and payables recognized net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings.

ii. Derecognition



A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the Effective Interest rate (EIR) amortization process.

J. Foreign Currency Translation:

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Indian Rupee (INR) is the functional and presentation currency of the Company.

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income and expenses in the Statement of Profit and Loss, in the period in which they arise.

K. Derivatives:

Commodity Derivatives:

The Company is exposed to fluctuations in the prices of its raw materials. In case of principal raw materials such as copper, aluminum, oil etc, the risks on costing of the Company's products on account of fluctuations in prices of these materials is quite high. The Company tries to limit the effects of fluctuations in prices of these critical materials by following risk management policies including use of derivatives. For this, the Company enters into derivative buy or sell contracts for these commodities on the MCX Exchange. These contracts are generally not used for trading or speculation purposes.

In case of such derivative contracts, the gain or loss arising on exercise of option or settlement or cancellation are recognized in the Statement of Profit and Loss for the period. The derivative contracts outstanding as at the balance sheet are marked-to-market and corresponding gain or loss recognized on the same.

L. Revenue recognition:

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company assesses promises in the contract that are separate performance obligations to which a portion of transaction price is allocated.

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

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold, and services rendered is net of variable consideration on account of various discounts, schemes, rebates offered by the Company as part of the contract.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing component, non-cash component and consideration payable to the customer like return, allowances, trade discounts, liquidated damages and volume rebates.

Sales are disclosed excluding net of sales returns, service tax, value added tax and Goods and Service Tax (GST).

i. Dividend income

Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.



ii. Export Incentives

Export incentives are recognized when the right to receive them as per the terms of the entitlement is established in respect of exports made.

The benefits accrued under the duty drawback scheme ,Merchandise Export from India Scheme (MEIS) and RoDTEP as per the Import and export Policy in respect of exports under the said scheme are recognised when there is a reasonable assurance that the benefit will be received and the company will comply with all attached conditions. The above benefits have been included under the head 'Export Incentives.'

iii. Insurance Claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

iv. Other Income:

- i) Other income is comprised primarily of interest income, gain / loss on investments and exchange gain/loss on foreign currency transactions. Interest income is recognized using the effective interest method.
- ii) Income from Sale of Wind Operated Power is accounted on accrual basis on confirmation of units generated and supplied to the State Electricity Board as per the agreement.

M. Employee benefits:

i. Short-term obligations:

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

ii. Provident Fund:

Contribution towards provident fund for employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

iii. Gratuity:

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The gratuity plan in Company is funded through annual contributions to Life Insurance Corporation of India (LIC) under its Company's Gratuity Scheme. The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

iv. Compensated Absences:

Entitlement of employees accumulating earned leave and eligibility of compensation or encashment of the same is also a defined benefit obligation and is treated as long term in nature in terms of the policies of the Company for the same. The value of obligation towards the same is provided for on the basis of actuarial valuation using projected unit



credit method as at the balance sheet date. Actuarial gain / losses are immediately taken to the Statement of Profit and Loss and are not deferred.

N. Borrowing costs:

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

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

Other borrowing costs are expensed in the period in which they are incurred.

O. Taxation

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in India. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

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

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

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

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

P. Provisions and Contingencies:

i. Provisions

Provisions for legal claims, product warranties and make good obligations are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Long-term provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money. Short term provisions are carried at their redemption value and are not offset against receivables from reimbursements.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.



ii. Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

iii. Contingent Assets

Contingent Assets are not recognised but are disclosed in the notes to the financial statements.

Q. Earnings per Share:

i. Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company, excluding any costs of servicing equity other than ordinary shares.
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

ii. Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

R. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting to the Chief Operating Decision Maker "CODM" of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segment. The Company has monthly review and forecasting procedure in place and CODM reviews the operations of the Company as a whole.

S. Exceptional items:

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

2.2 Recent pronouncements:

On March 31, 2023, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2023. This notification has resulted into following amendments in the existing Accounting Standards which are applicable from April 1, 2023.

- i. Ind AS 101 – First time adoption of Ind AS** – modification relating to recognition of deferred tax asset by a first-time adopter associated with (a) right to use assets and related liabilities and (b) decommissioning, restoration and similar liabilities and corresponding amounts recognised as cost of the related assets.
- ii. Ind AS 102 – Share-based Payment** – modification relating to adjustment after vesting date to the fair value of equity instruments granted.



- iii. **Ind AS 103 – Business Combination** – modification relating to disclosures to be made in the first financial statements following a business combination.
- iv. **Ind AS 107 – Financial Instruments Disclosures** – modification relating to disclosure of material accounting policies including information about basis of measurement of financial instruments.
- v. **Ind AS 109 – Financial Instruments** – modification relating to reassessment of embedded derivatives.
- vi. **Ind AS 1 - Presentation of Financials Statements** – modification relating to disclosure of 'material accounting policy information' in place of 'significant accounting policies'.
- vii. **Ind AS 8 - Accounting Policies, Change in Accounting Estimates and Errors** – modification of definition of 'accounting estimate' and application of changes in accounting estimates.
- viii. **Ind AS 12 – Income Taxes** – modification relating to recognition of deferred tax liabilities and deferred tax assets.
- ix. **Ind AS 34 – Interim Financial Reporting** – modification in interim financial reporting relating to disclosure of 'material accounting policy information' in place of 'significant accounting policies'.

The Company is evaluating the amendments and the expected impact, if any, on the Company's financial statements on application of the amendments for annual reporting periods beginning on or after 1 April 2023.

3 Property, Plant and Equipments

Particulars	Land - Freehold	Windmill	Electrical Installation	Factory Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Computers	Software	Total
Gross carrying amount As at 1st April, 2022	628.86	85.45	271.73	1,572.02	1,760.18	96.04	264.61	33.90	29.66	27.41	4,769.82
Additions	-	-	-	90.09	237.29	48.65	165.57	10.67	5.03	-	557.30
Disposals / discarded	-	-	-	8.63	14.52	1.11	58.40	0.81	-	-	83.47
Gross carrying amount As at 31st March, 2023	628.86	85.45	271.73	1,653.49	1,982.94	143.58	371.78	43.76	34.69	27.41	5,243.65
Accumulated depreciation As at 1st April, 2022	-	38.41	101.92	287.58	607.79	38.24	105.48	21.43	27.68	17.03	1,245.58
Charge for the period	-	6.88	24.56	63.39	94.59	8.55	31.22	4.32	1.67	2.40	237.58
Disposals / discarded	-	-	-	2.33	6.15	0.73	55.35	0.44	-	-	64.98
Closing accumulated depreciation As at 31st March, 2023	-	45.29	126.49	348.65	696.23	46.07	81.36	25.31	29.35	19.43	1,418.17
Net carrying amount:											
As at 31st March, 2023	628.86	40.16	145.24	1,304.84	1,286.72	97.52	290.42	18.45	5.33	7.98	3,825.48
As at 31st March, 2022	628.86	47.04	169.81	1,284.44	1,152.39	57.80	159.13	12.47	1.98	10.38	3,524.26

Note:

- a) The company has not carried out any revaluation of it's Property, Plant and Equipment.
b) The company holds all the title deeds of immovable properties in it's own name.

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(All amounts are in Lakhs, unless otherwise stated)

3 Property, Plant and Equipments

Particulars	Land - Freehold	Windmill	Electrical Installation	Factory Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Computers	Software	Total
Gross carrying amount As at 1st April, 2021	666.33	85.45	271.73	1,572.02	1,724.92	95.53	148.58	32.11	27.92	26.64	4,651.21
Additions	-	-	-	-	35.26	0.51	116.03	1.78	1.74	0.77	156.09
Disposals	-	-	-	-	-	-	-	-	-	-	-
Transferred during the year	(37.47)	-	-	-	-	-	-	-	-	-	(37.47)
Gross carrying amount As at 31st March, 2022	628.86	85.45	271.73	1,572.02	1,760.18	96.04	264.61	33.90	29.66	27.41	4,769.82
Accumulated depreciation As at 1st April, 2021	-	31.53	77.36	225.30	488.60	30.95	77.86	17.77	26.67	14.37	990.42
Charge for the period	-	6.88	24.56	62.28	119.19	7.29	27.62	3.66	1.02	2.66	255.16
Disposals	-	-	-	-	-	-	-	-	-	-	-
Closing accumulated depreciation As at 31st March, 2022	-	38.41	101.92	287.58	607.79	38.24	105.48	21.43	27.68	17.03	1,245.58
Net carrying amount:											
As at 31st March, 2022	628.86	47.04	169.81	1,284.44	1,152.39	57.80	159.13	12.47	1.98	10.38	3,524.26
As at 1st April, 2021	666.33	53.92	194.37	1,346.72	1,236.32	64.58	70.72	14.34	1.26	12.27	3,660.80

Note :

- a) The company has rented out some area of land on lease and the same has been classified as Investment property [As per Indian Accounting Standard (Ind AS) -40,



3 Capital Work in Progress (CWIP)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Capital work in progress	6.49	4.61
Total	6.49	4.61

Capital Work-In-Progress Ageing

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Year	
As at 31 March 2023					
Projects in progress	4.72	1.77	-	-	6.49
Suspended	-	-	-	-	-
As at 31 March 2022					
Projects in progress	4.61	-	-	-	4.61
Suspended	-	-	-	-	-

Note: There are no Projects whose completion is overdue or has exceeded its cost.

4 Investment Property

Particulars	As at 31st March, 2023	As at 31st March, 2022
INVESTMENT PROPERTY		
(Transfer from Property, Plant and Equipment)		
a) Building given on Operating Lease		
Gross carrying amount As at 1st April, 2022	39.97	39.97
Additions	-	-
Disposals	-	-
Gross carrying amount As at 31st March, 2023	39.97	39.97
Accumulated depreciation As at 1st April, 2022	8.79	6.01
Charge for the period	2.77	2.77
Disposals	-	-
Closing accumulated depreciation As at 31st March, 2023	11.56	8.79
b) Freehold Land		
Gross carrying amount As at 1st April, 2022	37.47	-
Addition	-	-
Disposals	-	-
Transferred during the year	-	37.47
Gross carrying amount As at 31st March, 2023	37.47	37.47
Accumulated depreciation As at 1st April, 2022	-	-
Charge for the period	-	-
Disposals	-	-
Closing accumulated depreciation As at 31st March, 2023	-	-
Net carrying amount: (a+b)		
As at 31st March, 2023	65.88	-
As at 31st March, 2022	-	68.65

Note: (i) During previous year, the company has rented out some area of land on lease and the same has been classified as Investment property [As per Indian Accounting Standard (Ind AS) - 40, Investment Properties] as it is not intended to be occupied substantially for use by, or in the operations, of the company. (ii) Refer note (43) for other disclosure.

5 Other Financial Asset

Particulars	As at 31st March, 2023	As at 31st March, 2022
Unsecured, considered good		
- Deposits	28.55	27.55
Balances with Banks		
-Bank deposits with more than 12 months of maturity	268.31	310.28
Total	296.86	337.83



6 Other Non - Current Assets

Particulars	As at 31st March, 2023	As at 31st March, 2022
Unsecured, considered good		
Capital Advances	11.40	26.62
Total	11.40	26.62

7 Inventories

Particulars	As at 31st March, 2023	As at 31st March, 2022
Inventories (lower of cost and net realised value)		
Raw Materials	1,626.79	1,516.36
Work-in-Progress	199.83	619.33
Finished goods	485.58	1,017.11
Total	2,312.19	3,152.81

8 Current Investments

Particulars	As at 31st March, 2023	As at 31st March, 2022
Investments at fair value through profit or loss		
Investment in Mutual Fund	692.89	-
Total	692.89	-

9 Trade Receivables

Particulars	As at 31st March, 2023	As at 31st March, 2022
Trade Receivables considered Good-Unsecured		
- Others	9,290.97	6,961.91
	9,290.97	6,961.91
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables credit impaired	-	-
Total	9,290.97	6,961.91
Less : Expected Credit Loss Allowance	(80.31)	(61.87)
Total	9,210.66	6,900.03

Note: (i) Refer note (44) for other disclosure.

10 Cash and cash equivalents

Particulars	As at 31st March, 2023	As at 31st March, 2022
Balances with banks		
(a) In current accounts	219.43	4.54
(b) Deposit with original maturity within 3 months	636.38	-
Cash on Hand	3.97	1.16
Total	859.78	5.69

11 Bank balances other than Cash and cash equivalents

Particulars	As at 31st March, 2023	As at 31st March, 2022
Other Bank Balances		
(a) Deposit with original maturity more than 3 months to 12 months	65.11	79.58
(b) Unpaid dividend	3.25	4.00
Total	68.36	83.58



12 Other Financial Assets

Particulars	As at 31st March, 2023	As at 31st March, 2022
Unsecured, considered good		
(a) Deposit	0.53	0.71
(b) Accrued Interest Income	29.96	12.84
(c) Other receivables	-	3.95
Total	30.48	17.50

13 Other Current Assets

Particulars	As at 31st March, 2023	As at 31st March, 2022
(a) Advance to Suppliers	52.74	83.57
(b) Advances to Employee	16.69	3.60
(c) Prepaid expenses	38.67	29.37
(d) Balances with Government authorities	268.92	342.24
(e) Other Receivables	19.21	17.43
Total	396.22	476.21

14 Share Capital

(a) Authorised Equity Share Capital

Particulars	No. of Shares	Amount
At 1st April, 2022	5,000,000	500.00
Increase /(decreased) during the year	-	-
At 31st March, 2023	5,000,000	500.00

(b) Issued Equity Share Capital

Particulars	No. of Shares	Amount
At 1st April, 2022	3,813,400	381.34
Increase /(decreased) during the year	-	-
At 31st March, 2023	3,813,400	381.34

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

Shareholders	As at 31st March, 2023		As at 31st March, 2022	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the period	3,813,400	381.34	3,813,400	381.34
Increase /(decreased) during the year	-	-	-	-
At the end of the period	3,813,400	381.34	3,813,400	381.34

(d) Terms & Rights attached to each class of shares;

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of the liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.



(e) Shares held by shareholders each holding more than 5% of the shares

Shareholders	As at 31st March, 2023		As at 31st March, 2022	
	No. of shares	Percentage	No. of shares	Percentage
Equity shares with voting rights				
Alay Jitendra Shah	1,045,516	27.42%	1,045,516	27.42%
Shilpa Alay Shah	401,970	10.54%	401,970	10.54%
Aatman Alay Shah	394,382	10.34%	394,382	10.34%
Aashay Alay Shah	394,382	10.34%	394,382	10.34%
Alay Jitendra Shah (HUF)	274,825	7.21%	274,825	7.21%
Total	2,511,075	65.85%	2,511,075	65.85%

(f) Shareholding of Promoters

Shares held by promoters Promoter Name	As at 31st March, 2023			As at 31st March, 2022	
	No. of Shares	% of Total Shares	% Change	No. of Shares	% of Total Shares
Equity shares with voting rights					
1. Alay Jitendra Shah	1,045,516	27.42%	0.00%	1,045,516	27.42%
2. Shilpa Alay Shah	401,970	10.54%	0.00%	401,970	10.54%
3. Aatman Alay Shah	394,382	10.34%	0.00%	394,382	10.34%
4. Aashay Alay Shah	394,382	10.34%	0.00%	394,382	10.34%
5. Alay Jitendra Shah (HUF)	274,825	7.21%	0.00%	274,825	7.21%
Total	2,511,075	65.85%		2,511,075	65.85%

15 Other Equity

Particulars	As at 31st March, 2023	As at 31st March, 2022
Capital Reserve	163.66	163.66
General Reserve	107.84	107.84
Securities Premium	306.57	306.57
Retained Earnings	11,184.82	7,017.53
Total	11,762.89	7,595.60

15.1

Particulars	As at 31st March, 2023	As at 31st March, 2022
(a) Capital Reserve (on account of amalgamation)		
Balance as per the last financial statements	163.66	137.56
Addition during the year	-	26.10
Closing Balance	163.66	163.66
(b) General Reserve (transfer of a portion of the net profit)		
Balance as per the last financial statements	107.84	103.59
Addition during the year	-	4.25
Closing Balance	107.84	107.84

(c) Securities Premium Reserve (Excess of face value of the equity shares)		
Balance as per the last financial statements	306.57	306.57
(d) Share Forfeiture Account (on account of forfeiture of shares in earlier year)		
Balance as per the last financial statements	-	26.10
Transferred to Capital Reserve	-	(26.10)
Closing Balance	-	-
(e) Subsidy (on account of subsidy received in earlier year)		
Balance as per the last financial statements	-	4.25
Transferred to General Reserve	-	(4.25)
Closing Balance	-	-
(f) Retained Earnings		
Balance as per the last financial statements	7,017.53	5,674.16
Profit for the period	4,312.24	1,404.04
Items of Other Comprehensive Income		
Add/(Less): Remeasurement of the Net Defined benefit liability/asset, net of tax effect	7.58	(3.47)
Less: Appropriations		
Dividend on Equity shares	(152.54)	(57.20)
	11,184.82	7,017.53
Remeasurement of the Net Defined benefit liability/asset		
Total	11,762.89	7,595.60

16 Borrowings

Particulars	As at 31st March, 2023	As at 31st March, 2022
Secured - at amortized cost		
(a) Term Loans		
- from Banks (Refer below note)	-	250.68
Total	-	250.68

(i) Nature of Security

The above Term loan is secured by first charge by way of hypothecation of all the movable and immovable fixed assets including but not limited to plant and machinery situated at new plant at Gavasad village, Padra, Jambusar High way, Vadodara. They are further secured by second charge by way of hypothecation over stock and book debts both present and future.

(ii) Term of Repayment

The above foreign term loan of USD 16.11 lakhs is repayable in four years on quarterly installments starting from March 2020 along with interest for the period. The installments was of USD 1.01 Lakhs each quarter and interest rate is 5.40 % p.a.

(iii) Pre payment of term loan

During the year, the company has made pre-payment of above term loan.

17 Other non current Financial Liabilities

Particulars	As at 31st March, 2023	As at 31st March, 2022
(a) Security Deposits	7.50	7.50
Total	7.50	7.50



18 Provisions

Particulars	As at 31st March, 2023	As at 31st March, 2022
Provision for employee benefits		
Provision for Gratuity (Net)	69.48	74.91
Provision for Compensated absences	15.83	25.00
Total	85.31	99.91

19 Deferred Tax Liabilities (Net)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Deferred Tax Assets		
The balance comprises temporary differences attributable to:		
Provision For Employee Benefit	33.67	35.17
Remeasurements of the defined benefit plans	-	1.17
Others	19.31	15.57
Total DTA	52.97	51.91
Deferred Tax Liability		
The balance comprises temporary differences attributable to:		
Remeasurements of the defined benefit plans	1.38	-
Depreciation	281.76	268.79
Total DTL	283.15	268.79
Net Deferred Tax Asset/(Liability)	(230.17)	(216.88)

20 Borrowings

Particulars	As at 31st March, 2023	As at 31st March, 2022
Secured - at amortized cost		
(a) Loans repayable on demand		
- From banks (Refer below note (i) and (ii))	-	1,165.27
(b) Current Maturities on long term debt (Refer below note (iii))	-	287.05
Total	-	1,452.31

Note:

(i) The Bank facilities of Working Capital being Cash Credit, Export Packing Credit and other Facilities obtained from respective banks are secured by Hypothecation of stocks, book debts, extension of charge on Current Assets for Letters of credit, Hypothecation of Plant and Machinery (both present and future) and Equitable Mortgage of entire Factory Land and Building including corporate office of the company.

(ii) The Bank facilities of Working Capital being Cash Credit, Export Packing Credit and other Facilities obtained from HDFC bank is secured by second charge by way of hypothecation over stock and book debts both present and future. They are further secured with first charge by way of hypothecation of all the movable and immovable fixed assets including but not limited to plant and machinery situated at new plant at Gavasad village, Padra, Jambusar High way, Vadodara.

(iii) Current maturities of long-term debt (Refer Notes (I, ii and iii) in Note 16 - Long-term borrowings for details of security and guarantee.



Particulars	As at 31st March, 2023	As at 31st March, 2022
(a) Term loans from banks	-	287.05
Total	-	287.05

21 Trade Payables

Particulars	As at 31st March, 2023	As at 31st March, 2022
Trade Payables		
(a) total outstanding dues of micro enterprises and small enterprises (Refer note 38)	74.66	408.26
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	3,555.43	3,159.70
Total	3,630.09	3,567.97

Note: (i) Refer note (45) for other disclosure.

22 Other Financial Liabilities

Particulars	As at 31st March, 2023	As at 31st March, 2022
(a) Payable for Fixed Asset	2.96	13.54
(b) Unpaid Dividends*	3.25	4.00
(c) Security Deposits	1.38	2.30
Total	7.58	19.84

(*) To be deposited with Investor Education and Protection Fund as and when they became due.

23 Other Current Liabilities

Particulars	As at 31st March, 2023	As at 31st March, 2022
(a) Advances from Customers	1,428.81	759.93
(b) Statutory Liabilities	24.85	22.96
(c) Salary and Wages Payable	51.76	49.62
(d) Other payable	25.15	38.87
Total	1,530.57	871.36

24 Provisions

Particulars	As at 31st March, 2023	As at 31st March, 2022
Provision for employee benefits		
- Provision for gratuity (Net)	35.60	14.89
- Provision for Compensated absences	17.26	2.69
Total	52.87	17.58



25 Revenue from Operations

Particulars	As at 31st March, 2023	As at 31st March, 2022
Sale of Products		
- Sale of Products	28,024.12	18,018.21
Total	28,024.12	18,018.21

Disclosure pursuant to Ind AS 115 -Revenue from Contracts with Customers:

(i) Disaggregate Revenue:

The table below presents disaggregated revenues of the Company from contracts with customers by geography/ offerings/ contract-type/market . The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of its revenues and cash flows are affected by industry, market and other economic factors.

Particulars	As at 31st March, 2023	As at 31st March, 2022
Sale of Products		
- Domestic Sales	13,541.60	13,448.03
- Export Sales	14,482.53	4,570.18

Note: Number of customers individually accounted for more than 10% of the revenue in the year ended 31st March, 2023: Two (P.Y.- One)

26 Other Income

Particulars	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
Interest Income	46.01	24.74
Fair Value change of investment held for trading	3.59	-
Export Incentive	317.21	155.48
Income from Windmill	27.06	22.24
Rent Income	40.59	35.93
Gain on foreign currency transactions/translations	280.91	44.43
Income from Liquid Fund	34.30	16.25
Miscellaneous Balance written back (Net)	7.06	14.76
Gain/(loss) on sale of Property, Plant and Equipment (Net)	2.05	-
Insurance Claim	20.23	-
Others	29.11	21.56
Total	808.12	335.38

27 Cost of Raw Material and Components

Particulars	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
Cost of Raw Material Consumed	18,957.51	14,519.21
Consumable Store and Spares	73.38	51.28
Total	19,030.89	14,570.49

28 Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
Inventories at the end of the period:		
Finished Goods	485.58	1,017.11
Work In Progress	199.83	619.33
	685.41	1,636.45
Inventories at the beginning of the period:		
Finished Goods	1,017.11	744.63
Work In Progress	619.33	382.87
	1,636.45	1,127.49
Net (increase) / decrease	951.04	(508.95)

29 Employee benefits expense

Particulars	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
Salary, Wages, Bonus and Others etc.	1,027.41	663.00
Contributions to Provident Fund and Other Funds	57.89	49.97
Staff Welfare Expenses	76.83	56.84
Total	1,162.13	769.81

30 Finance costs

Particulars	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
Interest expense	20.26	35.04
Other Borrowing costs	39.70	72.39
Total	59.96	107.43

31 Other Expenses

Particulars	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
Power and Fuel	107.37	93.64
Processing cost	479.43	385.60
Carting and Freight Inwards	52.38	31.49
Repairs & Maintenance:		
Building	8.07	6.26
Plant & Machinery	15.55	8.00
Others	29.80	23.35
Legal and Professional Fees	78.36	71.83
Testing charges	23.91	52.13
Freight / Clearing & Forwarding Charges on Sales (net of recoveries)	279.82	277.42
Payments to Auditors (Refer Note 39)	3.99	3.64
Corporate Social Responsibility Expenses (Refer Note 40)	27.47	15.14
Travelling Expense	132.19	30.70
Research and development expenses	65.91	63.13
Directors sitting fees	4.90	3.85
Loss on Property Plant and Equipment written off	15.44	-
Allowance for doubtful debts (Expected Credit Loss Allowance)	18.44	23.15
Miscellaneous Expenses	228.79	155.94
Total	1,571.83	1,245.28

32 Taxes Reconciliation

Particulars	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
(a) Income tax expense		
<i>(i) Current tax</i>		
Current tax on profits for the year	1,489.92	508.42
Short/ (Excess) provision of earlier year	3.14	(29.89)
	1,493.06	478.53
<i>(ii) Total Deferred tax expenses (Benefits)</i>	10.74	29.05
	10.74	29.05
Total Income tax expenses (i + ii)	1,503.80	507.58
(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate		
Profit before income tax expense	5,816.04	1,911.62
Tax at the Indian tax rate of 25.17% (2021-22 – 25.17%)	1,463.78	481.15
Depreciation	(16.43)	(2.72)
Non-deductible tax expenses (Disallowances u/s 43B)	3.78	8.22
Short/ (Excess) provision of earlier year	3.14	(29.89)
Others (including deferred tax)	49.53	50.82
Income Tax Expense	1,503.80	507.58

33 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

i. Profit attributable to Equity holders of Company

Particulars	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
Profit attributable to equity holders of the Company for basic and diluted earnings per share	4,312.24	1,404.04

ii. Weighted average number of ordinary shares

Particulars	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
Issued ordinary shares(in Nos)	3,813,400	3,813,400
Weighted average number of shares at 31st March for basic and diluted earnings per shares	3,813,400	3,813,400
Basic earnings per share	113.08	36.82

34 Disclosure as required under Ind AS 19 - Employee Benefits

[A] Defined contribution plans:

The Company makes contributions towards provident fund to defined contribution retirement benefit plan for qualifying employees. The provident fund contributions are made to Government administered Employees Provident Fund. Both the employees and the Company make monthly contributions to the Provident Fund Plan equal to a specified percentage of the covered employee's salary.

The Company recognised Rs. 26.92 Lakhs (P.Y : Rs. 24.03 Lakhs) for provident fund contributions in the Statement of Profit and Loss.

[B] Defined benefit plan:

The Company makes annual contributions to Shilchar Technologies Limited Employees' Gratuity Fund managed by LIC, a funded defined benefit plan for qualifying employees. The scheme provides for payment to vested employees as under:

- i) On normal retirement / early retirement / withdrawal / resignation: As per the provisions of Payment of Gratuity Act, 1972 with vesting period of 5 years of service.
- ii) On death in service: As per the provisions of Payment of Gratuity Act, 1972 without any vesting period.

The following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at 31st March, 2023.

Defined benefit plans / compensated absences - As per actuarial valuation

a) Reconciliation in present value of obligations (PVO) - Defined Benefit Obligation:	Gratuity Funded as on	
	31st March, 2023	31st March, 2022
Present value of Benefit Obligations at the beginning of the period	103.22	83.51
Current Service Cost	18.60	16.55
Interest Cost	7.64	5.68
Benefits Paid	(4.31)	(7.14)
Actuarial (Gains) / Losses due to change in assumptions	(10.10)	4.62
Present value of Benefit Obligations at the end of the period	115.05	103.22

b) Change in fair value of plan assets:	Gratuity Funded as on	
	31st March, 2023	31st March, 2022
Fair value of Plan assets at the beginning of the year	13.41	19.49
Expected Return on plan assets	0.83	1.08
Contributions by Employer	-	-
Benefits paid	(4.31)	(7.14)
Actuarial Gains and (Losses)	0.03	(0.01)
Fair value of Plan assets at the end of the year	9.97	13.41

c) Reconciliation of PVO and fair value of plan assets:	Gratuity Funded as on	
	31st March, 2023	31st March, 2022
Present value of Benefit Obligations at the end of the period	115.05	103.22
Fair value of Plan assets at the end of the year	9.97	13.41
Net (Asset) / Liability recognised in Balance sheet	105.08	89.81

d) Net Expenses recognised in the statement of Profit and Loss accounts	Gratuity Funded as on	
	31st March, 2023	31st March, 2022
Net Interest Cost	6.81	4.60
Current Service Cost	18.60	16.55
Total	25.40	21.15

e) Amount recognised in Other comprehensive income remeasurements:	Gratuity Funded as on	
	31st March, 2023	31st March, 2022
Actuarial (Gains) / Losses	(10.13)	4.64

f) Assumptions used in the accounting for the gratuity plan:	Gratuity Funded as on	
	31st March, 2023	31st March, 2022
Discount Rate (%)	7.40%	6.80%
Rate of return on plan assets (For funded scheme) (%)	6.47%	7.00%
Salary escalation rate (%)	7.00%	7.00%
Mortality* :		
* Indian Assured Lives Mortality (2012-14)		

g) Sensitivity Analysis

Particulars	Gratuity Funded as on	
	31st March, 2023	31st March, 2022
+1.00% Change in Rate of Discounting	107.40	96.41
-1.00% Change in Rate of Discounting	124.10	111.21
+1.00% Change in Rate of Salary escalation	124.04	111.12
-1.00% Change in Rate of Salary escalation	107.31	96.37
+1.00% Change in Rate of Withdrawal	115.18	103.18
-1.00% Change in Rate of Withdrawal	114.92	103.28

Leave Encashment Disclosure as per Actuarial Valuation

The Company's Long Term benefits includes Leave Encashment payable at the time of retirement subject to, policy of maximum leave accumulation of company. The scheme is not funded.

Particulars	Leave Encashment Not Funded	
	31st March, 2023	31st March, 2022
Expense recognised in the Statement of Profit & Loss Account		
Current Service Cost	12.76	11.64
Net Interest Cost	2.05	1.09
Net Value of re-measurements on the obligation and plan assets	10.81	13.82
Total expense	25.62	26.55
Actuarial loss / (gain) due to change in financial assumptions	(1.42)	-0.02
Actuarial loss / (gain) due to change in experience assumptions	12.23	13.83
Net Actuarial loss / (gain)	10.81	13.82
Net Asset / (Liability) recognised in the Balance Sheet	33.10	27.69
Opening Defined Benefit Obligation	27.69	16.08
Current Service Cost	12.76	11.64
Interest Cost	2.05	1.09
Actuarial loss / (gain) due to change in financial assumptions	-1.42	-0.02
Actuarial loss / (gain) due to change in experience assumptions	12.23	13.83
Benefits Paid	(20.21)	(14.94)
Closing Defined Benefit Obligation	33.10	27.69



35 Related Party Disclosures

a) Name of the related party and nature of relationship: -

Sr No	Particulars	Relationship
I	Key Managerial Personnel / Directors: Mr. Alay Shah Mr. Mukesh Patel Mrs. Reshma Patel Mr. Aashay Alay Shah Mr. Zarksis Jahangir Parabia Mr. Rajesh Varma Mr. Prajesh Purohit Ms. Nikki Tiwari	Chairman & Managing Director Independent Director Independent Director Executive Director Independent Director Additional Director Chief Financial Officer Company Secretary
II	Relatives of Key Managerial Personnel Mrs. Shilpa Shah Mr. Aatman Shah	Relative Of Key management Person Relative Of Key management Person
III	Entities controlled by Directors/Relatives of Directors NILE Transformers Limited	Entities controlled by Directors/Relatives of Directors

b) Key Managerial Personnel Compensation

Particulars	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
Short-term employee benefits	479.39	167.20
Terminal Benefits	40.63	32.96
Other Benefits	62.12	21.60
Total Compensation	582.14	221.75

c) Transactions with Related Parties:

During the year, the following transactions were carried out with related parties and relative of Key Managerial Personnel in the ordinary course of the business.

Sr No	Key Managerial Personnel and their relatives	Name of Parties	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
1	Key Managerial Personnel Remuneration	Mr. Alay Shah Mr. Prajesh Purohit Ms. Nikki Tiwari Mr. Aashay Shah	421.25 12.32 1.86 43.96	130.69 11.36 1.89 23.26
2	Relative Of Key management Person Remuneration	Mr. Atman shah	22.55	12.57
3	Dividend paid	Mr. Alay Shah Mrs. Shilpa Shah Mr. Atman shah Mr. Aashay Shah	41.82 16.08 15.77 15.77	15.68 6.02955 5.91573 5.91573



4	Perquisites	Mr. Alay Shah Mr. Ashay Shah	3.33 1.20	3.96 0.50
5	Sitting Fees	Mr. Mukesh Patel Mrs. Reshma Patel Mr. Zarksis Jahangir Parabia Mr. Rajesh Varma	1.55 1.10 1.05 1.20	1.15 0.80 0.90 0.80
6	Sale of Goods	Nile Transformers Limited	137.51	21.67

d) Outstanding Balances

Sr. No.	Particulars	As at 31st March, 2023	As at 31st March, 2022
1	Entities controlled by Directors/Relatives of Directors		
	Trade Receivables		
	Nile Transformers Limited	(9.95)	0.23
2	Key Managerial Personnel and relatives		
	Mr. Alay Shah	197.22	6.99
	Mr. Aashay Shah	2.67	1.36
	Mr. Aatman Shah	1.02	0.76
	Mr. Prajesh Purohit	0.99	0.86
	Ms Nikki Tiwari	0.14	0.13

36 Contingent Liabilities and Capital Commitments

Sr. No.	Particulars	As at 31st March, 2023	As at 31st March, 2022
(i)	Contingent liabilities		
	a) Liabilities Disputed in appeals - Value Added Tax	4.48	10.34
	b) Claims against the Company not acknowledged as debt (on account of outstanding law suits)	0.23	0.23
	c) Letter of Credit and Bank Guarantees	3,714.05	3,272.16
(ii)	Capital Commitments (Estimated amount of contracts to be executed on account of Property, Plant and Equipment)(Net of advances)	38.42	33.33

37 Disclosure pursuant Leases:

As Lessor:

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

Particulars	Rs in Lakhs
Less than one year	42.63
One to Two Years	21.84
Two to three years	-
Total	64.47

38 Disclosure related to Micro, Small and Medium Enterprises:

On the basis of confirmation obtained from the supplier who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) and based on the information available with the company, the following are the details:



Particulars		As at 31st March, 2023	As at 31st March, 2022
(a)	The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;		
	i) Principle Amount	74.66	408.26
	ii) Interest Due thereon	NIL	NIL
(b)	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises	-	
(c)	The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;		-
(d)	The amount of interest accrued and remaining unpaid at the end of each accounting year; and		-
(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 Micro, Small and Medium Enterprises Development Act, 2006.		-

39 Payments to Auditors

Particulars	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
Statutory Auditors		
Audit Fees (including limited review)	2.75	2.75
Tax related Matters	0.65	0.65
For certification	0.44	0.07
Fees for other services	0.15	0.18

40 Corporate Social Responsibility (CSR)

As per section 135 of the Companies Act , 2013 , a CSR committee has been formed by the company. The areas for CSR activities are promoting education, art and culture, healthcare, destitute care and rehabilitation and rural development projects as specified in Schedule VII of the Companies Act, 2013. The details of amount required to be spent and actual expenses spent during the year is as under:

Sr. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
(i)	Amount required to be spent by the company during the year	18.89	13.29
(ii)	Amount of expenditure incurred	27.47	15.14
(iii)	Shortfall at the end of the year	-	-
(iv)	Total of previous years shortfall	-	-
(v)	Reason for shortfall	-	-
(vi)	Nature of CSR activities	Promoting education, art and culture, healthcare, destitute care and rehabilitation and rural development projects	
(vii)	Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant AS	-	-
(viii)	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year	NA	NA



41 Operating Segments

The activities of the Company relate to only one segment i.e. Transformers & Parts.

Geographical Information

The analysis of geographical information is based on the geographical location of the customers. The geographical information considered for disclosure are as follows:

Revenue by Geography

Particulars	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
Within India	13,541.60	13,448.03
Outside India	14,482.53	4,570.18

Carrying value of segment assets

Particulars	As at 31st March, 2023	As at 31st March, 2022
Within India	11,539.89	11,609.47
Outside India	6,236.80	2,988.34

Property, Plant and Equipment by Geographical Locations

The Company has common PPE for producing goods for domestic as well as overseas market. There are no PPE situated outside India. Hence, additional segment-wise information for PPE / additions to PPE has not been furnished.

42 Dividends to Non-Resident Shareholders:

Particulars	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
Dividend	6.19	2.32
Number of Non resident shareholders	2	2
Number of Equity shares held by such non resident shareholders	154,653	154,653
Year to which Dividend relates	2021-22	2020-21

43 Investment Property

(i)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Amount Recognised in profit or loss for Investment properties Rental Income	40.59	35.93
Depreciation	2.77	2.77
Profit from Investment Property	37.82	33.15



(ii)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Fair Value		
Investment Properties	757.44	757.44
Total	757.44	757.44

Estimation of Fair Value: Method of Estimation

The fair value of investment property is based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

44 Trade receivable Ageing Schedule

As at 31st March, 2023

Particulars	Outstanding for following periods from the date of transaction					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	8,637.15	598.01	30.64	25.16	-	9,290.97
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-

As at 31st March, 2022

Particulars	Outstanding for following periods from the date of transaction					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	6,283.23	560.38	76.08	42.21	-	6,961.91
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-



45 Trade payable Ageing Schedule

As at 31st March, 2023

Particulars	Outstanding for following periods from the date of transaction				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	74.66	-	-	-	74.66
(ii) Others	3,526.33	18.90	3.29	6.90	3,555.43
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

As at 31st March, 2022

Particulars	Outstanding for following periods from the date of transaction				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	408.26	-	-	-	408.26
(ii) Others	3,142.46	2.93	14.31	-	3,159.70
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

46 Ratios

a) Current ratio = Current assets divided by current liabilities

Particulars	2022-23	2021-22
Current Assets	13,570.58	10,635.83
Current Liabilities	5,309.48	6,045.90
Ratio (in times)	2.56	1.76
% change from previous year	45.29	

Reason : Due to better liquidity position.

b) Debt equity ratio = Total debt divided by Total equity where total debt refers to sum of current & non current borrowings

Particulars	2022-23	2021-22
Total debt (including current maturities and interest accrued)	0.00	1702.99
Shareholder's Equity	12,144.23	7,976.94
Ratio (in times)	-	0.21
% change from previous year	-100.00	

Reason : Due to term loan repaid during the year.

c) Debt Service Coverage Ratio = Earnings available for debt services divided by Total interest and principal repayments

Particulars	2022-23	2021-22
Net profit after tax	4,312.24	1,404.04
Add: Non cash operating expenses and finance cost		
- Depreciation and amortisation	240.36	257.93
- Interest on term loan	15.59	28.56
Earnings available for debt services	4,568.19	1,690.53
- Interest on term loan	15.59	28.56
-Principal repayments	537.72	277.25
Total Interest and principal repayments	553.32	305.80
Ratio (in times)	8.26	5.53
% change from previous year	49.35	

Reason : Due to increase in profitability, term loan repaid and reduction of interest of credit facilities .

d) Return on Equity Ratio = Net profit after tax divided by Average Shareholder's Equity

Particulars	2022-23	2021-22
Net profit after tax	4,312.24	1,404.04
Average Shareholder's Equity	10,060.58	7,305.26
Ratio (in %)	42.86%	19.22%
% change from previous year	123.02	

Reason : Due to increase in profitability.

e) Inventory Turnover Ratio = sales divided by Average Inventory

Particulars	2022-23	2021-22
Sales	28,024.12	18,018.21
Average Inventory	2,732.50	2,936.97
Ratio (in times)	10.26	6.13
% change from previous year	67.17	

Reason : Due to increase in holding period inventory in proportion of increase in sales.

f) Trade Receivables turnover ratio = Credit Sales divided by average trade receivables

Particulars	2022-23	2021-22
Credit sales	28,024.12	18,018.21
average trade receivable	8,055.35	4,994.25
Ratio (in times)	3.48	3.61
% change from previous year	(3.57)	

g) Trade Payable turnover ratio = Credit purchase divided by Average trade payable

Particulars	2022-23	2021-22
Credit purchase	19,067.94	14,441.94
Average trade payable	3,599.03	3,183.43
Ratio (in times)	5.30	4.54
% change from previous year	16.79	



h) Net capital turnover ratio = Sales divided by Working capital whereas working capital= current assets - current liabilities

Particulars	2022-23	2021-22
Net sales	28,024.12	18,018.21
Working capital	8,261.11	4,589.93
Ratio (in times)	3.39	3.93
% change from previous year	-13.59	

i) Net profit ratio = Net profit after tax divided by Sales

Particulars	2022-23	2021-22
Net profit after tax	4,312.24	1,404.04
Net sales	28,024.12	18,018.21
Ratio (in %)	15.39%	7.79%
% change from previous year	97.47	

Reason : Due to increase in profitability of the Company.

j) Return on Capital employed = Earnings before interest and taxes(EBIT) divided by Capital Employed

Particulars	2022-23	2021-22
Earnings before interest and taxes	5,876.00	2,019.05
Capital Employed	12,381.98	9,893.34
Ratio (in %)	47.46%	20.41%
% change from previous year	132.54	

Reason : Due to increase in profitability.

k) Return on Investment

Particulars	2022-23	2021-22
Income generated from investments	34.30	16.25
Average Investments	346.45	125.86
Ratio (in %)	9.90%	12.91%
% change from previous year	-23.35	

47 Borrowings secured against current assets

The Company has borrowings from banks secured against Current Assets and quarterly returns filed with the banks are in agreement with the books.

48 Other statutory information :

- a) The company do not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.
- b) The company do not have any transactions with struck off companies.
- c) The company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- d) The company have not traded or invested in Crypto currency or Virtual Currency during the year.



- e) The company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (i) 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
 - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- f) The company have not received any fund 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:
- (i) 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
 - (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- g) The company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the 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.
- h) There are no Scheme of Arrangements that has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

49 Fair Value Measurements

Financial instruments by category

Particulars	As at 31st March, 2023			As at 31st March, 2022		
	FVTPL	FVOCI	Amortized Cost	FVTPL	FVOCI	Amortized Cost
Financial Assets						
Investments						
-Mutual Fund	692.89	-	-	-	-	-
Trade Receivables	-	-	9,210.66	-	-	6,900.03
Cash and Cash Equivalents	-	-	859.78	-	-	5.69
Bank Balances other than above	-	-	68.36	-	-	83.58
Other Financial Assets	-	-	327.34	-	-	355.33
Total Financial Assets	692.89	-	10,466.14	-	-	7,344.64
Financial Liabilities						
Borrowings	-	-	-	-	-	1,702.99
Trade payables	-	-	3,630.09	-	-	3,567.97
Other current financial Liabilities	-	-	15.08	-	-	27.34
Total Financial Liabilities	-	-	3,645.17	-	-	5,298.29

(i) Fair value hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.



Financial Assets and Liabilities measured at fair value - recurring fair value measurements

As at 31st March, 2023	Notes	Level 1	Level 2	Level 3	Total
Financial Assets					
Financial Investments at FVTPL					
Investment in Mutual Fund	8	692.89	-	-	692.89
Total Financial Assets		692.89	-	-	692.89
Financial Liabilities		-	-	-	-
Total Financial Liabilities		-	-	-	-

Financial Assets and Liabilities measured at fair value - recurring fair value measurements

As at 31st March, 2022	Notes	Level 1	Level 2	Level 3	Total
Financial Assets					
Financial Investments at FVTPL					
Investment in Mutual Fund	8	-	-	-	-
Total Financial Assets		-	-	-	-
Financial Liabilities		-	-	-	-
Total Financial Liabilities		-	-	-	-

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes mutual funds that have quoted price. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. There are no transfers between levels 1 and 2 during the year. The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels at the end of the reporting period.

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of the remaining financial instruments is determined using discounted analysis (if any).

50 Financial Risk Management

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.



(A) Credit risk

Credit risk is the risk of incurring a loss that may arise from a borrower or debtor failing to make required payments. Credit risk arises mainly from outstanding receivables from free market dealers, cash and cash equivalents, employee advances and security deposits. The Company manages and analyses the credit risk for each of its new clients before standard payment and delivery terms and conditions are offered.

(i) Credit risk management

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer and including the default risk of the industry, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- i) Actual or expected significant adverse changes in business;
- ii) Actual or expected significant changes in the operating results of the counterparty;
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations;
- iv) Significant increase in credit risk on other financial instruments of the same counterparty;
- v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss.

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instrument, which requires expected lifetime losses to be recognized from initial recognition of the receivables. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit Losses (ECL), the Company considers reasonable and relevant information that is available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information.

The following table provides informations about the exposure to credit risk and ECL's for trade receivable:

As at 31st March , 2023	Gross carrying amount	Weighted average loss rate - range	Loss allowance
Neither past due not impaired			
0-1 year	9,235.16	0.77%	70.96
1-2 years	30.64	10%	3.06
2-3 years	25.16	25%	6.29
Specific provision	-	-	-
Total	9,290.97		80.31

As at 31st March , 2022	Gross carrying amount	Weighted average loss rate - range	Loss allowance
Neither past due not impaired			
0-1 year	6,843.61	0.63%	43.13
1-2 years	76.08	10%	7.98
2-3 years	42.21	25%	10.76
Specific provision	-	-	-
Total	6,961.91		61.87

Other than trade and other receivables, the Company has no other financial assets that are past due but not impaired



(B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(i) Maturities of financial liabilities

The tables herewith analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities

Particulars	Less than 1 year	More than 1 year	Total
As at 31st March, 2023			
Non-derivatives			
Borrowings	-	-	-
Trade payables	3,630.09	-	3,630.09
Other financial liabilities	7.58	7.50	15.08
Total Non-derivative liabilities	3,637.67	7.50	3,645.17
As at 31st March, 2022			
Non-derivatives			
Borrowings	1,452.31	250.68	1,702.99
Trade payables	3,567.97	-	3,567.97
Other financial liabilities	19.84	7.50	27.34
Total Non-derivative liabilities	5,040.12	258.18	5,298.29

(C) Market risk

(i) Foreign currency risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The risk is measured through a forecast of foreign currency for the Company's operations.

The Company's exposure to foreign currency risk at the end of the reporting period expressed in Indian Rupee, are as follows:

(i) Trade receivable and other Receivable

Currency	As at March 31, 2023		
	Trade receivable and other Receivable	Hedges available	Net exposure to foreign currency risk
USD	6,236.80	-	6,236.80
EURO	-	-	-



Currency	As at March 31, 2022		
	Trade receivable and other Receivable	Hedges available	Net exposure to foreign currency risk
USD	2,988.34	-	2,988.34
EURO	6.99	-	6.99

(ii) Trade payable and other payable

Currency	As at March 31, 2023		
	Trade receivable and other Receivable	Hedges available	Net exposure to foreign currency risk
USD	-	-	-

Currency	As at March 31, 2022		
	Trade receivable and other Receivable	Hedges available	Net exposure to foreign currency risk
USD	917.55	-	917.55

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly in USD sensitivity from unhedged foreign currency denominated financial instruments.

	Impact on profit after tax	
	31st March, 2023	31st March, 2022
USD sensitivity		
INR/USD increases by 5%	311.84	103.89
INR/USD decreases by 5%	(311.84)	(103.89)

51 Capital Management

Risk management

For the purpose of the company's capital management, equity includes equity share capital and all other equity reserves attributable to the equity holders of the Company. The Company manages its capital to optimise returns to the shareholders and makes adjustments to it in light of changes in economic conditions or its business requirements. The Company's objectives are to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth and maximise the shareholders value. The Company funds its operation through internal accruals. The management and Board of Directors monitor the return on capital as well as the level of dividends to shareholders.

52 Managerial Remuneration paid/payable of Rs. 246.55 Lakhs to the managing director is subject to approval of shareholders in the ensuing Annual General Meeting. The same has been provided based on recommendation by Nomination and Remuneration Committee and as agreed by the Board of Directors and with the consent of the Company.

53 Event after reporting Period

The Board of Director recommended final dividend of Rs.10/- per equity share for the financial year ended on 31st March, 2023. The payment is subject to approval of share holder in ensuing Annual General Meeting of the Company. (Previous year Rs. 4 per equity share).



- 54** These Financial Statements were authorised for issue in accordance with the resolution of the Board of Directors in its meeting held on 29th April, 2023.
- 55** The previous year's figures have been regrouped / rearranged wherever necessary to make it comparable with the current year.

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

As per our Report of even date

For and on behalf of Board of Directors of
Shilchar Technologies Limited

For C N K & Associates LLP
CHARTERED ACCOUNTANTS
Firm Registration No.101961W/W-100036

Alay Shah
Managing Director
DIN - 00263538

Aashay Shah
Director
DIN - 06886870

Alok Shah
(Partner)
Membership No. 042005

Niki Tiwari
Company Secretary

Prajesh Purohit
Chief Financial officer

Place: Bill, Vadodara
Date: 29th April, 2023

Place: Bill, Vadodara
Date: 29th April, 2023



**SHILCHAR
TECHNOLOGIES LIMITED**

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