

### NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 28<sup>th</sup> Annual General Meeting of the members of the Exicom Tele-Systems Limited will be held on Monday, the 29th day of August, 2022 at 4:00 P.M. at the Registered Office of the Company at 8, Electronics Complex, Chambaghat, Distt. Solan, Himachal Pradesh - 173213 to transact, the following business:

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the audited standalone Financial Statements for the financial year ended 31<sup>st</sup> March, 2022 of the Company and the Reports of the Board of Directors and the Auditors of the Company thereon and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolutions as Ordinary Resolutions:

**"RESOLVED THAT** the audited financial statement of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby considered and adopted."

2. To re-appoint Mr. Subhash Chander Rustgi (DIN: 06922968) who retires by rotation as a Director and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution

**"RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Subhash Chander Rustgi (holding DIN: 06922968), who retires by rotation at this meeting be and is hereby appointed as a Director of the Company."

3. To appoint Statutory Auditors of the Company and to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** in accordance with the provisions of Sections 139 and 142 of the Companies Act, 2013, Messrs. Khandelwal Jain & CO, Chartered Accountants (Firm Registration No. 105049W), be and are hereby appointed as the Auditors of the Company from the conclusion of this Meeting to hold such office for a period of five years till the conclusion of the Thirty third (33<sup>rd</sup>) Annual General Meeting, at a remuneration to be mutually decided between the auditors and the Board."

#### SPECIAL BUSINESS:

#### **4. APPROVAL OF REMUNERATION OF THE COST AUDITORS**

In this regard to consider and if though fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the cost auditors M/s SKG & Co., Cost Accountants appointed by the Board of Directors of the Company to conduct the audit of cost records of the Company





for the Financial Year ending 31 March, 2023 be paid the remuneration of Rs. 110,000/- (Rupees One Lakh Ten Thousand Only) plus taxes as applicable & re-imbursement of out of pocket expenses.

**RESOLVED FURTHER THAT** Board of Directors of the Company be and is hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

**5. APPROVAL OF TRANSFER OF THE EV BATTERY BUSINESS AND EV CHARGERS BUSINESS OF THE COMPANY ON A "SLUMP SALE" AND GOING CONCERN BASIS INTO TWO SEPARATE ENTITIES I.E. EXICOM ENERGY SYSTEMS PRIVATE LIMITED AND EXICOM POWER SYSTEMS PRIVATE LIMITED RESPECTIVELY**

In this regard to consider and if though fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of section 180(1)(a) of the Companies Act, 2013 read with relevant rules made thereunder, and any other applicable provisions, including any modification(s) thereto or re-enactment(s) thereof for the time being in force, and the enabling provisions in the Memorandum and Articles of Association of the Company and such other approvals as are required for the purpose, approval and consent of the members of the Company be and is hereby granted to the Board of Directors to sell and transfer the entire battery business to Exicom Energy Systems Private Limited and the entire charger business to Exicom Power Systems Private Limited including but not limited to the entire portfolio of assets of the Company, certain identified employees of the Company and certain identified assets and liabilities of the Company, account receivables, account payables, inventory, customers and contracts, licenses, permits, rights, obligations, consents and approvals relating to the said businesses which are specific to the Battery business and Charger business respectively, on a slump sale basis, at a fair value which will not be lower than the book value of the assets of the business undertaking being transferred to Exicom Energy Systems Private Limited and Exicom Power Systems Private Limited respectively.

**6. APPROVAL OF RELATED PARTY TRANSACTION UNDER SECTION 188 OF THE COMPANIES ACT, 2013**

In this regard to consider and if though fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to Section 188 and other applicable provisions, if any of the Companies Act, 2013 and relevant Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) consent of the members be and is hereby accorded to the Board of Directors to enter into an agreement with Exicom Energy Systems Private Limited and Exicom Power Systems Private Limited respectively for effecting the sale and transfer of the entire battery business and entire charger business including the entire portfolio of assets of the Company, comprising the battery business and charger business including but not limited to certain identified employees of the Company and certain identified assets and liabilities of the Company which are specific to the battery business and charger business respectively, on a slump sale basis, at a fair value which will not be lower than the book value of the assets of the business undertaking being transferred to Exicom Energy Systems Private Limited and Exicom Power Systems Private Limited respectively.

*Sargauts*



**RESOLVED FUTHER THAT** Mr. Anant Nahata, MD and CEO and Mr. Shiraz Khanna, Chief Financial Officer of the Company, be and are hereby severally authorized to do such acts, deeds and things and execute all such documents, undertakings as may be necessary for giving effect to the above resolutions."

By Order of the Board of Directors  
For Exicom Tele-Systems Limited



*Sangeeta*

Sangeeta Karnatak  
Company Secretary  
M. NO 25216

A-84/1, SFS Flat, Saket, New  
Delhi-110017

Place: Gurugram  
Date: 03.08.2022

**NOTES:**

1. The members may vote in the meeting either in person or by proxies.
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING THE PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.  
  
A person can act as proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of total share capital of the Company carrying voting rights may appoint a single person as proxy for any other person or shareholder.  
  
The proxy form to be filed with company shall contain a revenue stamp of Rupee 1/- (One), duly signed both by the shareholders and proxy to be appointed and deposited with the Company as stated above. A proxy form is enclosed along with this notice.
3. Members should bring the enclosed attendance slip duly filled in for attending the meeting along with the notice.
4. All documents mentioned in the accompanying notice are open for inspection at the registered office of the Company between 11 A.M. to 2 P.M. on all working days except Saturday up to the date of this Annual General Meeting.
5. Route-map to the venue of the meeting is provided at the end of the notice.
6. Members are requested to update their e-mail address with the Company.
7. A member may request for delivery of any document through a particular mode and the fee for the same shall be determined by the Company in the Annual General Meeting.

*Jagadeesh*





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

**ITEM NO. 4:**

Pursuant to Section 148 of the Companies Act, 2013 read with the relevant rules thereunder, the Company is required to appoint a cost auditor to audit the cost records for the applicable products of the Company. On the recommendation of the Audit Committee at its meeting held on June 15, 2022 the Board considered and approved the appointment of M/s SKG & Co., Cost Accountants (F. No. 000418) as the cost auditor for the FY 2022-23 at remuneration of Rs. 110,000/- (Rupees One Lakh Ten Thousand Only) plus taxes as applicable & re-imbursement of out of pocket expenses.

The Board of Directors recommends the Ordinary Resolution as set out in Item No. 4 of the Notice for the approval of the shareholders.

None of the persons specified in Section 102 of the Companies Act, 2013, viz., the Directors, Manager, Key Managerial Personnel(s), if any, and their relatives are concerned or interested in the above resolution.

**ITEM NO 5**

Members of the Company are further requested to note that 180(1)(a) of the Companies Act, 2013 mandates that the Board of Directors of the Company shall exercise the power to sell, lease or otherwise dispose of the whole or substantially the whole of any undertaking(s) of the Company, only with the approval of members of the Company by way of special resolution. Explanation (i) to section 180(1)(a) of the Companies Act, 2013 states that the meaning of an 'undertaking' for the purposes of Section 180(1) of the Companies Act, 2013 is an undertaking in which the investment of the Company exceeds 20% of its Networth as per the audited balance sheet of the preceding financial year or an undertaking which generates 20% of the total income of the company during the previous financial year. Explanation (ii) to section 180(1)(a) of the Companies Act, 2013 states that the meaning of an 'substantially the whole of the undertaking' for the purpose of Section 180(1) is in any financial year, 20% or more of the value of the undertaking as per the audited balance sheet of the preceding financial year

Accordingly, pursuant to section 180(1)(a) of the Companies Act, 2013 members of the Company are further requested to note that their consent to the Board is being sought by way of special resolution to sell and transfer, the battery business to Exicom Energy Systems Private Limited and the entire charger business to Exicom Power Systems Private Limited including but not limited to the entire portfolio of assets of the Company, certain identified employees of the Company and certain identified assets and liabilities of the Company and contracts, licenses, permits, rights, obligations, consents and approvals relating to the said businesses which are specific to the Battery business and Charger business respectively, on a slump sale basis.

The Board of Directors recommends the Special Resolution as set out in Item No. 5 of the Notice for the approval of the shareholders.

None of the persons specified in Section 102 of the Companies Act, 2013, viz., the Directors, Manager, Key Managerial Personnel(s), if any, and their relatives except Mr. Anant Nahata and Mr. Shiraz Khanna are concerned or interested in the above resolution.

*Singh*



Mr. Anant Nahata (Managing Director cum CEO) also being the beneficial owner in Exicom Energy Systems Private Limited and Exicom Power Systems Private Limited respectively, is directly or indirectly interested in the above Resolution.

#### **ITEM NO 6**

Members of the Company are further requested to note that Section 188(1) of the Companies Act, 2013 read with the relevant Rules made thereunder requires any transaction entered into between related parties for 'selling or disposing of, or buying, property of any kind' where the amount exceeds ten percent or more of the turnover of the company, to be approved by the members of the Company by way of a special resolution.

The third proviso to Section 188(1) of the Companies Act, 2013 states that Section 188 (1) shall not apply to any transactions entered into by the Company in its ordinary course of business, on an arm's length basis.

Accordingly, even though the proposed transaction of the sale and transfer of business undertaking comprising the battery business and charger is to be entered into by the Company with Exicom Energy Systems Private Limited and Exicom Power Systems Private Limited on an arm's length basis, based on the valuations arrived at by the independent valuers appointed by the Company, since this transaction could be construed as being outside the ordinary course of business, the approval of the members of the Company under Section 188 of the Companies Act, 2013 is being sought by way of a Special Resolution for the business transfer transaction.

The particulars of the transaction which is proposed to be entered into by the Company, are provided in brief, herein below:

Sr. No.	Nature of transaction as per section 188 of the Companies Act, 2013	Name of the Director/KMP who is a related and nature of relationship	Name of the Related Party	Amount (in crore)
1.	The contract envisages the transfer by the Company of the Battery business and Charger business (including the entire portfolio of assets comprised therein) of the Company, as a business undertaking on a slump sale basis to Exicom Energy Systems Private Limited and Exicom Power Systems Private Limited at a fair value which will not be lower than the book value of the assets of the business undertaking being transferred to Exicom Energy Systems Private Limited and Exicom Power Systems Private Limited respectively.	Mr. Anant Nahata (Director)  Mr. Shiraz Khanna (CFO)	Exicom Energy Systems Private Limited and Exicom Power Systems Private Limited	Not lower than the book value of the assets of the business undertaking being transferred.  Basis the book value as reflected as on March 31, 2022, the book value of the assets of the business undertaking being transferred amounts to approximately Rs. 50 crores in Power business and Rs. 12 Crores in battery business

*Jagub*





<p>The transaction in addition to transfer the entire portfolio of assets comprised in the battery business and charger business will also involve transfer of certain identified employees of the Company and certain identified assets and liabilities of the Company, account receivables, account payables, inventory, customers and contracts, licenses, permits, rights, obligations, consents and approvals which are specific to the Battery business and charger business.</p>			
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None of the Director, KMP or their relatives, either directly or indirectly is in any way concerned or interested in the above Resolution except Mr. Anant Nahata (MD and CEO) and Mr. Shiraz Khanna (CFO) by virtue of their position as Director in both the companies.

Mr. Anant Nahata (Managing Director cum CEO) also being the beneficial owner in Exicom Energy Systems Private Limited and Exicom Power Systems Private Limited respectively, is directly or indirectly interested in the above Resolution.

The Board of Directors recommends the Special Resolution as set out in Item No. 6 of the Notice for the approval of the shareholders.

By Order of the Board of Directors  
For Exicom Tele-Systems Limited



*Sangeeta*  
Sangeeta Karnatak  
Company Secretary  
(M.NO 25216)  
A 84/1 SFS Flat, Saket,  
New Delhi, 110017

Place: Gurugram  
Date: 03.08.2022

### ATTENDANCE SLIP

The Folio No. and Name(s) of the Member(s) is / are to be furnished below in block letters

Folio No..... No. of Shares held .....

Client ID ..... DP ID .....

Full Name(s) of Member / Joint Members

1..... 2.....  
3..... 4.....

Full Name of the Proxy if attending the meeting.....

I hereby record my presence at the Annual General Meeting of Exicom Tele-Systems Limited held on .....

Signature of the Member / Joint Members / Proxy attending the Meeting

Please complete this attendance slip and hand it over at the entrance of the Meeting hall.





**Form No. MGT-11**

**Proxy form**

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: U64203HP1994PLC014541

Name of the Company: Exicom Tele-Systems Limited

Registered office: 8 Electronics Complex, Chambaghat, Distt. Solan, Himachal Pradesh – 173213

Name of the Member(s):
Registered address:

I/ We .....being the member of the Exicom Tele-Systems Limited holding.....shares, hereby appoint

1. Name:  
Address:  
E-mail Id:  
Signature: ....., or failing him

2. Name: .....  
Address:  
E-mail Id:  
Signature: .....,

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at Annual General Meeting of members of the Company, to be held on Monday, 29<sup>th</sup> August 2022 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	For	Against
<b>Ordinary Business</b>			
1	To receive, consider and adopt the standalone Financial Statements ended 31 <sup>st</sup> March, 2022 of the Company including the Audited Balance Sheet, the Statement of Profit and Loss and the cash flow statement for the year ended on that date and the Reports of the Board of Directors and the Auditors of the Company		
2.	To appoint Mr. Subhash Chander Rustgi who retires from office by rotation, but being eligible, offers himself for re-election.		

*Signature*



3.	To approve and appoint M/s Khandelwal Jain & Co, Chartered Accountants as Statutory Auditors of the Company.		
<b>Special Business:</b>			
4.	To approve the remuneration of Cost Auditors for the financial year ending March 31, 2023		
5.	Approval of transfer of the EV battery business and EV chargers business of the company on a "slump sale" and going concern basis into two separate entities i.e. Exicom Energy Systems Private Limited and Exicom Power Systems Private Limited respectively		
6.	Approval of related party transaction under Section 188 of the Companies Act, 2013		

Signed .....

Signature of Shareholder

Signature of Proxy holder(s)

Note: (a) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, before the commencement of the Meeting.

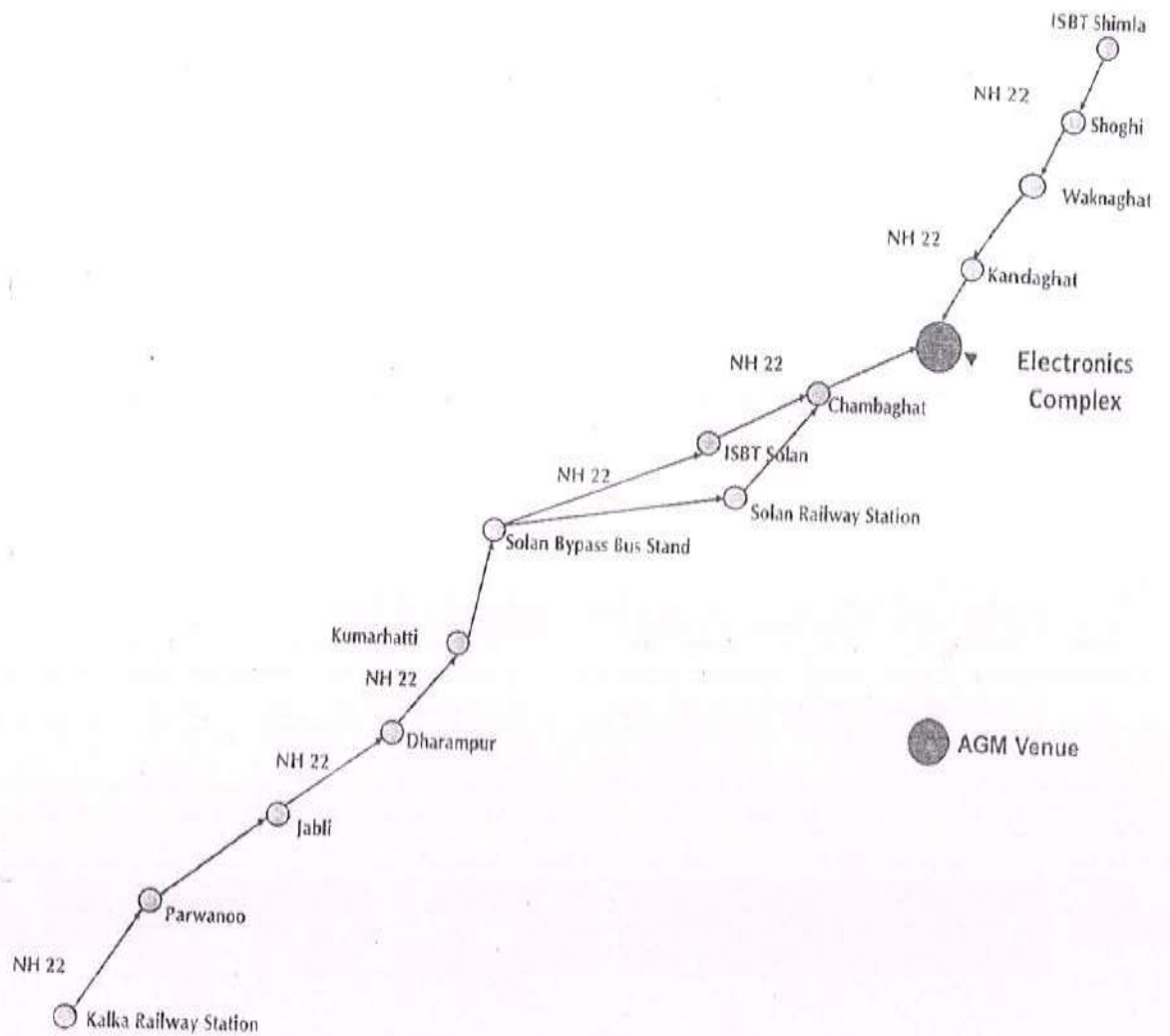
(a) Proxy need not be member of the company.

Affix Revenue  
Stamp





Road Map of AGM Venue i.e. 8, Electronics Complex, Chambaghat,  
Solan-173 213, Himachal Pradesh



## DIRECTORS' REPORT

To,  
 The Members  
 Exicom Tele-Systems Limited

Your Directors are pleased to present the 28<sup>th</sup> Annual Report of the Company along with the audited standalone financial statement of the Company for the financial year ended 31<sup>st</sup> March, 2022.

All references to "the Act" in this report refer to the Companies Act, 2013 unless stated otherwise.

### FINANCIAL PERFORMANCE

The financial performance of the Company for the year ended 31<sup>st</sup> March, 2022 is summarized as below:

Particulars	Standalone (INR)	
	Current Year 2021-22	Previous Year 2020-21
Revenue from operations	3,978,337,474	3,091,263,486
Other Income	381,586,575	143,472,082
Profit/(Loss) before Interest, Depreciation, taxation and exceptional items	481,586,494	82,345,282
Finance Charges	200,886,511	156,213,466
Depreciation	184,961,822	158,980,686
Profit/(Loss) before Tax	95,738,161	(232,848,870 )
Deferred Tax & MAT credit	14,836,263	( 178,764,341 )
Less: MAT credit entitlement and Income tax of earlier year	-	52,492,498
Net Profit/(Loss)	40,548,917	( 106,577,027 )
Other comprehensive Income / (loss)	6,837,874	1,967,054
Net profit and (loss) after other comprehensive income	47,386,791	( 104,609,973 )

**Note:** As per Notification [F.No.1/19/2013-CI-V-Part] dated 27-7-2016 of Companies (Accounts) Amendment Rules, 2016 issued by the MCA on 27/07/2016, your Company being a subsidiary of



Nextwave Communications Private Limited (Nextwave) is exempted from preparing/filing the consolidated financial statements for this year. However, the Company has voluntarily prepared the consolidated financial statement. Further, Nextwave Communications Private Limited is filing the consolidated financial statement with the Registrar of Companies, Ministry of Corporate Affairs, therefore your Company is filing only the standalone financials of your Company.

#### **RESULT OF OPERATIONS AND THE STATE OF AFFAIRS:**

Your Company's performance for the FY 2021-22 was better than the previous year's performance despite post COVID 19 impacts. Your Company achieved revenue of ₹397.83 Crore as against ₹309.12 Crore in the previous FY20-21, reporting a growth of approx. 28%.

We achieved an operating profit of PBT ₹ 9.57 crore / PAT ₹4.05 Crore vs PBT ₹(-23.28) Crore / PAT ₹(-10.65) Crore in the previous financial year 2020-21. However, we firmly believe in our growth strategy for EV Business and thus continued to invest in the EV Commercial and R&D organization.

The state of affairs of your Company continues to be strong with demand growth in Telecom and EV being one of the sunrise segments for the country.

#### **DEPOSITS**

Your Company has not accepted any deposits within the meaning of provisions of Chapter V-Acceptance of Deposits by Companies of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 and as such no amount of principal or interest was outstanding as of the Balance Sheet date.

#### **SHARE CAPITAL**

The paid-up Share Capital of the Company as on 31st March, 2021 was Rs.7,23,02,030/-

During the Financial Year 2021-22, the Company had not issued any equity shares or debentures

#### **PARTICULARS OF EMPLOYEES**

Particulars of Employees as required under Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), a statement showing the names of top ten employees of the Company in terms of remuneration drawn and other particulars of the employees drawing remuneration in excess of the limits set out in said rules are given in "Annexure- A" annexed herewith.

#### **NUMBER OF BOARD MEETINGS AND BOARD COMMITTEE MEETINGS AND ATTENDANCE OF DIRECTORS AT BOARD MEETINGS AND BOARD COMMITTEE MEETINGS**

The Board of Directors have met four times during the financial year in respect of which notices were properly given and proceedings are duly recorded, signed and compiled in Minutes Books maintained for the purpose.

The number of Board meeting held during the financial year and each Directors attendance at those meetings are set out in the table below:



Name of Directors	During the Financial Year (01/04/2021-31/03/2022)	
	No. of Board Meeting held	No. of Board Meetings attended
*Mr. Brij Behari Tandon	4	0
Mr. Himanshu Baid	4	4
Mr. Subhash Chander Rustgi	4	4
Mr. Anant Nahata	4	4
Ms. Leena P.Gidwani	4	4

The table below shows attendance at Board Committee meetings, of which the directors of the Company are members during the financial year ended 31 March 2022

Name of Directors	Audit Committee Meeting		Nomination and Remuneration Committee Meeting		Corporate Social Responsibility Meeting	
	No. of Meeting held	No. of Meetings attended	No. of Meeting held	No. of Meetings attended	No. of Meeting held	No. of Meetings attended
*Mr. Brij Behari Tandon	2	0	2	0	1	0
Mr. Himanshu Baid	2	2	2	2	1	1
Mr. Anant Nahata	2	2	Not a member		1	1
Mr. Subhash Chander Rustgi	Not a member		2	2	Not a member	

\*Mr. Brij Behari Tandon had sought leave of absence due to health issues.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the Section 134(5) of the Companies Act, 2013 the Board of Directors to the best of their knowledge and ability confirm;

- that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- that we have 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 financial year and of the profit and loss of the Company for that period;
- that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the annual accounts have been prepared on a going concern basis;





- (e) that proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively; and
- (f) that proper internal financial controls were laid down and that such internal financial controls are adequate and were operating effectively.

#### **DECLARATION BY INDEPENDENT DIRECTORS**

The Company has received declaration of independence required under Section 149(6) of the Companies Act, 2013, read with the Companies (Particulars of Employees) Rules, 1975 from all its Independent Directors and there has been no change in the circumstances which may affect their status as independent director during the year.

The Board is of the opinion that Independent Directors of the Company hold highest standards of integrity and possess requisite expertise and experience required to fulfill their duties as Independent Directors. In terms of Section 150 of the Companies Act 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 Independent Directors of the Company have also confirmed that they had registered themselves with the databank maintained by The Indian Institute of Corporate Affairs Manesar. ('IICA').

All the Independent Directors of the Company are exempt from the requirement to undertake online proficiency self-assessment test.

#### **BOARD EVALUATION**

The annual evaluation process of the Board of Directors, individual Directors (ID and NID) and Committees was conducted in accordance with the provision of the Act and the NRC Policy.

In a separate meeting of independent directors, performance of Non-Independent Directors and the Board as a whole was evaluated. Also the quality, quantity and timeliness of flow of information between the company management and the board particulars of loans, guarantees or investments was assessed.

Performance evaluation of Independent Directors was done by all the Board members, excluding the Independent Director being evaluated.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The Company has not made any investment and/or has not provided any guarantee as covered under Section 186 of the Companies Act, 2013 during the financial year 2021-22. However, the Board of Directors in their meeting held on September 29, 2021 had approved granting of an additional amount of unsecured loan to 'Energywin Technologies Private Limited' (wholly owned subsidiary company), upto a maximum amount of INR 100,00,000/- (Rupees One Crore Only), in one or more tranches. The details of Loans covered under the provisions of Section 186 of the Companies Act, 2013, are given in the Notes forming part of the Standalone Financial Statements.

#### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

All transactions entered by the Company with Related Parties during the financial year 2021-22 were in the ordinary course of business and on arm's length basis. Further, during the year under review, there are no materially significant related party transactions which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseen and



repetitive nature. The transactions entered into pursuant to the omnibus approval so granted, along with a statement giving details of all related party transactions, are placed before the Audit Committee.

Your Directors draw attention of the members to Notes to accounts to the standalone financial statement which set out disclosures on transactions with related parties and AOC 2 as per **Annexure - B**.

#### **AMOUNT PROPOSED TO BE CARRIED TO RESERVE**

No amount is proposed to be transferred to any specific reserve.

#### **DIVIDEND**

No dividend is recommended for the year ended 31<sup>st</sup> March, 2022.

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

No material changes and commitments have occurred from the end of the financial year till the date of this report which can affect the financial position of the company.

#### **RESEARCH AND DEVELOPMENT (R&D- DCT)**

Your Company has a strong and committed in-house R&D team in Gurugram and Bangalore.

R&D Gurugram is working on following product developments:

##### **1) Photon 48V/3000W Solar Charger**

Our 48V/3000W Photon series solar charger is single controller, single fan, high reliability and high-power density meets the new standard of energy efficiency of >95% and MPPT efficiency of >98%. This Solar charger module designed for working in parallel with other solar charger modules and AC-DC rectifier as a part of DC power system controlled and monitored by M2000 controller through CAN communication. High MPPT tracking efficiency ensures the less or no usage of DG running makes it economical OPEX solution for the site. The combined rectifier and solar charger-based power plant is an all-in-one power solution for mobile telecom operators for Indian and overseas customers. This project was started in Feb, 2022. Proto-A initial level testing of both the stages has been carried out. It requires Proto-B PCB modification for the design errors and EMI certification. Pilot production has been planned in Sep-2022.

##### **2) 3<sup>rd</sup> Party 48V/4000W DSTB rectifier**

To meet the power requirement of 5G network, your company has taken up the 3<sup>rd</sup> party product development of 4KW rectifier. This 4000W/48V single phase Rectifier is designed with state-of-the-art advance topologies for very high-power density (50W/In3) and efficiency (>96%). R&D has explored multiple third-party vendors for cost effective, feature rich and reliable solutions. Based on the multiple third-party vendor specifications, your company shortlisted the company DSTB for the product. All the design changes were done based on your company standard product specification and communication protocol was modified for M2000 system controller CAN communication. Detailed internal testing has been carried out to ensure reliability and long-term performance. Field trial of the rectifier is in progress since April, 2022.





### 3) Serenity 48V/4000W

Our 48V/4000W Serenity series DSP Rectifier single phase Rectifier is designed with state-of-the-art advance topologies for very high-power density (50W/In3) and efficiency (>96%). This rectifier module designed for working in parallel as a part of DC power system controlled and monitored by M2000 controller through CAN communication. This high efficiency rectifier based Power Plant is an all-in-one power solution for mobile telecom operators for overseas and Indian customers. This project was started in year 2021 and due to thermal challenges and design constraint in topologies encountered during development, PCB layout modification with different topology approach has been considered for new development. Also, PCB design was carried out to make inhouse model compatible with the DSTB rectifier for easy replacement of rectifier in future. Proto-A has been developed and initial level testing is in progress. It required one level of iteration for design error and for EMI/ RFI certification. Pilot production has been planned in Dec,22.

### 4) IP67 based 3KW rectifier

To meet the power requirement of 5G network, your company has taken up the 3<sup>rd</sup> party product development of IP67 based 3KW rectifier. This pole mounted 3KW rectifier along with pole mountable Li-Ion battery will be future requirement for 5G urban network. R&D is exploring multiple third party vendors for cost effective, feature rich and reliable solutions. After successful collaboration with third party vendor, field trial of the rectifier is planned in June-2022.

### 4) IP67 based 600W rectifier

To meet the EV 2-wheeler/3-wheeler charging requirement, development of low power charger for mobility market segment has been taken up. This 600W charger with state of art power design and IP67 enclosure can fulfill the end customer requirement of vehicle charging with high reliability and performance. This light weight charger has been designed to mount either on the vehicle or can be kept inside the vehicle. This charger supports multiple CAN communication protocol for charging different batteries. Proto-A assembly and testing is planned on July,22 and Pilot production has been planned for Feb,23.

### 5) Development of M2000-LITE Controller

Company has a state of the art system controller M2000, which meets most of the application requirements. However, there is a need for development of a limited functionality, small footprint and lower cost controller for small cell applications. R&D has taken up development of this controller (M2000-LITE) which will fit in 1U space and occupy <60 mm front panel as compared to 110mm of current controller. Though this product was planned for pilot production in March, 2022, however due to decreased resources and additional activities of redesign due to non-availability of key components, this product has been rescheduled to Sept., 22.

### 6) Development of LX5000 Controller

Company has planned a new high controller providing a host of new functionalities and network adoptability. The controller will be Linux OS based and it will be possible to configure logics using standard scripting methods. This will help to meet customer specific requirements faster, without changing firmware. Though our controller supports such functionality but has multiple limitations. Additionally the controller will provide a larger memory footprint, so that life of product can be increased. This product is more complex than existing controllers and development plan is expected to be 2 years.





Your Company has successfully completed the following projects:

1) Product Design Improvements for 3KW, 2KW, 2KW-EV and Solar Charger

Product design Improvement of 3KW, 2KW, 2KW-EV and Solar Charger has been taken up during 2021-22. R&D has optimized the design for better reliability. R&D has also done the production quality related improvements for all the products mentioned above. This includes PCB and Mechanical Improvements.

2) Redesign of critical units due to non-availability of key components

Due to ongoing shortage / non-availability of semiconductors in the market, it became difficult to manufacture DCIO and WCBMS units. DCIO is a critical unit for most of our supplies and could have stopped our production lines. Similarly we had large orders for WCBMS which is a necessary part of Li-ION battery supplies to telecom operators. Suppliers have refused supply of some key components for these units and there was no visibility for one year. R&D team redesigned both these units in short span by using key components which were available and had better commitments from suppliers.

**RESEARCH AND DEVELOPMENT (R&D- EVSE)**

Your Company has a strong and committed in-house R&D team in Gurugram and Bangalore.

**Category: AC Charger**

EVSE R&D is working on following product developments and technologies:

1. *3.3 kW Type 2 AC Charger (Slim Charger)* – A single phase, light weight, compact and portable AC charger that comes with AC Type 2 output connector which helps consumers to charge their vehicle during their journey. This charger comes with standard three pin plug at input side and gets input from a standard socket that can be easily located at restaurant, parking plaza, roadside motels or rest house.
2. *Compact Charger 7.5 kW – 22 kW Type 2 Version V3 (Home/Home Pro)* – We are working to introduce two advanced variants for single phase AC Type 2 charger with range 7.5 kW – 22 kW with below key features to cater Indian as well as global market:
  - a. Cost-Reduction
  - b. Wireless Home measurement
  - c. High End Processor
  - d. In-house RFID design
  - e. Compact size for printed circuit board
3. *3.3 kW AC-001 Single Socket Kirana* – Architecture is similar to 3.3kW AC-001 Single Socket charger except OCPP, RFID and Wi-Fi. A cost-effective compact AC charger for domestic usage including charging of three wheelers and two wheelers.

EVSE R&D team has successfully launched below products and technologies:

1. *3.3 kW AC-001 Single Socket* – A single phase, light weight, compact and easy to use AC charger with LCD display for user interface, OCPP, RFID and Wi-Fi features that comes with power rating of 3.3kW and single output connector as per standard IEC-60309.
2. *7.5 kW Type 2 AC Charger Compact V 2* – Single phase AC charger with power rating 7.5 kW with high-Low cut and surge protection up-to 6 KV as add on features.



3. 7.5kW Type 2 AC Charger for TATA Motors – Specifically designed and developed for Tata Motors limited, compatible according to newly launched Tata Nexon EV.

Technology:

1. PCA OCPP Wi-Fi/Cellular(Quectel) EVAC Type 2 – Newly designed and developed printed circuit board assembly for Wi-Fi with LTE feature for AC Type 2 charger.
2. PCA AC EV TYPE-2 2.0 – Newly designed and developed printed circuit board assembly with advanced features for AC Type 2 charger.

### Category: DC Charger

EVSE R&D team is working on following product developments and technologies:

Product:

1. *Low Voltage DC Charger* - We are working to launch low voltage 120 VDC DC charger with dual gun configuration and power rating 15 kW and 30 kW.
2. *High Voltage DC Charger* – We will be launching a 30kW wall-box DC charging system under this category.
3. *EV Harmony 180kW-480kW Modular design* – Modular DC charger with wide range of output power starting from 180 kW up-to 480 kW with architecture as a combination of dispensing units and power cube.

Dispensing unit would be used to charge the vehicle while power cube will be feeding the individual dispensing unit.

4. *EV Harmony 480kW Liquid cooled system* – High power DC charging system with liquid cooled technology to work efficiently at higher temperature and 350A/500A as output current.

Technology:

1. *In-house System controller for High DC Voltage Charging Systems* – Specifically designed and developed system controller for high voltage DC charging system is being used to control and monitor the demand of electric vehicle in terms of power and signal while charger communicates with the electric vehicle. Target is to localize the supply for components, it will help to fix supply chain issue.
2. *In-house Insulation controller for High DC Voltage Charging systems* – Specifically designed and developed insulation controller for high DC voltage charging system measures and controls the insulation/resistance in between power line and protective earth along with insulation for neutral earth. Target is to localize the supply for components, it will help to fix supply chain issue.
3. *In-house System controller for High DC Voltage Charging systems (Double Gun CCS)* – Specifically design to control and monitor the demand of electric vehicle for a combination of dual CCS 2 charging gun for DC chargers.





EVSE R&D team has successfully launched below products, system and technologies:

1. *EVDC BHARAT DC001 15kW 1G* - Low voltage DC charger with single output and power rating 15kW designed and developed according to BEVC – DC001 standards specifically designed to cater India market.
2. *EVDC BHARAT DC001 30kW 2G* - Low voltage DC charger with dual output and power rating 30 kW designed and developed according to BEVC – DC001 standards specifically designed to cater India market
3. *EV Harmony 60kW 2G CC, CC L* – High voltage DC charger power rating 60 kW and dual output, each charging gun according CCS 2 protocols, designed and developed to cater India as well overseas market.
4. *EV Harmony 120kW CC, CC L* - High voltage DC charger with power rating 120 kW and dual output, each charging gun according CCS 2 protocols, designed and developed to cater India as well overseas market.
5. *EV Harmony 142kW 3G CC, CH, 3P-T2 L* - High voltage DC charger power with rating 142 kW and a combination of CCS 2, CHAdEMO and AC Type 2 charging gun, designed and developed to cater India as well overseas market.

Single charger can deliver AC as well as DC output.

6. *EV Harmony 180kW 2G CC, CC L* - High voltage DC charger with power rating 180 kW and dual output, each charging gun according CCS 2 protocols and designed and developed to cater India as well overseas market.
7. *EVDC Harmony 240kW 2G CC, CC L* - High voltage DC charger with power rating 240 kW and dual output, each charging gun according CCS 2 protocols and designed and developed to cater India as well overseas market.

Technology:

1. *In-house System controller for Low DC Voltage Systems* – Specifically designed and developed system controller for low voltage DC charging system is being used to control and monitor the demand of electric vehicle in terms of power and signal while charger communicates with the electric vehicle. Target is to localize the supply for components, it will help to fix supply chain issue.
2. *In-house Insulation controller for low DC Voltage Systems* - Specifically designed and developed insulation controller for low DC voltage charging system measures and controls the insulation/resistance in between power line and protective earth along with insulation for neutral earth. Target is to localize the supply for components, it will help to fix supply chain issue.
3. *In-house AC Sense controller for Low Voltage DC Charging System* – Specifically designed and developed to sense and measure neutral earth (NE) voltage for low voltage DC charging system.
4. *In-house Modem 4G controller (Dual SIM)* – Specifically designed and developed at low cost to replace the routers we procure from market.





5. *In-house Upper controller for High DC Voltage Charging Systems* – Specifically designed and developed master controller for high voltage DC charging system to handle CMS communication and OCPP.

System:

1. *Low Voltage DC Charger for HMCL with 2 G DC and 1 Gun AC* – Specifically designed and developed low voltage DC charger for two wheelers with a combination of 2 charging guns for DC output and 1 gun for AC output.

### **ENERGY CONSERVATION MEASURES TAKEN**

Exicom continues to give major emphasis for conservation of Energy, and the measures taken during the previous years were continued. The Efficiency of Energy Utilization in Exicom manufacturing Unit is monitored quarterly, in order to achieve effective conservation of energy. The significant Energy Conservation measures during the year were:

#### **a. Electricity**

The company continued its efforts to utilise energy optimally at its manufacturing facilities at Gurgaon and office locations in India. Energy conservation measures adopted across the company have made energy usage more efficient.

At Gurgaon plant, energy efficiency initiatives such as energy efficient AC/DC load and energy efficient router for operations were implemented.

Other energy efficiency actions comprise switching to energy efficient LED (Light Emitting Diodes) lighting and use of power capacitors to improve the Power factor.

#### **b. Water**

The company continued its efforts to conserve water resources by reducing its water consumption as well as controlling water losses for chiller operation at manufacturing and office locations of the company. These efforts at factory location of Gurgaon have resulted in saving 7,000 m3 of water during the year.

#### **(ii) Steps taken by the company for utilizing alternate sources of energy**

The company continues its efforts to utilise alternate sources of energy at plant. The company has 250KW solar rooftop capacity at Gurgaon Plant. This total installed capacity generated 2.50 lakh units in a year.

### **TECHNOLOGY ABSORPTION**

Efforts made in technology absorption:

Your company had purchased technology for a Remote monitoring unit for Li-Ion EV batteries.



## **FOREIGN EXCHANGE EARNING AND OUTGO**

	<b>2021-22</b>	<b>2020-21</b>
Expenditure in Foreign Currency	INR 3,78,94,263	INR 1,06,45,790
Earnings in Foreign Currency	INR 60,93,83,886	INR 12,37,14,421

## **HOLDING, SUBSIDIARIES AND ASSOCIATE COMPANIES**

### Holding Company

Nextwave Communications Private Limited (Nextwave) holds 5,031,685 equity shares which is 69.59% of the share capital of the company.

During the period under review, the following Companies were Subsidiaries and Associate of your Company.

### Subsidiary Companies (Wholly-Owned Subsidiary)

- (i) Exicom Tele-Systems (Singapore) Pte. Ltd.
- (ii) Energywin Technologies Private Limited
- (iii) Horizon Power Solutions DMCC (*incorporated on May 19, 2022*)

### Step-down Subsidiary Companies

- (i) Horizon Tele Systems SDN Bhd (Subsidiary of Exicom Tele-Systems (Singapore) Pte. Ltd.

Energywin Technologies Private Limited has an associate company with the name Storage Power Solutions Inc.

Pursuant to the provisions of Section 129(3) of the Act, a statement containing salient features of the financial statements of the Company's subsidiaries has been provided in Form AOC-1 'Annexure C'.

## **INTERNAL CONTROL SYSTEMS AND RISK MANAGEMENT**

The Company has in-place proper and adequate internal control systems commensurate with the nature of its business, and size and complexity of its operations. Your Company has an effective risk management framework, which helps the Board to monitor the state of controls in key business processes. Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations, and that all assets and resources are acquired economically, used efficiently and adequately protected.

The Management team has conducted a review of the Internal Financial Controls and remedial action has been taken or agreed upon with a finite closure date where in control weaknesses were identified. There is no material financial control related observations outstanding as at March 31, 2022. Based on the above, the Management believes that adequate Internal Financial Controls exist in relation to its Financial Statements.

During the year under report, Internal Audit has been conducted by M/s. Oswal Sunil & Company, Chartered Accountants and internal control systems in the Company were tested and no reportable material weakness in the design or operations of the organization was observed. Any suggested improvements were duly acted upon.





## **CORPORATE SOCIAL RESPONSIBILITY**

The Corporate Social Responsibility Committee comprises of the following members:

- a) Mr. Brij Behari Tandon,
- b) Mr. Himanshu Baid and
- c) Mr. Anant Nahata

The Company has in place a CSR Policy in line with Schedule VII of the Companies Act, 2013 and the same is available on its website <https://exicom-ps.com/>. The focus areas as approved by the CSR Committee and Board are as under:

- (i) promoting health care including preventive health care and sanitation
- (ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
- (iii) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups
- (iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water

The CSR Committee of the Board is monitoring the implementation of the CSR Projects. The Board of Directors reviews the same in order to ensure that your Company spends, in every financial year, at least 2% of the average net profits of the Company for the last three years.

Your Company had on April 30, 2021 transferred unspent amount relating to the on-going project (Mobile Medical Van) to the specifically designated 'unspent CSR account' opened with the Punjab National Bank, Nehru Place branch in terms of the order passed by the Ministry of Corporate Affairs notifying the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 for Companies on January 22, 2021

The brief outline of the Corporate Social Responsibility (CSR) policy of the Company and the initiatives by the Company on CSR activities during the year under review are set out in the desired '**Annexure D**' of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021

### **REASONS FOR NOT SPENDING THE FULL AMOUNT ALLOCATED FOR CSR ACTIVITIES**

With a view to run Mobile Medicare Van, at Sardarshahar, Dist- Churu, Rajasthan and providing medical facilities to the needy people, we began our journey with Wockhardt Foundation as our implementation partner.

The implementation agency had shared estimated cost of running one mobile medical clinic alongwith the phase wise requirement of funds pursuant to which the company remitted the first tranche of the estimated cost however no further remittance has been made by the Company till date as the rampant spread of COVID-19 outbreak across borders and geographies effected the operations of implementing agency and the project came to a standstill till January 2022 and for this unpretentious reasons the Company could not spend the balance amount (which was transferred to the separate CSR Account) towards the said on-going project.





However, on 22nd February 2022 the Mobile Medical Unit was launched at Sardarshahar, Churu Rajasthan and since then Sachal Chikitsa Vahan or Mobile Medical Unit (MMU) is operational to deliver preventive healthcare facilities to over 100 beneficiaries each day from the underprivileged sections of the society. MMU is accompanied by a professional healthcare team comprising of an MBBS doctor, a lab technician and a pharmacist and is equipped to offer diagnostics, medicines, blood/urine tests, etc., all of which are made available to the beneficiaries free of cost. The implementing agency will manage its day-to-day operation and mobilize greater participation of the targeted communities with the help of a Social Protection Officer.

It is pertinent to note that your company has transferred the unspent amount relating to the on-going project to the specifically designated unspent CSR account pursuant to the amended provisions of the Companies Act read with the Rules framed thereunder and the Company shall endeavor to spend such amount in pursuance of its obligation towards the Corporate Social Responsibility Policy within a period of three financial years from the date of such transfer.

### **CODE OF CONDUCT**

Your company has adopted code of conduct for members of the Board (incorporating duties of Independent Directors) and the senior Management. The code aims at ensuring consistent standards of conduct and ethical business practices across the company.

### **BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

As on 31<sup>st</sup> March, 2022, the Board of the Company consists of following Directors:

- Mr. Brij Behari Tandon,
- Mr. Himanshu Baid,
- Mr. Anant Nahata
- Mr. Subhash Chander Rustgi.
- Ms. Leena P. Gidwani

In accordance with the provisions of Section 152 of the Act, Mr. Subhash Chander Rustgi, Director of the Company, shall be liable to retire by rotation at the ensuing Annual General Meeting and being eligible, he offers himself for re-appointment and is being recommended by the NRC/Board for the re-appointment by the Shareholders in the ensuing Annual General Meeting.

### **AUDIT COMMITTEE**

The Audit Committee Comprises of:

- a) Mr. Brij Behari Tandon,
- b) Mr. Himanshu Baid,
- c) Mr. Anant Nahata

The scope and terms of reference of the Audit Committee have been formulated in accordance with the provisions of Section 177 of the Companies Act, 2013.

The Audit Committee met two times during the financial year 2021-22 i.e. on 07-05-2021 and 21-12-2021. All the recommendations of the Audit Committee were considered and accepted by the Board.

### **NOMINATION AND REMUNERATION COMMITTEE**

The Nomination, Remuneration and Compensation Committee has been constituted by the Board in compliance with the requirements of Section 178 of the Companies Act, 2013. The Nomination and Remuneration Committee comprises of:



- a) Mr. Himanshu Baid as Chairman;
- b) Mr. Brij Behari Tandon as member
- c) Mr. Subhash Chander Rustgi as member.

Nomination, Remuneration and Compensation (NRC) Committee, amongst others, is responsible for determining the Company's policy on recruitment and remuneration of Directors/KMPs, Senior Management Personnel and other employees of the Company.

The terms of reference of the NRC Committee covers the areas mentioned in Section 178 of the Companies Act, 2013. The brief description of term of reference of NRC Committee, amongst others, includes the following:

- a) To guide and recommend to the Board in relation to appointment and removal of Directors, Key Managerial and Senior Management Personnel
- b) To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommendation to the Board on the remuneration payable to Directors, Key managerial personnel and officials in senior management of the Company.
- c) Formulating the criteria for evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel.
- d) To guide on providing reward to Directors, KMPs and Senior Management directly linked to their effort, performance, dedication and achievement relating to the Company's operations.
- e) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial personnel and create competitive advantage.

Mr. Himanshu Baid, Non-Executive Independent Director is the Chairman of the Committee. The Company Secretary acts as Secretary to the Committee.

The NRC Committee met two times i.e. on 07-05-2021 and 29-09-2021 during the financial year 2021-22

### **REMUNERATION POLICY**

The remuneration and compensation policy of the company is designed to attract and retain the best of the talent and on a continual basis motivate and enable their growth. The remuneration and compensation policy along with the other policies that govern human resources, aim to create an environment that encourages the employees to contribute at the optimal level of efficiency and productivity. The HR framework follows the total rewards philosophy that enables overall growth for the employee – in terms of role-appropriate compensation, benefits and retirals, variable compensation tied to company and individual performance, learning and development opportunities to develop relevant skills and capabilities, and opportunities to take on new roles and responsibilities that contribute to career growth.

The remuneration and compensation policy also emphasizes the commitment of the company towards employing the highest levels of corporate governance and compliance to all local employment laws in all the geographies that the company operates in. It also reflects the company's objectives for promoting long term value creation for shareholders.

The Remuneration Policy applies to Directors, Senior Management Personnel including its Key Management Personnel (KMPs). When considering the appointment and remuneration of Whole-time Directors, the NRC Committee inter-alia considers pay and employment conditions in the industry, merit of person and the paying capacity of the Company.





The policy is administered through benchmarking compensation for all the roles taking into consideration market practices, internal parity and expected performance and potential of the said employee in the specific role. Benefits provided in various salary levels are benchmarked to ensure effectiveness and comprehensiveness to the extent possible.

The Policy of the Company on directors appointment and remuneration and other matters as required under sub-section (3) of section 178 of the Companies Act, 2013 is available on our website, at <https://exicom-ps.com/>

### **AUDITORS & AUDITORS' REPORT**

M/s SGN & Co., Chartered Accountants, (FRN: 134565W), Statutory Auditors of the Company were appointed by the shareholders in their 24<sup>th</sup> Annual General Meeting to hold the office till the conclusion of the 28th Annual General Meeting and since their term is valid till the forthcoming shareholders meeting only therefore it has been proposed to recommend and appoint M/s. Khandelwal Jain & Co., Chartered Accountants for a term of 5 years in terms of the provisions of Companies Act. The Statutory Auditors have consented to the said appointment and confirmed that their appointment, if made, would be within the limits mentioned under Section 143(3)(g) of the Companies Act 2013 and the Companies (Audit and Auditors) Rules, 2014

The Auditors' Report for the FY 2021-22 is annexed hereto and forms part of the Annual Report. The Auditors' report does not contain any qualifications, reservations or adverse remarks.

### **REPORTING OF FRAUDS BY AUDITORS**

During the year under review, neither the statutory auditors nor the secretarial auditors have reported to the audit committee, under section 143(12) of the Companies Act, 2013 any instances of fraud committed against the company by its directors, employees the details of which would need to be mentioned in the Board's report.

### **COST AUDITORS**

Your Company is duly maintaining cost records in compliance with section 148 of the Companies Act, 2013.

The Report of the Cost Auditors for the financial year ended March 31, 2022 is under finalization and shall be filed with the MCA within the prescribed period.

### **SECRETARIAL AUDIT**

M/s. M S SHARMA & CO, Company Secretaries was appointed as Secretarial Auditor only for one year i.e. to audit the secretarial records of the Company for the period ended on March 31, 2021.

The Company had therefore appointed M/s Anupam Aggarwal & Associates, Company Secretaries as the Secretarial Auditor of the Company, pursuant to the provisions of Section 204 of the Companies Act, 2013, to audit the secretarial records of the Company for the period ended on March 31, 2022.

The Secretarial Auditors report for the financial year ended March 31, 2022 has marked two observations which are reproduced below. The Secretarial Auditors report is enclosed as 'Annexure E' to the Board's Report.

Sl No.	Observation	Management Reply
1.	300 equity shares of the Company are in physical form	The Company is regularly following up with the respective shareholders whose shares are in physical form





		<p>since last two years. Company has made all possible communication to the shareholders requesting them to get their physical shares converted into DEMAT.</p> <p>The company is hopeful that the pending physical shares shall be converted into DEMAT this year.</p>
2.	<i>Company is maintaining minutes in loose leaf and these are never bound since incorporation</i>	The Company shall ensure periodical bounding of minutes

### **EXTRACT OF ANNUAL RETURN**

Copy of Annual Return for the FY 2021 as stipulated under Section 92(3) and Section 134(3)(a) of the Act read with the Rule 12 of the Companies (Management and Administration) amendment Rules, 2021 was placed on the website of the Company. Web link - <https://www.exicom-ps.com/policies.html>.

Copy of Annual Return for the FY 2022 shall be filed by the Company with the Registrar of Companies, Himachal Pradesh, within the stipulated period and the same can also be accessed on the Company's website at: <https://www.exicom-ps.com>

### **VIGIL MECHANISM / WHISTLE BLOWER**

Your company has established an effective Vigil Mechanism for directors and employees to report genuine concerns, in compliance with the provisions of Section 177(9) of the Companies Act, 2013.

The Company has a Whistle-Blower Policy in place to encourage and facilitate employees to report concerns about unethical behavior, actual/ suspected frauds and violation of Company's Code of Conduct or Ethics Policy. The Policy has been suitably drafted to meet the requirements of Vigil Mechanism under the Act. The policy provides for adequate safeguards against victimization of persons who avail the same and provides for direct access to the Chairperson of the Audit Committee. The Audit Committee of the Company oversees the implementation of the Whistle-Blower Policy.

### **RELATED PARTY TRANSACTION POLICY**

The Policy regulates all transactions between the Company and its related Parties. The policy was approved and adopted by the Board in the year 2019 (i.e. on July 25, 2019).

### **COMPLIANCE WITH SECRETARIAL STANDARDS**

Pursuant to the provisions of Section 118(10) of the Act, the Company has complied with the applicable provisions of the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

### **REPORTING PRINCIPLE**

The Financial and Statutory Data presented in this Report is in line with the requirements of the Companies Act, 2013 (including the rules made thereunder), Indian Accounting Standards and the Secretarial Standards.

### **REPORTING PERIOD**

The Financial Information is reported for the period 1st April, 2021 to 31st March, 2022. Some parts of the Non-Financial Information included in this Board's Report are provided as on the date of this Report.



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

The Company has zero tolerance for sexual harassment at workplace and has adopted & published an Anti-Sexual Harassment Policy a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder for prevention and redressal of complaints of sexual harassment at workplace. Our 'Prevent of Harassment at Workplace' policy applies to everyone involved in the operations of the Company, including vendors and clients. We have also constituted an Internal Complaints Committee (ICC)\* including an external member for all our in all locations across India to handle sexual harassment complaints in accordance with the section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. We have organized awareness programs for sensitizing the employees with the provisions of the Act & have conducted orientation programs for the members of the ICC in line with section 19 of the act. We have also submitted our annual report for the year 2021-2022 in line with section 21. The Company has duly implemented and complied with the provisions of the applicable law.

No complaint pertaining to sexual harassment from any of the Company's locations was received during the financial year ended 31st March, 2022.

### **PROPOSED TRANSFER OF BUSINESS UNDERTAKING THROUGH BUSINESS TRANSFER AGREEMENT**

Your Board of Directors on February 23, 2022 in-principally agreed for the proposed transfer of the EV battery business and EV chargers business of the company on a "slump sale" and going concern basis into two separate entities i.e. Exicom Energy Systems Pvt. Ltd. and Exicom Power Systems Pvt. Ltd. respectively. The transfer is however subject to approval of the shareholders.

### **ESTABLISHMENT OF SUBSIDIARY COMPANY IN EMIRATE OF DUBAI, UNITED ARAB EMIRATES**

Your Board takes pleasure in announcing the formation of its WOS in the Emirate of Dubai, United Arab Emirates with the name **HORIZON POWER SOLUTIONS DMCC** on May 19, 2022. Share capital of LLC is AED 50,000 (Fifty Thousand Dirhams) divided into 5000 (Five Thousand) shares of AED 10 (Ten) each where your Company holds 100% shares.

### **PROCEEDINGS UNDER INSOLVENCY AND BANKRUPTCY CODE 2016**

No application was made nor any proceeding is pending against the Company during the year, under the Insolvency and Bankruptcy Code, 2016. However, during the year the Company had filed application against Kinetic Green Energy and Power Solutions Limited before the National Company Law Tribunal, Mumbai Bench for recovery of operational debt amounting to Rs.4,42,38,499/- (Rupees Four Crore Forty-Two Lakhs Thirty-Eight Thousand Four Hundred Ninety-Nine Only) pursuant to the Settlement Agreement dated March 31, 2021.

### **DETAILS OF ONE TIME SETTLEMENT WITH THE BANKS**

The Company has not made any one time settlement with any Banks or Financial Institutions.

### **ENVIRONMENT**

Your Company is conscious of its responsibility towards environment and utmost care is taken during its operations to ensure that no damage was caused to the environment. Further, the Company from time to time spreads awareness amongst its employees as to what at individual level one can do to help protect the environment.





## GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. No fresh issue of equity shares or Debentures has been made during the year.
2. The Company has not issued any shares during the year under ESOP, sweat equity or otherwise to the employees of the Company.
3. Mr. Anant Nahata is drawing remuneration from the Company in the capacity of Managing Director cum CEO wef July 01, 2020. Other than Mr. Anant Nahata, none of the Directors of the Company receives any remuneration or commission from the Company or any of its subsidiaries.
4. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact going concern status and Company's operations in future.

## ACKNOWLEDGEMENT

Your Directors take this opportunity to express their gratitude to all the stakeholders, client, vendor, bankers, regulatory and Government authorities and business associates for their cooperation, encouragement and continued support extended to the Company. Your Directors also wish to place on record their appreciation to the employees for their continued support and unstinting efforts in ensuring an excellent all round operational performance at all levels.

Place: Gurgaon  
Date: 15.06.2022



Anant Nahata  
Managing Director cum CEO  
DIN: 02216037  
Address: W-48 Greater  
Kailash-II New Delhi-110048

For and on behalf of the Board of  
Exicom Tele-Systems Limited



Subhash Chander Rustgi  
Director  
DIN: 06922968  
Address: B-279, Sushant  
Lok-3, Sector 57,  
Gurgaon -122011

**Statement containing the particulars of employees in accordance with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 or amendments made thereto:**

Names of the top ten employees of the Company in terms of remuneration drawn and the names of employees who were employed throughout the financial year 2020-21 and were paid remuneration not less than 1,02,00,000/- and employees who were employed for a part of financial year 2020-21 and were paid remuneration not less than 8,50,000/- per month

SL NO	Name	Remuneration received (in INR)	Nature of Employment	Designation	Qualification & Experience	Date of commencement of employment	Age	Last employment held
1	Anant Nahata	8,991,408	Permanent	Chief Executive Officer	Graduate in Economics 14 Years of Experience	01-Jul-17	38	Exicom Tele-Systems Limited
2	P. M. Singh	81,66,804	Permanent	Chief Technology Officer	B.E. / B.Tech 33 Years of Experience	01-Mar-11	58	Delta Power Solutions (India) Pvt. Ltd
3	Naveen Sharma	7,717,908	Permanent	Vice President	B.E. / B.Tech 28 years of experience	01-Apr-10	51	Himachal Futuristic Communications Limited
4	Vivekanand Kumar	68,47,060	Permanent	Vice President	B.E. / B.Tech 26 Years of Experience	27-Jan-21	48	Autoliv
5	Krishna Sharma	6,406,108	Permanent	Vice President	B.E. / B.Tech 24 years of experience	08-Jul-19	51	Delta Power Solutions (India) Pvt. Ltd
6	Shiraz Khanna	5,222,343	Permanent	Chief Financial Officer	CA 27 years of experience	09-Aug-21	54	PWC
7	Sundaraman, K.V	9,055,588	Permanent	Deputy General Manager	B.E. / B.Tech 19 Years of experience	25-Apr-18	39	Samsung SDI
8	Sirajuddin Ali	4,965,672	Permanent	Assistant Vice President	Diploma 23 Years of experience	12-Jul-16	41	Essential Energy India (Pvt) Ltd





9	Samsul Ekram	4,846,616	Permanent	Vice President	Ph.D	05-Apr-21	52	Raychem RPG (P) Ltd.
					17 Years of experience			
10	Praful Mehta	4,808,938	Permanent	General Manager	B.E. / B.Tech	02-Apr-19	46	Lenovo
					22 Years of experience			

**Notes:**

- (i) The remuneration shown above comprises salary, allowances, perquisites, performance linked incentive/ Ex-gratia, medical, Company's contribution to provident fund and all other reimbursements, if any.
- (ii) None of the employees is related to any director of the Company.



## FORM NO. AOC.2

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 thereto

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

1. Details of contracts or arrangements or transactions not at arm's length basis: **NIL**
  - (a) Name(s) of the related party and nature of relationship
  - (b) Nature of contracts/arrangements/transactions
  - (c) Duration of the contracts/arrangements/transactions
  - (d) Salient terms of the contracts or arrangements or transactions including the value, if any
  - (e) Justification for entering into such contracts or arrangements or transactions
  - (f) Date of approval by the Board
  - (g) Amount paid as advances, if any:
  - (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188
  
2. Details of material contracts or arrangement or transactions at arm's length basis
  - (a) Name(s) of the related party and nature of relationship: **As per Annexure '1'**
  - (b) Nature of contracts/arrangements/transactions: **As per Annexure '1'**
  - (c) Duration of the contracts/arrangements/transactions: **For FY 2021-22**
  - (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
  - (e) Date(s) of approval by the Board, if any: Company had taken Omnibus Approval for all the expected transactions to be entered in FY 2021-22 with related parties at the Meeting of Audit Committee and Board of Directors dated May 07, 2021.
  - (f) Amount paid as advances, if any: **As per Annexure '1'**

For and on behalf of the Board of  
Exicom Tele-Systems Limited



*[Signature]*

Anant Nahata  
Director (MD&CEO)  
DIN: 02216037  
Address: W- 48  
Greater Kailash -II,  
New Delhi-110048

*[Signature]*



Subhash Chander Rustgi  
Director  
DIN: 06922968  
Address: B-279, Sushant  
Lok-3, Sector 57,  
Gurgaon - 122011

Place: Gurgaon  
Date: 15.06.2022



**Annexure: '1'**

Name of related parties and description of relationship are given below:-

Holding Company

NextWave Communications Pvt Ltd (NextWave) w.e.f 22.12.2015  
NextWave Communications Pvt Ltd (formerly known as MN Enterprises Pvt. Ltd.) w.e.f. 01.09.2016

Subsidiary Company

Exicom Tele-Systems (Singapore) Pte Ltd (ETSPL) – Singapore  
Energywin Technologies Pvt. Ltd (Energywin)

Step Down Subsidiary Company

Horizon Tele Systems Sdn Bhd (Horizon) - Malaysia

Key Management Personnel (KMPs)

Since Company's paid up capital is less than 10 crores therefore KMP appointment is not mandatory and thus details are not required to be given.

#Nextwave Communications Private Limited (Nextwave) has been merged with MN Enterprises Private Limited (MNEPL) pursuant to Order of National Company Law Tribunal, Allahabad (Order) dated April 21, 2017. As per the said Order, on April 21, 2017, the undertaking of Transferor Company i.e. Nextwave shall, pursuant to the provisions contained in Section 230-232 and other applicable provisions of the Companies Act, 2013 shall stand transferred to and vested in, or be deemed to be transferred to and vested in Transferee Company i.e. MNEPL without any further act, deed, matter or things. The appointed date of the said merger is September 01, 2016. The aforesaid order was filed with Registrar of Companies, State of Uttar Pradesh (RoC) on 19th May, 2017 and accordingly the order has become effective from 19th May, 2017.



Nature of Transactions	2021-22	2020-21
<b>A) TRANACTIONS DURING THE YEAR</b>		
<b>Issue of 6% Compulsory Convertible Debentures</b>		
Nextwave	-	750,000,000
<b>Purchase of goods</b>		
ETSPL	584,574	56,800,657
Horizon	-	2,377,180
Innovative Roofs	-	122,314
HFCL	-	23,511,748
<b>Services received</b>		
Innovative Roofs	23,932	7,000
HFCL	13,539,057	3,309,401
<b>Sitting Fees to Independent Directors</b>		
Mr. Himanshu Baid	400,000	50,000
Mr. Brij Behari Tandon	-	700,000
Mr. Subhash Chander Rustgi	500,000	500,000
Ms. Leena Pribhdas Gidwani	400,000	500,000
<b>Sale of Goods</b>		
Horizon	162,863,107	56,975,259
HFCL	78,255,119	58,956,607
<b>Services rendered</b>		
ETSPL	31,867,879	35,780,564
HFCL	88,499,043	23,953,219
<b>Interest Income</b>		
Energywin	4,155,381	3,328,233
<b>Interest Expenses</b>		
Nextwave	57,483,462	22,808,219
<b>Dividend Income</b>		
ETSPL	197,400,000	-
<b>Royalty Income</b>		
ETSPL	121,097,473	31,917,910
<b>Warranty Expense</b>		
Horizon	10,459,695	8,725,841
<b>Other Income</b>		
Horizon	-	458,144
<b>Rent Income</b>		
HFCL	9,912,000	-
<b>Other Expense</b>		
HFCL	4,590,000	416,874
ETSPL	1,149,578	1,261,210
<b>Loan Given</b>		
Energywin	-	12,000,000
<b>Advances Given</b>		
Energywin	-	6,500,000
<b>Loan Received</b>		
Whole Time Director	-	40,000,000
<b>Loan Repaid</b>		
Whole Time Director	10,000,000	-
<b>B) BALANCES OUTSTANDING AS AT YEAR END</b>		





<b>ASSETS</b>		
<b>Advances</b>		
Energywin	16,092,158	16,092,158
<b>Loans Given</b>		
Energywin	24,800,000	36,800,000
<b>Trade Receivable</b>		
Horizon	9,085,815	76,449,481
ETSPL	7,233,349	48,030,106
<b>Income Receivable</b>		
ETSPL	16,832,214	12,636,583
<b>Interest Receivable</b>		
Energywin	6,170,962	18,231,126
<b>LIABILITIES</b>		
<b>Unsecured Loan</b>		
Whole Time Director	45,000,000	55,000,000
<b>Trade payables</b>		
HFCL	38,454,550	8,858,288
Innovative Roofs	370	437
ETSPL	335,931,559	457,666,049
Horizon	5,617,932	7,477,428
<b>6% Compulsory Convertible Debentures</b>		
Nextwave	750,000,000	750,000,000
<b>Advances</b>		
HFCL	50,667,565	1,596,706



## Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures**

**Part-A Subsidiaries**

Sr. No.	1	2	3
Name of the subsidiary company	Exicom Tele-Systems (Singapore) Pte. Ltd.	Energywin Technologies Private Limited (Amount in INR)	Horizon Tele Systems SDN Bhd (Step down Subsidiary)
The date since when subsidiary was acquired	02.07.2012	21.05.2014	NA
Reporting period	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2022
Reporting currency and Exchange rate	USD 1USD=75.45	INR	MYR 1 MYR = 18.05
Share capital*	30,212,771	40,500,000	14,650,428
Reserves and surplus	898,764,255	(94,122,427)	(27,562,589)
Total assets	1,436,517,352	99,737,891	336,048,765
Total Liabilities	507,540,325	153,360,318	348,960,926
Investments	5,905,000	1,316,250	-
Turnover	4,837,840,864	3,535,348	444,827,449
Profit before taxation	242,113,932	(32,690,693)	37,741,300
Provision for taxation	50,090,710	(196,453)	(4,071,721)
Profit after taxation	192,023,222	(32,494,340)	33,669,579
Proposed Dividend	-	-	-
Extent of shareholding (in percentage)	100	100	100
	100	100	100

\*Share capital Reported at Historical rate as reported and considered for consolidated financials





## Part B Associates and Joint Ventures

Name of Associates or Joint Ventures	NOT APPLICABLE
1. Latest audited Balance Sheet Date	NA
2. Date on which the Associate or Joint Venture was associated or acquired	NA
3. Shares of Associate or Joint Ventures held by the company on the year end	NA
No.	NA
Amount of Investment in Associates or Joint Venture	NA
Extent of Holding (in percentage)	NA
4. Description of how there is significant influence	NA
5. Reason why the associate/joint venture is not consolidated	NA
6. Networth attributable to shareholding as per latest audited Balance Sheet	NA
7. Profit or Loss for the year	NA
i. Considered in Consolidation	NA
ii. Not Considered in Consolidation	NA

1. Names of associates or joint ventures which are yet to commence operations. NA
2. Names of associates or joint ventures which have been liquidated or sold during the year. NA

**Note:** This Form is to be certified in the same manner in which the Balance Sheet is to be certified".

For SGN & Co.  
Chartered Accountants  
FRN: 134565W

Partner  
Membership No.: 147097



*Anant Nahata*

**Anant Nahata**  
MD CUM CEO  
DIN: 02216037  
Address: W-48, Greater Kailash-II  
New Delhi-110048

*Shiraz Khanna*

**Shiraz Khanna**  
Chief Financial Officer  
Address: Flat no C-154 Belvedere Park,  
Cyber City, DLF City, Phase 3,  
Gurugram, Haryana 122002

For and behalf of the Board  
Exicom Tele-Systems Limited

*Subhash Chander Rustgi*

**Subhash Chander Rustgi**  
Director  
DIN: 06922968  
Address: B-279,  
Sushant Lok-3, Sector 57,  
Gurgaon, Haryana 122011

*Sangeeta Karnatak*

**Sangeeta Karnatak**  
Company Secretary  
Address: A 84/1, SFS  
Flat, Saket, New Delhi  
110017

**The Annual Report on CSR Activities to be Included in the Board's Report**  
(Financial Year 01.04.2021-31.03.2022)

**1. Brief outline on CSR Policy of the Company.**

The Board of Directors of the Company at its meeting held on July 25, 2019 approved the revised Corporate Social Responsibility (CSR) Policy of your Company pursuant to the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The CSR Committee has identified the CSR activities, around which your Company shall be focusing mainly on:

- (i) promoting health care including preventive health care and sanitation
- (ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects
- (iii) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
- (iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water

The CSR Policy of the Company is available on the website of the Company and can be accessed through the following web-link: <https://www.exicom-ps.com/pdf/CSR-Policy.pdf>

**2. Composition of CSR Committee**

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Brij Behari Tandon	Independent Director	1	0
2.	Mr. Himanshu Bais	Independent Director	1	1
3.	Mr. Anant Nahata	MD cum CEO	1	1

**3. Web-links where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.**

The composition of the CSR committee, CSR Policy is available on our website, at <https://www.exicom-ps.com/pdf/CSR-Policy.pdf>.

Though the Company is not statutorily required to make any CSR contribution in the FY 2021-22 (except the unspent amount transferred to the separate unspent CSR account) but the CSR Committee and Board has recommended that the Company may voluntarily make necessary contributions as and when required in terms of the CSR Policy and schedule VII of the Companies Act, 2013.





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. Not applicable
6. Average net profit of the company as per section 135(5) – NA

7.

SL NO.	Particulars	Remarks
(a)	Two percent of average net profit of the company as per section 135(5)	0
(b)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years-	0
(c)	Amount required to be set off for the financial year, if any	0
(d)	Total CSR obligation for the financial year (7a+7b-7c).	0

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.
nil	INR 26,65,500	April 30, 2021	NA	NA	NA

(b) Details of CSR amount spent against ongoing projects for the financial year: The Company has not spent any amount during the financial year for the reason that the implementation agency had shared estimated cost of running one mobile medical clinic alongwith the phase wise requirement of funds pursuant to which the company remitted the first tranche of the estimated cost however no further remittance has been made by the Company till date as the rampant spread of COVID-19 outbreak across borders and geographies effected the operations of implementing agency and the project came to a standstill till January 2022 and for this unpretentious reasons the Company could not spend the balance amount towards the said on-going project.



(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
1.	NA	NA	NA	NA		NA	NA	NA	NA	NA	NA	NA

(1) This is the 'ongoing project' as defined in the CSR Amendment Rules. The year mentioned include the financial year in which the project was commenced.

(2) The requirement does not apply to CSR projects or programs approved prior to April 1, 2021.

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1.	NA	NA	NA	NA		NA	NA	NA	NA

(d) Amount spent in Administrative Overheads - Nil

(e) Amount spent on Impact Assessment, if applicable -Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e)

(g) Excess amount for set off, if any – No excess amount

9. (a) Details of Unspent CSR amount for the preceding three financial years. NO amount was spent during the year

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s) NO amount was spent during the year





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 – : No capital asset was created / acquired for financial year 2022 through CSR spend.
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)

Pursuant to Clause 14 of the Memorandum of Understanding signed on November 16, 2019 between the Company and the implementing agency "Wockhardt Foundation", the company has remitted only the first tranche of the estimated cost till date as the rampant spread of COVID-19 outbreak across borders and geographies effected the operations of implementing agency and the project came to a standstill till January 2022. The Company shall be releasing second tranche as soon as a request for the same is received from implementing agency.

For Exicom Tele-Systems Limited



Anant Nahata

MD Cum CEO

DIN: 02216037

Address: W- 48 Greater  
Kailash-II, New Delhi-110048

Subhash Chander Rustgi

Director

DIN: 06922968

Address: B-279,  
Sushant Lok-3, Sector 57  
Gurgaon-122011



Date: Gurgaon

Place: 15.06.2022



**INDEPENDENT AUDITOR'S REPORT**

To the Members of  
**EXICOM TELE-SYSTEMS LIMITED**

**Report on the Audit of the Standalone Ind AS Financial Statements**

**1. Opinion**

We have audited the accompanying standalone Ind AS financial statements of **Exicom Tele-Systems Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

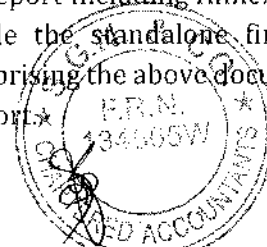
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with 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 March 31, 2022, and its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

**2. Basis for Opinion**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA's") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

**3. Information Other than the Standalone Financial Statements 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 the Board's Report including Annexure to Board's Report and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon. The other information comprising the above documents is expected to be made available to us after the date of this auditor's report.







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

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

#### **4. Management's Responsibility for the Standalone Financial Statements**

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

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

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

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

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

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



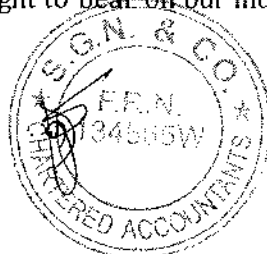


- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone financial statements.

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

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

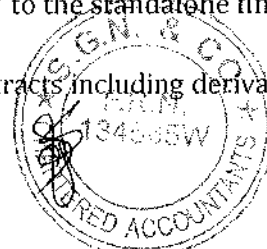






**6. Report on Other Legal and Regulatory Requirements**

- A. 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.
- B. 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 Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with relevant rules issued thereunder;
  - (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls 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:  
  
In our opinion and to the best of our information and according to the explanation given to us, the remuneration paid / provided by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V of the Act;
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements- Refer note 47 to the standalone financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;





- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) 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 entity(ies) ("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;
- (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity, including foreign entity ("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;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year.

For SGN & Co.  
Chartered Accountants  
Firm Registration No. 134565W

Shreyans Jain  
Partner



Membership No. 147097  
UDIN: 22147097AKYURM5316

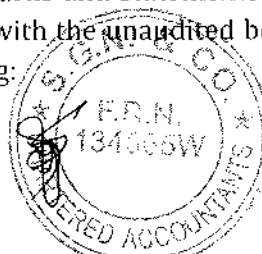
Place: Gurugram  
Date: June 15, 2022



**Annexure-A to the Independent Auditors' Report**

Annexure referred to in paragraph 6 (A) of the Independent Auditors' Report of even date to the members of **Exicom Tele-Systems Limited** on the standalone financial statements for the year ended March 31, 2022, we report that:

- I. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situations of its Property, Plant and Equipment.  
  
(B) The Company is maintaining proper records showing full particulars of intangible assets.  
  
(b) Property, Plant and Equipment have not been physically verified by the management during the year but there is a regular program of verification which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets and as informed, the discrepancies noticed on physical verification of fixed assets were not material and the same have been properly dealt with in the books of accounts.  
  
(c) According to information and explanations given to us, and on the basis of our examination of the records of the Company, the title deeds, of the immovable properties of are held in the name of the Company. In respect of immovable properties of land and building that have been taken on lease and disclosed as Right of use assets in the financial statements, the lease agreements are in the name of the Company.  
  
(d) The Company has not revalued any of its Property, Plant and Equipment (including right of-use assets) and intangible assets during the year.  
  
(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- II. (a) The inventories have been physically verified by the management at reasonable intervals during the period. In our opinion having regard to the nature and location of stocks, the frequency of physical verification is reasonable. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.  
  
(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns and statements filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company, of the respective quarters, except for the following:





**SGN & CO**

CHARTERED ACCOUNTANTS

				Rs. In Lakhs
Qtr ending	Particulars	Amount as per Unaudited Books of Accounts	Amount as reported in the quarterly return/statements	Difference
30-06-2021	Trade Receivables	11,869.59	11,944.23	(74.64)
	Inventory	10,648.29	11,355.08	(706.79)
30-09-2021	Trade Receivables	11,222.93	11,287.02	(64.09)
	Inventory	9,412.00	10,090.90	(678.90)
31-12-2021	Trade Receivables	11,632.01	11,412.14	219.87
	Inventory	10,817.28	11,490.33	(673.05)
31-03-2022	Trade Receivables	11,715.00	11,382.00	333.00
	Inventory	12,663.18	12,607.22	55.96

III. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made investments, provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties during the year. The Company has granted unsecured loan to its wholly owned subsidiary company, in respect of which the requisite information is as below:

(a) The Company has granted loan to one of its wholly owned subsidiary Company. The details of the same are given below:

					Rs. In Lakhs
	Guarantees	Security	Loans	Advances in nature of loans	
<b>Aggregate amount granted/ provided during the year</b>					
- Subsidiaries	-	-	115.00	-	-
- Joint Ventures	-	-	-	-	-
- Associates	-	-	-	-	-
- Others	-	-	-	-	-
<b>Balance outstanding as a balance sheet date in respect of the above case</b>					
- Subsidiaries	-	-	248.00	-	-
- Joint Ventures	-	-	-	-	-
- Associates	-	-	-	-	-
- Others	-	-	-	-	-

(b) In our opinion and according to the information and explanation given to us and on the basis of our examination of the records of the Company, the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.





- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no loan granted by the Company has fallen due during the year, and hence reporting under clause 3(iii)(e) of the Order is not applicable.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has granted loan to one of its wholly owned subsidiary Company which is repayable on demand.

Particulars	Amount (Rs. In Lakhs)
Aggregate amount of loans/ advances in nature of loans	
Repayable on demand (A)	248.00
Agreement does not specify any terms or period of repayment (B)	-
<b>Total (A+B)</b>	<b>248.00</b>
Percentage of loans/ advances in nature of loans to the total loans	<b>100%</b>

- IV. In our opinion and according to the information and explanations given to us, the Company has, in respect of loans, investments, guarantees, and security, complied with the provisions of section 185 and 186 of the Companies Act, 2013, wherever applicable.
- V. According to the information and explanation given to us, the Company has not accepted any deposits within the meaning of the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Accordingly, the reporting under clause 3(v) of the Order is not applicable to the Company.
- VI. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under sub section (1) of section 148 of the Companies Act, 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- VII. (a) According to the information and explanations given to us, and records examined by us, the Company has generally been regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax, goods and service tax (GST), TCS, custom duty, cess, professional tax and other material statutory dues, as applicable, except delays in few cases for TDS and GST with the appropriate authorities.

According to information and explanation given to us, and as per the records examined by us, no undisputed arrears of statutory dues outstanding as at March 31, 2022 for a period of more than six months from the date they became payable.





(b) According to the information and explanations given to us, the dues which have not been deposited on account of disputes and the forum where the dispute is pending, are as under:

SL. No.	Name of the Statute	Nature of Dues	Period to which the Amount Relates (Financial year)	Amounts (Rs. In Lakhs)	Forum where dispute is Pending
1	The Custom Duty	Custom Duty	1994-95 and 1995-96	6.97	Asstt. Commissioner, Custom Mumbai

VIII. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

IX. (a) According to the information and explanations given to us and records examined by us as at balance sheet date the Company has not defaulted in repayment of dues to financial institutions or banks or debenture holders.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us and records examined by us, the term loan has been applied for the purpose for which the loans were obtained.

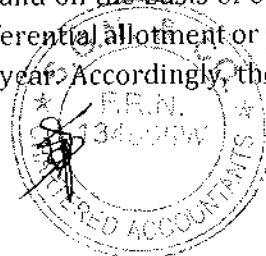
(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries.

X. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.







- XI. (a) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.
- (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 upto 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. In our opinion, the Company is not a Nidhi Company. Accordingly, the reporting under clause 3(xii) of the order is not applicable to the Company.
- XIII. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act, 2013 where applicable and details of such transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard 24, "Related Party Disclosures" specified under Section 133 of the Act.
- XIV. (a) In our opinion and based on our examination, the company has an adequate internal audit system commensurate with the size and nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- XV. According to the information and explanations given to us, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company. Accordingly, the reporting under clause 3(xv) of the Order is not applicable to the Company.
- XVI. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi) (a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanation given to us by the management, the Group has one CIC which is not required to be registered with the Reserve Bank of India.
- XVII. The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year the Company has incurred cash losses of Rs. 1690.07 Lakhs.





XVIII. There has been no resignation of the statutory auditors of the Company during the year. Accordingly, clause 3(xviii) of the Order is not applicable to the Company.

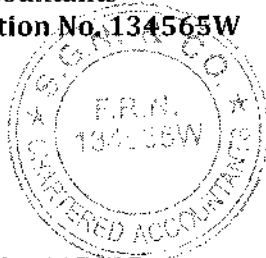
XIX. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

XX. (a) In our opinion and according to the information and explanations given to us, 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) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount, to a Special account within a period of 30 days from the end of the respective financial year in compliance with the provision of section 135(6) of the Act.

For SGN & Co.  
Chartered Accountants  
Firm Registration No. 134565W

  
Shreyans Jain  
Partner



Membership No. 147097  
UDIN: 22147097AKYURM5316

Place: Gurugram  
Date: June 15, 2022



**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")**

**To the members of  
EXICOM TELE-SYSTEMS LIMITED**

We have audited the internal financial controls over financial reporting of Exicom Tele - Systems Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

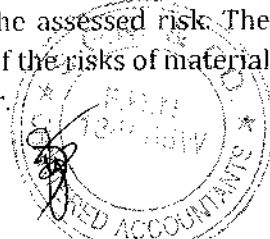
**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the guidance note on Audit of Internal financial controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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.

**Auditor's 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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







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

### **Meaning of Internal Financial Controls over Financial Reporting**

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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **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 adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, 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 SGN & Co.**

**Chartered Accountants**

**Firm Registration No. 134565W**

  
**Shreyans Jain**  
**Partner**



**Membership No. 147097**

**UDIN: 22147097AKYURM5316**

**Place: Gurugram**

**Date: June 15, 2022**

**Exicom Tele-Systems Limited**  
Balance Sheet as at March 31, 2022

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>Non-current Assets</b>			
(a) Property, Plant and Equipment	5	6,284.70	6,551.09
(b) Right-of-Use Assets	6	1,891.13	1,967.43
(c) Intangible Assets	7	1,602.70	615.66
(d) Intangible Assets under Development	8	1,058.17	1,205.69
(e) Investment in Subsidiaries, Associates	9	678.78	678.78
(f) Financial Assets			
(i) Investments	10	20.68	13.91
(ii) Trade Receivables	11	676.55	-
(iii) Others	12	430.06	324.96
(g) Deferred Tax Assets (Net)	13	2,334.65	2,872.43
(h) Other Non-Current Assets	14	1,298.58	465.64
<b>Total Non-Current Assets</b>		<b>16,276.00</b>	<b>14,695.59</b>
<b>Current Assets</b>			
(a) Inventories	15	12,663.18	10,982.43
(b) Financial Assets			
(i) Trade Receivables	16	11,490.15	13,309.38
(ii) Cash and Cash Equivalents	17	909.94	220.02
(iii) Bank Balances other than (ii) above	18	1,221.27	2,144.23
(iv) Loans	19	248.00	368.00
(v) Others	20	126.46	263.60
(c) Current Tax Assets (Net)	21	948.76	574.89
(d) Other Current Assets	22	6,241.33	3,885.85
<b>Total Current Assets</b>		<b>33,849.09</b>	<b>31,748.40</b>
<b>Total Assets</b>		<b>50,125.09</b>	<b>46,443.99</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	23	723.02	723.02
(b) Other Equity	24	13,569.19	13,095.32
<b>Total Equity</b>		<b>14,292.21</b>	<b>13,818.34</b>
<b>LIABILITIES</b>			
<b>Non-current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	25	6,956.14	6,612.11
(ii) Lease Liabilities	6	1,509.50	1,586.95
(iii) Others	26	170.66	206.64
(b) Provisions	27	829.96	891.06
<b>Total Non-Current Liabilities</b>		<b>9,466.26</b>	<b>9,296.76</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	28	2,810.93	3,169.54
(ii) Lease Liabilities	6	488.65	417.69
(iii) Trade Payables	29		
(A) total outstanding dues of micro enterprises and small enterprises ; and		3,422.67	3,201.60
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		12,161.04	13,578.33
(iv) Others	30	980.55	788.75
(b) Other Current Liabilities	31	6,237.97	2,058.95
(c) Provisions	32	264.81	114.03
<b>Total Current Liabilities</b>		<b>26,366.62</b>	<b>23,328.89</b>
<b>Total Equity and Liabilities</b>		<b>50,125.09</b>	<b>46,443.99</b>
Summary of Significant accounting policies and other notes to Standalone Financial Statements	1-67		

The accompanying explanatory notes form an integral part of these standalone financial statements

As per our report of even date

For SGN & Co.

Chartered Accountants

Firm Registration No. 134565W

Shreyans Jain

Partner

Membership No. 147097

Place: Gurugram

Date: June 15, 2022

For and on behalf of the Board of Directors

Anant Nahata  
Managing Director  
Cum CEO  
DIN:02216037

Subhash Chander Rustgi  
Director

DIN:06922968

Sangeeta Karnatak  
Company Secretary  
M.No. 25216

Shiraz Khanna  
Chief Financial Officer



**Exicom Tele-Systems Limited**  
**Statement of Profit and Loss for the year ended March 31, 2022**

(₹ in Lakhs)

Sr. No.	Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
	<b>INCOME</b>			
I	Revenue from operations	33	39,783.37	30,912.63
II	Other Income	34	3,815.87	1,434.72
III	<b>Total Income (I+II)</b>		<b>43,599.24</b>	<b>32,347.35</b>
	<b>EXPENSE</b>			
IV	Cost of Material Consumed	35	27,022.25	19,631.78
	Purchase of Stock-in-Trade	36	2.75	4.95
	Changes In Inventories of Finished Goods, Work-In-Progress And Stock-In-Trade	37	(793.71)	1,624.17
	Employee Benefits Expenses	38	5,556.59	5,030.03
	Manufacturing Expenses	39	1,353.20	994.36
	Finance Costs	40	2,008.86	1,562.13
	Depreciation and amortization expenses	5, 6 & 7	1,849.62	1,589.81
	Other Expenses	41	4,677.40	3,342.86
	R&D Expenses	42	964.90	895.76
	<b>Total Expenses (IV)</b>		<b>42,641.86</b>	<b>34,675.85</b>
V	<b>Profit / (Loss) before exceptional items and tax (III-IV)</b>		<b>957.38</b>	<b>(2,328.50)</b>
VI	<b>Exceptional Items</b>		-	-
VII	<b>Profit / (loss) before tax (V-VI)</b>		<b>957.38</b>	<b>(2,328.50)</b>
VIII	<b>Tax expense</b>			
	(1) Current Tax		403.53	-
	(2) Deferred Tax & MAT Credit		148.36	(1,787.64)
	(3) Income Tax for Earlier Years		-	524.92
IX	<b>Profit / (Loss) for the year (VII-VIII)</b>		<b>405.49</b>	<b>(1,065.78)</b>
X	<b>Other Comprehensive Income ('OCI')</b>			
	(A) Items that will not be reclassified to profit or loss			
	Re-measurement gains/(loss) on defined benefits plans		54.27	15.61
	Tax on above Item		14.11	4.06
	(B) Items that will be reclassified to profit or loss		-	-
	<b>Other Comprehensive Income for the year (net of tax)</b>		<b>68.38</b>	<b>19.67</b>
XI	<b>Total Comprehensive Income for the year (IX+X)</b>		<b>473.87</b>	<b>(1,046.11)</b>
	<b>Earnings per equity share</b>	43		
	Basic		5.61	(14.74)
	Diluted		5.61	(14.74)
Summary of Significant accounting policies and other notes to Standalone Financial Statements		1-67		


The accompanying explanatory notes form an integral part of these standalone financial statements

As per our report of even date

For SGN & Co.

Chartered Accountants


Firm Registration No. 134565W

  
**Shreyans Jain**  
Partner  
Membership No. 147097



For and on behalf of the Board of Directors

  
**Anant Nahata**  
Managing Director  
Cum CEO  
DIN:02216037

  
**Subhash Chander Rustgi**  
Director  
DIN:06922968

  
**Sangeeta Karnatak**  
Company Secretary  
M.No. 25216

  
**Shiraz Khanna**  
Chief Financial Officer

Place: Gurugram  
Date: June 15, 2022



Exicom Tele-Systems Limited  
Statement of Changes in Equity for the year ended March 31, 2022

(₹ in Lakhs)

(A) Equity Share Capital

Particulars	Amount
Balance as at April 01, 2020	723.02
Changes in Equity Share Capital due to prior period errors	-
Restated balance as at April 01, 2020	723.02
Changes in equity share capital during the year	-
Balance as at March 31, 2021	723.02
Changes in Equity Share Capital due to prior period errors	-
Restated balance as at April 01, 2021	723.02
Changes in equity share capital during the year	-
Balance as at March 31, 2022	723.02

(B) Other Equity

Particulars	Equity component of Compound Financial Instruments	Reserves and Surplus		Other Comprehensive Income	Total
		Securities Premium Reserve	Retained Earnings		
As at March 31, 2020	-	6,163.35	6,758.14	(105.86)	12,815.63
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance as at April 01, 2020	-	6,163.35	6,758.14	(105.86)	12,815.63
Profit/(Loss) for the year	-	-	(1,065.78)	-	(1,065.78)
Other Comprehensive Income/(Loss) for the year	-	-	19.67	-	19.67
Total Comprehensive Income/(Loss) for the year	-	-	(1,046.11)	-	(1,046.11)
Issued during the year	1,325.80	-	-	-	1,325.80
Transfer to retained earnings	-	-	(105.86)	105.86	-
As at March 31, 2021	1,325.80	6,163.35	5,606.17	-	13,095.32
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance as at April 01, 2021	1,325.80	6,163.35	5,606.17	-	13,095.32
Profit/(Loss) for the year	-	-	405.49	-	405.49
Other Comprehensive Income/(Loss) for the year	-	-	68.38	-	68.38
Total Comprehensive Income/(Loss) for the year	-	-	473.87	-	473.87
Issued during the year	-	-	-	-	-
As at March 31, 2022	1,325.80	6,163.35	6,080.04	-	13,569.19
Summary of Significant accounting policies and other notes to Standalone Financial Statements			1-67	-	-

The accompanying explanatory notes form an integral part of these standalone financial statements

As per our report of even date

For SGN & Co.  
Chartered Accountants  
Firm Registration No: 134565W

Shreyans Jain  
Partner  
Membership No. 147097

Place: Gurugram  
Date: June 15, 2022

For and on behalf of the Board of Directors

Anant Nahaata  
Managing Director  
Cum CEO  
DIN:02216037

Sangeeta Karnatak  
Company Secretary  
M.No. 25216

Subhash Chander Rustgi  
Director

DIN:06922968

Shikhar Khanna  
Chief Financial Officer

**Exicom Tele-Systems Limited**  
Statement of Cash Flows for the year ended March 31, 2022

(₹ in Lakhs)

Particulars		For the year ended March 31, 2022		For the year ended March 31, 2021
<b>Cash Flow from Operating Activities</b>				
Net profit / (loss) before tax		957.38		(2,328.49)
Adjustment for :				
Depreciation and Amortisation	1,849.62		1,589.81	
Finance Cost	2,008.86		1,562.13	
Lease Modification/termination adjustment- IND AS 116	-		(183.41)	
Interest Income	(153.90)		(155.41)	
Dividend Income	(1,974.00)		-	
Impairment in value of Investment	-		55.29	
Fair valuation (Gain)/Loss on financial instruments at FVTPL	(6.77)		-	
Subsidy from MSIPS	(35.98)		(36.46)	
Gain on Lease Rent Waiver-Ind AS 116	(18.35)		(62.12)	
Bad Debts W/off and Impairment allowance for trade receivables and Loan and Advances	380.80		76.72	
Loss/(Profit) on Sale of PPE	0.39	2,050.67	15.85	2,862.40
<b>Operating cash flow before changes in working capital</b>		<b>3,008.05</b>		<b>533.91</b>
Changes in Working Capital:				
Trade & Other Receivables	(2,627.94)		(4,939.99)	
Inventories	(1,680.76)		826.63	
Trade Payables & Other Current Liabilities	3,326.00	(982.70)	2,429.60	(1,683.76)
<b>Net cash generated from operations before tax</b>		<b>2,025.35</b>		<b>(1,149.85)</b>
Taxation		(403.53)		(524.92)
<b>Net Cash from/(used) in Operating Activities (A)</b>		<b>1,621.82</b>		<b>(1,674.77)</b>
<b>Cash Flow from Investing Activities</b>				
Purchase of Property, Plant and equipment	(1,847.77)		(1,726.29)	
Sale of Property, Plant and equipment	0.22		-	
Purchase of Investments	-		(7.91)	
(Increase)/Decrease in Fixed Deposits (having original maturity of more than 3 months)	848.65		(1,147.23)	
Decrease / (increase) in Loans receivables	120.00		-	
Dividend Received	1,974.00		-	
Interest Received (net)	275.73	1,370.83	112.87	(2,768.56)
<b>Net Cash used in Investing Activities (B)</b>		<b>1,370.83</b>		<b>(2,768.56)</b>
<b>Cash Flow from Financing Activities</b>				
Proceeds/(Repayment) of Long Term Borrowings	158.66		(48.08)	
Proceeds/(Repayment) of Short Term Borrowings	(298.07)		(955.82)	
Payment of Lease Liabilities - Principal portion	(479.50)		(297.89)	
Payment of Lease Liabilities - Interest portion	(172.72)		(178.06)	
Proceeds/(Repayment) of CCD	-		7,500.00	
Interest Paid	(1,511.11)	(2,302.74)	(1,382.36)	4,637.79
<b>Net Cash generated from Financing Activities (C)</b>		<b>(2,302.74)</b>		<b>4,637.79</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents during the Year (A+B+C)</b>		<b>689.91</b>		<b>194.46</b>
Add: Cash & Cash Equivalents as at beginning of the Year		220.03		25.57
<b>Cash &amp; Cash Equivalents as at the end of the Year (note no.17)</b>		<b>909.94</b>		<b>220.03</b>

Notes:

- The above Statement of Cash flows has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows".
- Figures in brackets represents cash outflows.
- Components of cash and cash equivalents :-

Particulars		As at March 31, 2022		As at March 31, 2021
Cash on hand		1.42		0.68
Balances with scheduled Banks				
- In Current Accounts		908.52		219.35
- In Fixed Deposits 0-3 months		-		-
<b>Cash &amp; Cash Equivalents</b>		<b>909.94</b>		<b>220.03</b>
Summary of Significant accounting policies and other notes to Standalone Financial Statements	1-67			

The accompanying explanatory notes form an integral part of these standalone financial statements

As per our report of even date  
For SGN & Co.  
Chartered Accountants  
Firm Registration No. 134565W

Shreyans Jain  
Partner  
Membership No. 147097



For and on behalf of the Board of Directors

Anant Nahata  
Managing Director Cum  
CEO  
DIN:02216037

Sangeeta Karnatak  
Company Secretary  
M.No. 25216

Subhash Chander Rustgi  
Director

DIN:06922968

Shiraz Khanna  
Chief Financial Officer

Place: Gurugram  
Date: June 15, 2022

## 1. CORPORATE INFORMATION

**Exicom Tele-Systems Limited** (CIN:U64203HP1994PLC014541) '**the Company**' is a public limited company domiciled and incorporated in India having its registered office at 8, Electronics Complex, Chambaghat, District: Solan, Himachal Pradesh- 173213. Established in 1994.

The Company is in the business of providing efficient and reliable Power Electronics Solution for global Telecom, IT, and other related industries and manufacturing of electric vehicle charger and lithiumion battery for E-vehicle. The Company's manufacturing facilities are located at Gurugram in Haryana and Solan in Himachal Pradesh. The research and development facilities are located at Gurugram in Haryana and Bangalore in Karnataka.

## 2. RECENT PRONOUNCEMENTS

The Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:-

### A. Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

### B. Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

### C. Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognize such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.





#### **D. Ind AS 109 – Annual Improvements to Ind AS (2021)**

The amendment clarifies the treatment of any cost or fees incurred by an entity in the process of derecognition of financial liability in case of repurchase of the debt instrument by the issuer. The Company does not expect the amendment to have any significant impact in its financial statements.

### **3. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

#### **3.1 Compliance with Ind AS**

These financial statements ('financial statements') have been prepared in accordance with the Indian Accounting Standard ('Ind AS') notified under section 133 of the Companies Act, 2013, read together with Rule 3 of the Companies (Indian Accounting Standards) Rules as amended from time to time.

The accounting policies, as set out in the following paragraphs of this note, have been consistently applied, by the Company, to all the periods presented in the said financial statements. The preparation of the said financial statements requires the use of certain critical accounting estimates and judgements. It also requires the management to exercise judgement in the process of applying the Company's accounting policies. The areas where estimates are significant to the financial statements, or areas involving a higher degree of judgement or complexity, are disclosed in Note 44.

The financial statements are based on the classification provisions contained in Ind AS 1, 'Presentation of Financial Statements' and division II of schedule III of the Companies Act 2013.

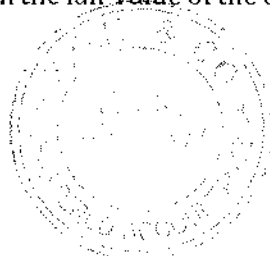
Further, for the purpose of clarity, various items are aggregated in the statement of profit and loss and balance sheet. Nonetheless, these items are dis-aggregated separately in the notes to the financial statements, where applicable or required. All the amounts included in the financial statements have been rounded off to the nearest Lakhs upto two decimals, as required by General Instructions for preparation of Financial Statements in Division II of Schedule III to the Companies Act, 2013, except per share data and unless stated otherwise.

#### **3.2 Historical Cost Convention**

The financial statements have been prepared on the accrual and going concern basis, and the historical cost convention except where the Ind AS requires a different accounting treatment. The principal variations from the historical cost convention relate to financial instruments classified as fair value for the followings:

- (a) certain financial assets and liabilities and contingent consideration that is measured at fair value;
- (b) assets held for sale measured at fair value less cost to sell;
- (c) defined benefit plans plan assets measured at fair value; and

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.



### **3.3 Use of estimates and judgements**

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and judgements that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.

### **3.4 Current versus non-current classification**

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current when it is:

- a) Expected to be realised or intended to be sold or consumed in normal operating cycle
- b) Held primarily for the purpose of trading, or
- c) Expected to be realised within twelve months after the reporting period other than for (a) above, or
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

#### **A liability is current when:**

- a) It is expected to be settled in normal operating cycle
- b) It is held primarily for the purpose of trading
- c) It is due to be settled within twelve months after the reporting period other than for (a) above, or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

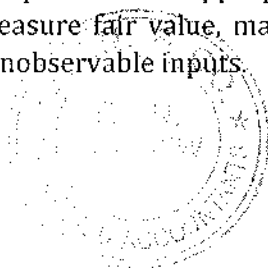
All other liabilities are classified as non-current.

### **3.5 Fair Value Measurement**

The Company measures financial instruments, such as, derivatives at fair value at each Balance Sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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

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



The Company categorizes assets and liabilities measured at fair value into one of three levels as follows:

- Level 1 — Quoted (unadjusted): This hierarchy includes financial instruments measured using quoted prices.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 - They are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants. Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

#### **4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### **4.1. Non-Current Assets Held for Sale**

Non-current assets are classified as assets-held-for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. The sale is considered highly probable only when the asset is available for immediate sale in its present condition, it is unlikely that the sale will be withdrawn and sale is expected within one year from the date of the classification. Assets classified as held for sale are stated at the lower of carrying amount and fair value less costs to sell.

Assets classified as held for sale are presented separately in the balance sheet.

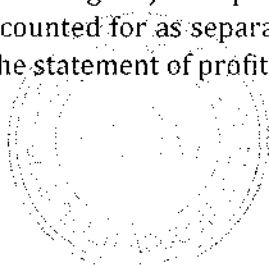
Loss is recognised for any initial or subsequent write -down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative loss previously recognised.

##### **4.2. Property Plant and Equipment ('PPE')**

An item is recognised as an asset, if and only if, it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. PPE are stated at actual cost less accumulated depreciation and impairment loss, if any. Actual cost is inclusive of freight, installation cost, duties, taxes and other incidental expenses for bringing the asset to its working conditions for its intended use (net of tax credit, if any) and any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by the Management. It includes professional fees and borrowing costs for qualifying assets.

Property, Plant and Equipment and intangible assets are not depreciated or amortized once classified as held for sale.

Significant Parts of an item of PPE (including major inspections) having different useful lives & material value or other factors are accounted for as separate components. All other repairs and maintenance costs are recognized in the statement of profit and loss as incurred.





Depreciation of these PPE commences when the assets are ready for their intended use. The estimated useful lives and residual values are reviewed on an annual basis and if necessary, changes in estimates are accounted for prospectively. Depreciation on subsequent expenditure on PPE arising on account of capital improvement or other factors is provided for prospectively over the remaining useful life.

Depreciation is provided pro-rata to the period of use on the straight line method based on the estimated useful life of the assets. The useful life of property, plant and equipment are as follows:

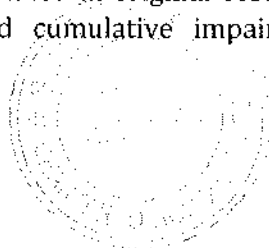
Asset Class	Useful Life
Building - Improvement on lease	Over the lease term
Building - Factory on lease	30 Years
Computer – servers	6 Years
Computer – others	3 Years
Furniture & Fixtures	10 Years
Mould & Dies (a)	15 Years
Electric Installation	10 Years
Equipment - R&D (a)	15 Years
Plant & Machinery – Gurugram & Solan Plant (a)	10 Years
Plant & Machinery – Others	15 Years
Office Equipment	5 Years
Vehicles	8 Years
Fixed Assets costing less than Rs 5,000	Fully depreciated when they are ready for use.

**Note:**

- For these classes of assets based on internal assessment and technical evaluation, the management believes that the useful lives as given above best represent the period over which the Management expects to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of Companies Act 2013.
- Depreciation on the amount capitalized on up-gradation of the existing assets is provided over the balance life of the original asset.
- An item of PPE is de-recognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

#### 4.3. Intangible Assets and amortisation

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment. Administrative and other general



overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets.

### **Recognition of intangible assets**

#### **a. Computer software**

Purchase of computer software used for the purpose of operations is capitalized. However, any expenses on software support, maintenance, upgrade etc. payable periodically is charged to the Statement of Profit & Loss.

#### **b. Revenue expenditure of specialized R&D Division**

Research and development expenditure on new products:

- (i) Expenditure on research is expensed under respective heads of account in the period in which it is incurred.
- (ii) Development expenditure on new products is capitalised as intangible asset, if all of the following can be demonstrated:
  - the technical feasibility of completing the intangible asset so that it will be available for use or sale;
  - the company has intention to complete the intangible asset and use or sell it;
  - the company has ability to use or sell the intangible asset;
  - the manner in which the probable future economic benefits will be generated including the existence of a market for output of the intangible asset or intangible asset itself or if it is to be used internally, the usefulness of intangible assets;
  - the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
  - the company has ability to reliably measure the expenditure attributable to the intangible asset during its development.

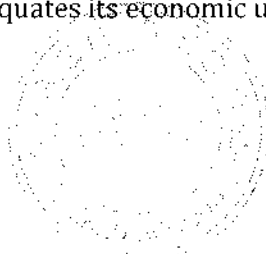
Development expenditure that does not meet the above criteria is expensed in the period in which it is incurred.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use.

It is amortized over the period of expected future benefit. Amortization expense is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

During the period of development, the asset is tested for impairment annually

**Amortisation periods and methods:** Intangible assets are amortised on straight line basis over a period ranging between 2-5 years which equates its economic useful life.



#### ➤ **De-recognition of intangible assets**

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from 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, and are recognized in the Statement of Profit and Loss when the asset is derecognized.

#### ***c. Intangible assets under development***

All costs incurred in development, are initially capitalized as Intangible assets under development - till the time these are either transferred to Intangible Assets on completion or expensed as Software Development cost (including allocated depreciation) as and when determined of no further use.

### **4.4. Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The financial instruments are recognised in the balance sheet when the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial instruments at initial recognition.

#### **Financial Assets**

##### ***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. Purchases or sales of financial assets that require delivery of assets within a time frame are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

##### **Subsequent measurement**

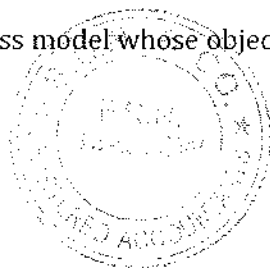
For purposes of subsequent measurement, financial assets are classified in following categories based on business model of the entity:

- Debt instruments at amortized cost.
- Debt instruments at fair value through other comprehensive income (FVTOCI).
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL).
- Equity instruments measured at fair value through other comprehensive income (FVTOCI).

##### **Debt instruments at amortized cost**

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and





- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

#### **Debt instrument at FVTOCI**

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

#### **Debt instrument at FVTPL**

Any debt instrument, that does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

#### **Equity investments (Other than investment in subsidiary)**

All other equity investments are measured at fair value. For Equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. This amount is not recycled from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in Statement of Profit and Loss.



Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

### **Investments in Mutual Funds**

Investments in mutual funds are measured at fair value through profit or loss (FVTPL)

### **Cash and cash equivalents**

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

### **De-recognition**

A financial asset is de-recognized only when

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

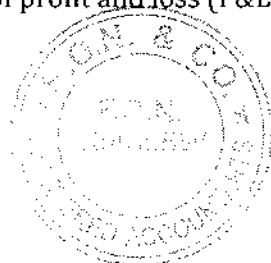
Where the Company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognized.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

### ***Impairment of financial assets***

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix considers historical credit loss experience and is adjusted for forward looking information. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L).



## **Financial liabilities**

Financial liabilities and equity instruments issued by the company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

### ***Initial recognition and measurement***

Financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss.

### ***Subsequent measurement***

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

## **Trade and Other Payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortised cost using the effective interest method.

## **Loans and Borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

## **Financial Guarantee Contracts**

Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

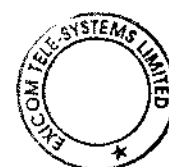
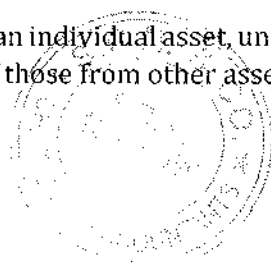
## **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

## **4.5. Impairment of Non-Financial Assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use.

Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets.



When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are considered. If no such transactions can be identified, an appropriate valuation model is used. Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

A previously recognized impairment loss (except for goodwill) is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited to the carrying amount of the asset.

#### **4.6. Inventories**

**a) Basis of valuation:**

1. Inventories other than scrap materials are valued at lower of cost and net realizable value after providing cost of Obsolescence, if any.
2. Inventory of scrap materials have been valued at net realizable value.

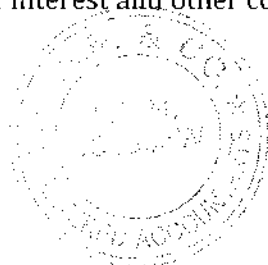
**b) Method of valuation:**

1. Cost of raw materials has been determined by using moving weighted average cost method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.
2. Cost of finished goods and work-in-progress includes direct fixed and variable production overheads and indirect taxes as applicable. Fixed production overheads are allocated on the basis of normal capacity of production facilities. Cost is determined on moving weighted average basis.
3. Cost of traded goods has been determined by using moving weighted average cost method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.
4. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

#### **4.7. Borrowing Costs**

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset are capitalized as part of cost of such asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

Borrowing costs consists of interest and other costs that an entity incurs in connection with the borrowing of funds.





#### **4.8. Investments in subsidiaries, associates and joint ventures**

The Company records the investments in subsidiaries, associates and joint ventures at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount.

When the Company issues financial guarantees on behalf of subsidiaries, initially it measures the financial guarantees at their fair values and subsequently measures at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

The Company records the initial fair value of financial guarantee as deemed investment with a corresponding liability recorded as deferred revenue. Such deemed investment is added to the carrying amount of investment in subsidiaries.

Deferred revenue is recognized in the Statement of Profit and Loss over the remaining period of financial guarantee issued.

The Company reviews its carrying value of investments carried at cost (net of impairment, if any) annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the statement of profit and loss.

#### **4.9. Foreign Currency Transactions**

The functional currency of the Company is Indian Rupees which represents the currency of the economic environment in which it operates.

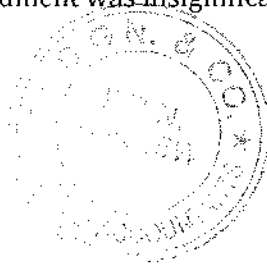
Transactions in currencies other than the Company's functional currency are recognized at the rates of exchange prevailing at the dates of the transactions. Monetary items denominated in foreign currency at the year end and not covered under forward exchange contracts are translated at the functional currency spot rate of exchange at the reporting date.

Any income or expense on account of exchange difference between the date of transaction and on settlement or on translation is recognized in the profit and loss account as income or expense.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation difference on such assets and liabilities carried at fair value are reported as part of fair value gain or loss.

In case of forward exchange contracts, the premium or discount arising at the inception of such contracts is amortized as income or expense over the life of the contract. Further exchange difference on such contracts i.e. difference between the exchange rate at the reporting /settlement date and the exchange rate on the date of inception of contract/the last reporting date, is recognized as income/expense for the period.

Effective April 1, 2018 the Company has adopted Appendix B to Ind AS 21-Foreign Currency Transactions and Advance Consideration which clarifies the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in a foreign currency. The effect on account of adoption of this amendment was insignificant.



#### 4.10. 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 and to unused tax losses, if any.

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. 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 is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Standalone Financial Statement. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

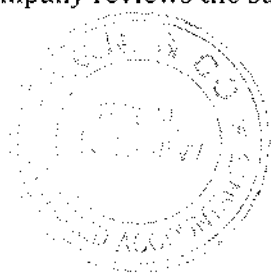
The carrying amount of deferred tax assets are reviewed at the end of each reporting period and are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax liabilities are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiaries, where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred Tax includes MAT tax Credit. The Company recognizes tax credit in the nature of MAT credit as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e. the period for which tax credit is allowed to be carried forward. The Company reviews the such tax credit asset at each reporting date to assess its recoverability.



#### 4.11. Revenue Recognition

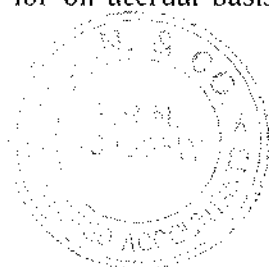
The company recognizes revenue in accordance with Ind- AS 115. Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration that the Company expects to receive in exchange for those products or services.

Revenues in excess of invoicing are classified as contract assets (which may also refer as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which may also refer to as unearned revenues).

The Company presents revenues net of indirect taxes in its Statement of Profit and loss.

The specific recognition criteria from various stream of revenue is described below:

- a. **Revenue from the sale of goods** is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. The Performance Obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.
- b. **Revenue from Services** is recognized when respective service is rendered and accepted by the customer.
- c. **Capacity swaps**  
The exchange of network capacity is recognised at fair value unless the transaction lacks commercial substance or the fair value of neither the capacity received nor the capacity given is reliably measurable.
- d. **Interest income**  
For all debt instruments measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR).
- e. **Rental income**  
Rental income arising from operating leases or on investment properties is accounted for on a straight-line basis over the lease terms and is included in other non-operating income in the statement of profit and loss.
- f. **Insurance Claims**  
Insurance claims are accounted for as and when admitted by the concerned authority.
- g. **Dividend Income**  
Dividend income on investments is recognised when the right to receive dividend is established.
- h. **Other Income**  
Other Income is accounted for on accrual basis except, where the receipt of income is uncertain.



## 4.12. Employee Benefits

### Short Term Employee Benefits

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

### Long-Term employee benefits

Compensated expenses which are not expected to occur within twelve months after the end of period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the balance sheet date.

### Post-employment obligations

#### i. Defined contribution plans

Provident Fund and employees' state insurance schemes

All employees of the Company are entitled to receive benefits under the Provident Fund, which is a defined contribution plan. Both the employee and the employer make monthly contributions to the plan at a predetermined rate (presently 12%) of the employees' basic salary. These contributions are made to the fund administered and managed by the Government of India. In addition, some employees of the Company are covered under the employees' state insurance schemes, which are also defined contribution schemes recognized and administered by the Government of India.

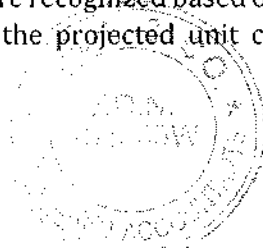
The Company's contributions to both these schemes are expensed in the Statement of Profit and Loss. The Company has no further obligations under these plans beyond its monthly contributions.

#### ii. Defined benefit plans

##### Gratuity

The Company provides for gratuity obligations through a defined benefit retirement plan (the 'Gratuity Plan') covering all employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement or termination of employment based on the respective employee salary and years of employment with the Company. The Company provides for the Gratuity Plan based on actuarial valuations in accordance with Indian Accounting Standard 19 (revised), "Employee Benefits". The Company makes annual contributions to the Life Insurance Corporation of India for the Gratuity Plan in respect of employees. The present value of obligation under gratuity is determined based on actuarial valuation using Project Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Defined retirement benefit plans comprising of gratuity, un-availed leave, post-retirement medical benefits and other terminal benefits, are recognized based on the present value of defined benefit obligation which is computed using the projected unit credit method, with actuarial





valuations being carried out at the end of each annual reporting period. These are accounted either as current employee cost or included in cost of assets as permitted.

### **Leave Encashment**

The company has provided for the liability at period end on account of un-availed earned leave as per the actuarial valuation as per the Projected Unit Credit Method.

### **iii. Actuarial gains and losses are recognized in OCI as and when incurred.**

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest as defined above), are recognized in other comprehensive income except those included in cost of assets as permitted in the period in which they occur and are not subsequently reclassified to profit or loss.

The retirement benefit obligation recognized in the Financial Statements represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of reductions in future contributions to the plans.

### **Termination benefits**

Termination benefits are recognized as an expense in the period in which they are incurred.

## **4.13. Leases**

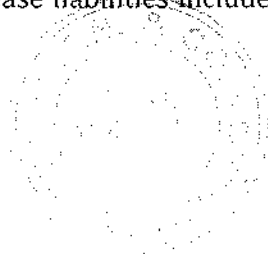
### **As a lessee**

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. 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. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- i. the contract involves the use of an identified asset
- ii. the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- iii. the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.



The right-of-use assets are initially recognized 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. They are 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. 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.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

#### **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.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

#### **Short-term leases and leases of low-value assets**

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

#### **4.14. Earning Per Share ('EPS')**

The Company presents the Basic and Diluted EPS data. Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and



also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

#### 4.15. Segment Reporting

##### *Identification of segments:*

Operating segments are reported in a manner consistent with the internal financial reporting provided to the Chief Operating Decision Maker (CODM) i.e. Chief Operating officer. CODM monitors the operating results of all product segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit and loss in the financial statements. The primary reporting of the Company has been performed on the basis of business segments. The analysis of geographical segments is based on the areas in which the Company's products are sold or services are rendered.

##### *Allocation of common costs:*

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

##### *Unallocated items:*

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

#### 4.16. Government Grant

Government Grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with .

Government grants related to depreciable fixed assets are treated as deferred income which has been recognised in the profit and loss statement on a systematic and rational basis over the useful life of the asset, i.e., such grants should be allocated to income over the periods and in the proportions in which depreciation on those assets is charged.

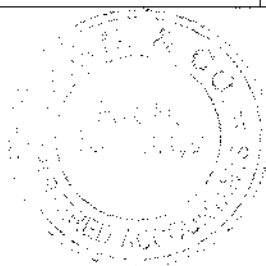
#### 4.17. Cash & Cash Equivalents

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

#### 4.18. Prior Period Items

The Company has adopted following materiality threshold limits in the recognition of Prior period expenses/incomes:

No.	Threshold Items	Threshold Value
i.	Identification based on individual limits	Rs. 10 lakhs
ii.	Restatement based on overall limits	1% of Total Revenue of Previous FY



#### **4.19. Provision, Contingent Liabilities and Contingent Assets**

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

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

ARO are recognised for those operating lease arrangements where the Company has an obligation at the end of the lease period to restore the leased premises in a condition similar to inception of lease. ARO are provided at the present value of expected costs to settle the obligation and are recognised as part of the cost of that particular asset. The estimated future costs of decommissioning are reviewed annually and any changes in the estimated future costs or in the discount rate applied are adjusted from the cost of the asset.

Contingent liabilities are disclosed in the Financial Statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

#### **Warranty Provisions**

Provision for warranty-related costs are recognized when the product is sold or service is provided to customer. Initial recognition is based on historical experience. the Company periodically reviews the adequacy of product warranties and adjust warranty percentage and warranty provisions for actual experience, if necessary. The timing of outflow is expected to be with in one to three years.

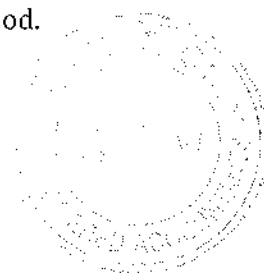
#### **4.20. Exceptional Items**

Exceptional items refer to items of income or expense within the statement of profit and loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Company.

#### **4.21. Amendments to Schedule III of the Companies Act, 2013**

Ministry of Corporate Affairs (MCA) issued notifications dated 24th March, 2021 to amend Schedule III of the Companies Act, 2013 to enhance the disclosures required to be made by the Company in its financial statements. These amendments are applicable to the Company for the financial year starting 1st April, 2021 and applied to the standalone financial statements:

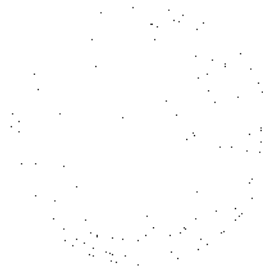
- a. Certain additional disclosures in the standalone Statement of Changes in Equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.





**Exicom Tele-Systems Limited**  
**Notes Forming Part of the Standalone Financial Statements**

- b.** Additional disclosure for shareholding of promoters.
- c.** Additional disclosure for ageing schedule of trade receivables, trade payables, capital work-in-progress.
- d.** Specific disclosure such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in the name of the Company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties etc.
- e.** Additional disclosure relating to Corporate Social Responsibility (CSR) and undisclosed income.



Property, Plant and equipment "PPE" - Other than R&D

Particulars	Building	Leasehold Improvements	Plant & Equipment	Electric Installation	Moulds & Dies	Computers	Office Equipment	Furniture & Fixture	Vehicles	Total
<b>Gross Carrying Value</b>										
As at April 1, 2020	393.65	2,454.53	4,397.56	450.88	301.99	485.26	165.35	559.21	59.85	9,269.07
Additions	-	5.65	199.89	-	64.94	64.44	3.39	8.12	1.76	348.20
Less: Disposals / Adjustments	-	37.38	177.31	-	-	2.55	2.96	39.75	-	259.96
As at March 31, 2021	393.65	2,422.80	4,420.14	450.88	366.92	547.15	165.78	527.58	61.61	9,356.51
Additions	-	25.61	192.57	-	12.88	263.53	17.73	32.39	-	545.01
Less: Disposals / Adjustments	-	-	-	-	-	10.52	-	-	-	10.52
As at March 31, 2022	393.65	2,448.41	4,612.71	450.88	379.80	800.16	183.51	560.37	61.61	9,891.00
<b>Accumulated depreciation and impairment</b>										
As at April 1, 2020	315.15	690.54	1,339.96	159.78	50.48	339.37	105.13	330.90	45.61	3,376.93
Depreciation for the year	4.36	249.50	281.82	39.47	18.45	66.32	15.27	29.99	2.32	707.51
Less: Disposals / Adjustments	-	31.33	169.88	-	-	2.11	2.86	38.23	-	244.39
As at March 31, 2021	319.51	908.72	1,451.90	199.25	68.94	403.58	117.54	322.66	47.93	3,840.04
Depreciation for the year	4.36	220.87	291.04	39.10	21.26	80.48	16.19	30.06	2.32	705.68
Less: Disposals / Adjustments	-	-	-	-	-	9.91	-	-	-	9.91
As at March 31, 2022	323.87	1,129.59	1,742.94	238.35	90.20	474.15	133.73	352.72	50.25	4,535.81
<b>Net Carrying Value</b>										
As at April 1, 2020	78.50	1,763.99	3,057.60	291.10	251.50	145.89	60.22	228.31	14.24	5,892.15
As at March 31, 2021	74.13	1,514.08	2,968.24	251.63	297.99	143.57	48.24	204.92	13.68	5,516.47
As at March 31, 2022	69.78	1,318.82	2,869.77	212.53	289.70	326.01	49.78	207.45	11.36	5,355.19

Property, Plant and equipment "PPE" - R&D

Particulars	Plant & Equipment	Computers	Office Equipment	Furniture & Fixture	Total
<b>Gross Carrying Value</b>					
As at April 1, 2020	1,005.64	248.88	129.86	109.08	1,493.46
Additions	67.94	37.73	0.64	1.84	108.16
Less: Disposals / Adjustments	1.02	0.75	0.33	0.22	2.33
As at March 31, 2021	1,072.56	285.86	130.17	110.70	1,599.29
Additions	16.05	28.59	0.46	2.38	47.48
Less: Disposals / Adjustments	-	-	-	-	-
As at March 31, 2022	1,088.61	314.45	130.63	113.08	1,646.77
<b>Accumulated depreciation and impairment</b>					
As at April 1, 2020	222.80	130.96	34.38	19.97	408.12
Depreciation for the year	63.18	62.61	23.21	9.60	158.60
Less: Disposals / Adjustments	1.02	0.72	0.08	0.22	2.04
As at March 31, 2021	284.96	192.86	57.51	29.35	564.67
Depreciation for the year	66.22	53.45	23.26	9.66	152.59
Less: Disposals / Adjustments	-	-	-	-	-
As at March 31, 2022	351.18	246.31	80.77	39.01	717.26
<b>Net Carrying Value</b>					
As at April 1, 2020	782.84	117.91	95.48	89.11	1,085.34
As at March 31, 2021	787.60	93.00	72.66	81.35	1,034.62
As at March 31, 2022	737.43	68.14	49.86	74.07	929.51



6 Right-of-Use Assets and Lease Liabilities

The Following is carrying value of Right-of-use assets for the year ended March 31, 2022

Particulars	Leasehold Land	Building	Security Deposit	Total
As at April 1, 2020	31.62	2,096.30	48.84	2,176.76
<b>Additions</b>				
Lease Modification/addition during the year	-	324.65	10.17	334.82
<b>Deletion</b>				
Lease Termination during the year	-	56.30	0.69	56.99
Depreciation	-	473.99	13.17	487.16
As at March 31, 2021	31.62	1,890.66	45.15	1,967.43
<b>Additions</b>				
Lease Modification/addition during the year	-	491.36	7.93	499.29
<b>Deletion</b>				
Lease Termination during the year	-	-	-	-
Depreciation	-	559.77	15.82	575.59
As at March 31, 2022	31.62	1,822.25	37.26	1,891.13

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in statement of Profit and Loss for the year ended March 31, 2022.

The following is the break-up of current and non-current lease liabilities as at March 31, 2022

Particulars	As at March 31, 2022	As at March 31, 2021
Current Lease Liabilities	488.65	417.69
Non-current Lease Liabilities	1,509.50	1,586.95
<b>Total</b>	<b>1,998.15</b>	<b>2,004.64</b>

The following is the carrying value of lease liability for the year ended March 31, 2022

Particulars	Total
As at April 1, 2020	2,217.59
<b>Addition</b>	
Lease Modification/Addition in the Liability during the year	207.02
Finance cost accrued during the year	178.05
<b>Deletions</b>	
Lease Termination during the year	59.95
Lease Rent Concession	62.12
Payment of lease liabilities including interest	475.95
As at March 31, 2021	2,004.64
<b>Addition</b>	
Lease Modification/Addition in the Liability during the year	491.36
Finance cost accrued during the year	172.73
<b>Deletions</b>	
Lease Termination during the year	-
Lease Rent Concession	18.35
Payment of lease liabilities including interest	652.23
As at March 31, 2022	1,998.15

**Note:**

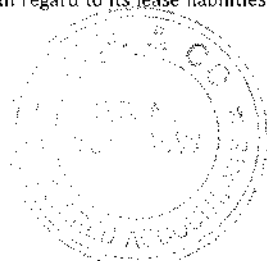
(a) The Company incurred ₹ 178.37 Lakhs for the year ended March 31, 2022 (March 31, 2021: ₹ 193.35 Lakhs) towards expenses relating to short-term leases and leases of low-value assets. The total cash outflow for leases is ₹ 830.59 Lakhs for the year ended March 31, 2022 (March 31, 2021: ₹ 669.30 Lakhs), including cash outflow of short-term leases and leases of low-value assets. Interest on lease liabilities for the year ended March 31, 2022 is ₹ 172.72 Lakhs (March 31, 2021: ₹ 178.06 Lakhs).

(b) Lease contracts entered by the Company majorly pertains for buildings taken on lease to conduct its business in the ordinary course. The Company have taken land and buildings on leases for manufacturing and warehouse facilities.

(c) During the current year, the Company has received the COVID-19-related rent concessions for lessees amounting to ₹ 18.35 Lakhs (March 31, 2021: ₹ 62.12 Lakhs) and on the basis of practical expedient as per Ind AS 116 "Leases", the same is not considered to be lease modification, hence the income towards rent concession is recognised in "Other Income" in the statement of profit and loss account

(d) The weighted average incremental borrowing rate applied to lease liabilities is 9.22%

(e) The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.



7 Intangible Assets - other than R&D

(₹ in Lakhs)

Particulars	Product development	Software	SAP - ERP Licence	Total
<b>Gross Carrying Value</b>				
As at April 1, 2020	1,852.03	190.51	91.57	2,134.11
Additions	-	65.95	7.02	72.97
Less: Disposals / Adjustments	-	-	-	-
<b>As at March 31, 2021</b>	<b>1,852.03</b>	<b>256.46</b>	<b>98.59</b>	<b>2,207.08</b>
Additions	1,129.19	143.30	-	1,272.49
Less: Disposals / Adjustments	-	-	-	-
<b>As at March 31, 2022</b>	<b>2,981.22</b>	<b>399.76</b>	<b>98.59</b>	<b>3,479.57</b>
<b>Accumulated depreciation and impairment</b>				
As at April 1, 2020	1,794.81	90.51	76.26	1,961.58
Amortisation for the year	45.80	28.84	5.74	80.38
Less: Disposals / Adjustments	-	-	-	-
<b>As at March 31, 2021</b>	<b>1,840.61</b>	<b>119.35</b>	<b>82.00</b>	<b>2,041.96</b>
Amortisation for the year	196.99	43.89	6.90	247.78
Less: Disposals / Adjustments	-	-	-	-
<b>As at March 31, 2022</b>	<b>2,037.60</b>	<b>163.24</b>	<b>88.90</b>	<b>2,289.74</b>
<b>Net Carrying Value</b>				
As at April 1, 2020	57.22	100.00	15.31	172.53
As at March 31, 2021	11.42	137.11	16.59	165.12
<b>As at March 31, 2022</b>	<b>943.62</b>	<b>236.52</b>	<b>9.69</b>	<b>1,189.83</b>

Intangible Assets - R&D

(₹ in Lakhs)

Particulars	Software	Technical Know-how	Total
<b>Gross Carrying Value</b>			
As at April 1, 2020	466.66	500.00	966.66
Additions	116.19	-	116.19
Less: Disposals / Adjustments	-	-	-
<b>As at March 31, 2021</b>	<b>582.85</b>	<b>500.00</b>	<b>1,082.85</b>
Additions	90.30	40.00	130.30
Less: Disposals / Adjustments	-	-	-
<b>As at March 31, 2022</b>	<b>673.15</b>	<b>540.00</b>	<b>1,213.15</b>
<b>Accumulated depreciation and impairment</b>			
As at April 1, 2020	323.78	152.38	476.16
Amortisation for the year	56.15	100.00	156.15
Less: Disposals / Adjustments	-	-	-
<b>As at March 31, 2021</b>	<b>379.93</b>	<b>252.38</b>	<b>632.31</b>
Amortisation for the year	60.62	107.34	167.96
Less: Disposals / Adjustments	-	-	-
<b>As at March 31, 2022</b>	<b>440.55</b>	<b>359.72</b>	<b>800.27</b>
<b>Net Carrying Value</b>			
As at April 1, 2020	142.88	347.62	490.50
As at March 31, 2021	202.92	247.62	450.54
<b>As at March 31, 2022</b>	<b>232.60</b>	<b>180.28</b>	<b>412.88</b>





8 Intangible Assets under Development

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	1,205.69	124.92
Additions	981.67	1,129.19
Less: Disposals / Adjustments	1,129.19	48.42
Closing Balance	1,058.17	1,205.69

As at March 31, 2022

Particulars	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress	981.67	-	-	76.50	1,058.17
Projects temporarily suspended	-	-	-	-	-

As at March 31, 2021

Particulars	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress	1,129.19	-	-	76.50	1,205.69
Projects temporarily suspended	-	-	-	-	-

As at March 31, 2022

Particulars	to be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress					
Project 1	251.39	-	-	-	251.39
Project 2	501.85	-	-	-	501.85
Project 3	280.69	-	-	-	280.69
Project 4	5.67	-	-	-	5.67
Project 5	6.00	-	-	-	6.00
Project 6	12.58	-	-	-	12.58
Projects temporarily suspended	-	-	-	-	-

As at March 31, 2021

Particulars	to be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress					
Project 1	331.16	-	-	-	331.16
Project 2	263.23	-	-	-	263.23
Project 3	611.30	-	-	-	611.30
Projects temporarily suspended	-	-	-	-	-

Significant estimate: Useful life of intangible assets under development

As per IND AS 38-Intangible Assets, Development costs are capitalised as an intangible asset if it can be demonstrated that the project is expected to generate future economic benefits, it is probable that those future economic benefits will flow to the entity and the costs of the asset can be measured reliably. The company has inhouse research and development unit for development of the new products. The research and development units are duly approved and registered with DSIR (Department of Scientific and Industrial Research). During the financial year 2021-22 the company has spent Total ₹ 1,922.32 Lakhs on research and development of product out of this total expenditure the company has spent ₹ 957.42 Lakhs on the eligible development expenses on projects which can demonstrate that these project will generate future economic benefits in the future and cost can be measured reliably. So the eligible amount has been capitalised under Intangible assets under development and the balance amount ₹ 964.90 Lakhs is charged to profit and loss account as revenue expenditure. The useful life of the developed product is estimated to be 5 years from the date of completion of the project.

The intangible asset under construction relates to the money paid to Centre of electric vehicles (CoEV), IIT Madras & M/s Grintech Motors & Services Pvt Ltd, for the license to use battery technology including but not limited to its design, know-how, drawings, data sheets, updates and upgrades, in respect to the hardware and software, in order to facilitate the licensee to manufacture, distribute and market the Developed Product (Battery pack for Buses and Battery Module) also for development of communication protocols and in porting these protocols on the batteries and chargers. The license property will be provided with communication protocols implemented between battery and chargers and between the vehicles by CoEV & IIT Madras and the Useful life of the same is estimated to be 5 years.

9 Investment in Subsidiaries

Particulars	As at March 31, 2022	As at March 31, 2021
Unquoted Investments (At Cost)		
Investment in Equity Instruments		
(i) Subsidiary	678.78	678.78
Total	678.78	678.78

9.1 - Investment in Subsidiaries

Particulars	As at March 31, 2022		As at March 31, 2021	
	Face value per share	No. of Shares	No. of Shares	Amount
Unquoted Investments				
Investment in Equity Instruments-Equity Shares				
(a) Exicom Tele-Systems (Singapore) Pte. Limited	\$1	650,000	650,000	302.13
(b) Energywin Technologies Private Limited	10	4,050,000	4,050,000	376.65
Aggregate amount of unquoted investments				678.78
Aggregate amount of impairment in value of investments during the year				55.49

9.2 Details of Subsidiaries

Name of subsidiary	Principal Activity	Place of incorporation and principal place of business	Proportion of ownership interest/ voting rights held by the Company	
			As at March 31, 2022	As at March 31, 2021
Exicom Tele-Systems (Singapore) Pte. Limited	Trading of Li-Ion batteries	Singapore	100%	100%
Energywin Technologies Private Limited	Design & Development of RFID Solution and Asset Management Solutions etc.	India	100%	100%



10 Non-Current Financial Assets - Investments

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Investments</b>		
Investments in Equity shares		
Quoted		
Quadrant Televentures Limited	6.28	2.00
Unquoted		
Vaibhav Credit & Portfolio Private Limited	20.00	20.00
Less: Impairment in value of investments	(20.00)	(20.00)
<b>Other Investments</b>		
Endowment fund policy (PNB Metlife)	14.40	11.91
<b>Total</b>	<b>20.68</b>	<b>13.91</b>

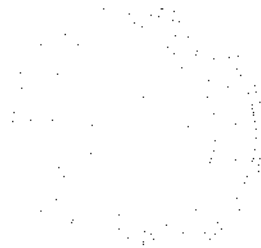
Non-Current Financial Assets - Investments

Particulars	Face Value per share	As at March 31, 2022		As at March 31, 2021	
		No. of Shares	Amount	No. of Shares	Amount
<b>Financial assets measured at FVTPL</b>					
Investment in equity instruments					
Quoted Equity Shares					
Quadrant Televentures Limited*	1	952,381	6.28	952,381	2.00
<b>Total Investment FVTPL</b>		<b>952,381</b>	<b>6.28</b>	<b>952,381</b>	<b>2.00</b>

Note:

Aggregate amount of quoted investment	6.28	2.00
Aggregate market value of quoted investment	6.28	2.00
Aggregate amount of unquoted investment	14.40	11.91
Aggregate amount of impairment in value of investments	-	-

\* Quadrant Televentures has been valued as per the Closing Trading price (BSE) of INR 0.66 per share as on 31.03.2022 (PY value per share was INR 0.21)



**11 Non- Current - Trade Receivables**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Trade Receivables - Billed</b>		
Trade Receivables considered good - Unsecured;	676.55	-
Less: Allowance for expected credit loss	-	-
<b>Total</b>	<b>676.55</b>	<b>-</b>

**12 Non-Current Financial Assets - Others**

Particulars	As at March 31, 2022	As at March 31, 2021
Fixed Deposits with Bank (Maturity more than 12 months)*	157.90	83.59
Unsecured, considered good;		
Security Deposits**	272.16	241.37
<b>Total</b>	<b>430.06</b>	<b>324.96</b>

\* Represents margin money against borrowings, guarantees and other commitments pledged with bank and other authorities Rs. 1379.16 Lakhs (Previous year Rs. 1232.82 Lakhs) to be read along with Note no 18

\*\* Security Deposits primarily include deposits given towards rented premises and others.

**13 Deferred Tax Assets (Net)**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>A. Deferred Tax Assets</b>		
Related to Brought forward losses and unabosrbed Depreciation	2,289.45	2,250.23
MAT Credit Entitlement	534.46	937.99
Others	772.34	765.01
(A)	3,596.25	3,953.23
<b>B. Deferred Tax Liability</b>		
Related to Depreciation on Fixed Assets and Amortisation	1,261.60	1,080.80
(B)	1,261.60	1,080.80
<b>Net Deferred Tax Assets / (Liability) (C) = (A)-(B)</b>	<b>2,334.65</b>	<b>2,872.43</b>

(₹ in Lakhs)

**The movement in deferred tax asset / (liabilities) during the Year ended March 31, 2022**

Particulars	As at March 31, 2021	Recognised in profit and Loss	Recognised in OCI	As at March 31, 2022
Provision for Gratuity	160.30	(0.68)	14.11	173.73
Provision for Leave Encashment	75.98	0.68	-	76.66
Lease Liability	521.21	(1.69)	-	519.52
Unabsorbed depreciation/Business Losses	2,250.24	39.21	-	2,289.45
Others	7.53	(5.09)	-	2.44
Property, plant and equipment and intangible assets (Including ROU Assets)	(1,080.80)	(180.80)	-	(1,261.60)
	<b>1,934.45</b>	<b>(148.36)</b>	<b>14.11</b>	<b>1,800.19</b>
MAT Credit Entitlement	937.99	(403.53)	-	534.46
<b>Total</b>	<b>2,872.43</b>	<b>(551.89)</b>	<b>14.11</b>	<b>2,334.65</b>

**The movement in deferred tax asset / (liabilities) during the Year ended March 31, 2021**

Particulars	As at March 31, 2020	Recognised in profit and Loss	Recognised in OCI	As at March 31, 2021
Provision for Gratuity	136.15	20.09	4.06	160.30
Provision for Leave Encashment	72.39	3.59	-	75.98
Lease Liability	576.57	(55.37)	-	521.21
Unabsorbed depreciation/Business Losses	550.61	1,699.62	-	2,250.24
Others	3.60	3.93	-	7.53
Property, plant and equipment and intangible assets (Including ROU Assets)	(1,196.58)	115.77	-	(1,080.80)
	<b>142.74</b>	<b>1787.64</b>	<b>4.06</b>	<b>1934.45</b>
MAT Credit Entitlement	1462.91	(524.92)	-	937.99
<b>Total</b>	<b>1605.65</b>	<b>1262.72</b>	<b>4.06</b>	<b>2872.43</b>



**14 Other Non-Current Assets**

Particulars	As at March 31, 2022	As at March 31, 2021
Capital Advances	63.47	81.30
Advance Given for Land purchase*	1,197.19	289.78
Prepaid Expense	37.92	94.56
<b>Total</b>	<b>1,298.58</b>	<b>465.64</b>

\* Final Allotment letter for purchase of Plot No S105, Plot No S106, Plot No S107, Plot No S108, Plot No S109, Plot No S110, Plot No S111, Plot No S112 measuring 74475.40 Sq.Mts of land situated at EHMC\_NON-SEZ\_AREA, Ranga Reddy District, has been issued in favour of the Company by Telangana State Industrial Infrastructure Corporation Limited (A Government Of Telangana Undertaking) on payment of total tentative sale consideration. The physical possession of the plot shall be delivered only after execution of Sale Agreement and fulfillment of other terms and conditions as mentioned in the Provisional Allotment orders.

There are no advances to directors or other officers of the Company or any of them either severally or jointly with any other persons or advances to firms or private companies respectively in which any director is a partner or a director or a member.

**15 Inventories**

Particulars	As at March 31, 2022	As at March 31, 2021
Stores & Spare Parts	228.64	111.15
Loose Tools	1.76	0.70
Raw Materials *	7,834.34	7,051.36
Packing Materials	37.75	52.25
Work in Process	4,551.01	3,757.12
Goods for Re-trade	8.58	9.75
Finished Goods	1.10	0.10
<b>Total</b>	<b>12,663.18</b>	<b>10,982.43</b>

\*Raw materials include materials in transit amounting to Rs. 1089.68 Lakhs (Previous year Rs. 741.61 Lakhs)

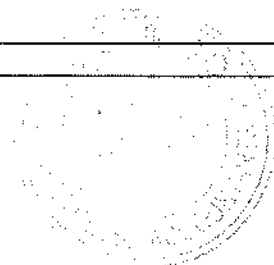
**16 Trade Receivables**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Trade Receivables - Billed</b>		
Trade Receivables considered good - Secured;	-	-
Trade Receivables considered good - Unsecured;	10,338.36	12,866.96
Less: Allowance for expected credit loss	-	-
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - Credit Impaired	492.43	274.46
Less: Allowance for expected credit loss	(492.43)	(274.46)
	<b>10,338.36</b>	<b>12,866.96</b>
<b>Trade Receivables - Unbilled</b>	<b>1,151.79</b>	<b>442.42</b>
<b>Total</b>	<b>11,490.15</b>	<b>13,309.38</b>

The expected credit loss is mainly based on the ageing of the receivable balances and historical experience. The receivables are assessed on an individual basis or grouped into homogeneous groups and assessed for impairment collectively, depending on their significance. Moreover, trade receivables are written off on a case-to-case basis if deemed not to be collectible on the assessment of the underlying facts and circumstances.

The movement in allowance for expected credit loss and credit impairment is as under: -

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	274.46	250.61
Additions	219.38	43.87
Write Off (net of recovery)	1.41	20.02
Closing balance	492.43	274.46





**Additional Information**  
**Trade receivables ageing schedule as at March 31, 2022**

Particular	Unbilled Receivables	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed Trade Receivables</b>								
(i) Considered good	1,151.79	4,181.84	4,116.81	936.34	1,390.91	315.36	231.70	12,324.75
(ii) Which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Credit impaired	-	-	-	-	-	2.31	214.87	217.18
<b>Disputed Trade Receivables</b>								
(i) Considered good	-	-	-	-	-	-	-	-
(ii) Which have significant increase in credit risk	-	-	-	-	-	324.85	-	324.85
(iii) Credit impaired	-	-	-	-	-	-	-	-
								12,966.78
Less: Impairment allowance for trade receivables	-	-	61.75	18.02	27.82	171.83	213.01	492.43
Less: Fair valuation of Non-current Trade Receivables	-	-	-	-	-	-	-	207.65
<b>Total</b>								<b>12,166.70</b>

**Trade receivables ageing schedule as at March 31, 2021**

Particular	Unbilled Receivables	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed Trade Receivables</b>								
(i) Considered good	442.42	5,107.75	5,356.34	1,028.01	982.47	290.83	240.95	13,448.77
(ii) Which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Credit impaired	-	-	-	-	-	0.01	135.06	135.07
<b>Disputed Trade Receivables</b>								
(i) Considered good	-	-	-	-	-	-	-	-
(ii) Which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Credit impaired	-	-	-	-	-	-	-	-
								13,583.84
Less: Impairment allowance for trade receivables	-	-	87.39	19.79	19.65	6.55	141.09	274.46
<b>Total</b>								<b>13,309.38</b>

Refer note no. 52 for information about receivables from related party

No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person.

No trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member except Rs. 72.33 Lakhs (PY Rs. 480.30 Lakhs) due from Exicom Tele-Systems (Singapore) Pte Ltd. in which director is a director (refer note no. 52).

Trade receivables are non-interest bearing and are generally on terms of 60-120 days.

**17 Cash and Cash Equivalents ("C & CE")**

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with banks - In current accounts*	908.52	219.35
Cash on hand	1.42	0.67
<b>Total</b>	<b>909.94</b>	<b>220.02</b>

\*Includes amount of ₹ 26.65 Lakhs related to Unspent CSR amount kept in separate bank account as per provision of 135(6) of Companies Act, 2013

**18 Other Bank Balances**

Particulars	As at March 31, 2022	As at March 31, 2021
Fixed Deposits (including held as margin money for credit facilities)*		
- Maturity less than 3 months	76.93	1,072.82
- Maturity more than 3 months and upto 12 months	1,144.34	1,071.41
<b>Total</b>	<b>1,221.27</b>	<b>2,144.23</b>

\* Represents margin money against borrowings, guarantees and other commitments pledged with banks and other authorities Rs. 1379.16 Lakhs (Previous year Rs. 1232.82 Lakhs) to be read along with Note no 12



**19 Loans**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good;</b>		
Loans to Related Parties	248.00	368.00
	248.00	368.00
Less: Impairment allowance for Loan & Advances receivable	-	-
<b>Total</b>	<b>248.00</b>	<b>368.00</b>

There are no Loans due by Directors or other officers of the company or any of them either severally or jointly with any other person or amounts due by firms or private companies respectively in which any director is a partner or a director or a member except as disclosed below:

**Loan Repayable on demand**

Type of Borrower	As at March 31, 2022		As at March 31, 2021	
	Amount of loan or advance in the nature of loan outstanding	% of total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	% of total Loans and Advances in the nature of loans
Loan to Promoters	-	-	-	-
Loan to Directors	-	-	-	-
Loan to KMP's	-	-	-	-
Loan to Related Parties (Subsidiary)	248.00	100	368.00	100

**20 Current Financial Assets - Others**

Particulars	As at March 31, 2022	As at March 31, 2021
Interest accrued:		
On Fixed Deposits with Banks	25.98	41.99
On Loan to Related Party	61.71	182.31
Security Deposits, Unsecured, considered good;	38.77	39.30
<b>Total</b>	<b>126.46</b>	<b>263.60</b>

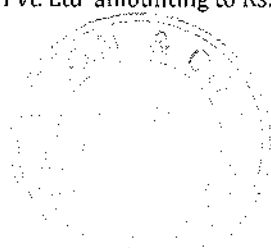
**21 Current Tax Assets (Net)**

Particulars	As at March 31, 2022	As at March 31, 2021
TDS Recoverable (net of provisions)	948.76	574.89
<b>Total</b>	<b>948.76</b>	<b>574.89</b>

**22 Other Current Assets**

Particulars	As at March 31, 2022	As at March 31, 2021
Prepaid Expenses	197.19	183.87
Advances to Suppliers	3,363.78	1,929.23
Balance with Government Authorities	2,644.71	1,738.49
Others	35.65	34.26
<b>Total</b>	<b>6,241.33</b>	<b>3,885.85</b>

There are no advances to directors or other officers of the Company or any of them either severally or jointly with any other persons or advances to firms or private companies respectively in which any director is a partner or a director or a member except advance given to Energywin Technologies Pvt. Ltd. amounting to Rs. 160.92 Lakhs, in which director is a director (refer note no. 52).



23 Equity Share Capital

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Authorised Shares</b>		
15,000,000 (Previous FY - 15,000,000) equity shares of Rs. 10/- each	1,500.00	1,500.00
<b>Issued, Subscribed and fully paid-up shares</b>		
72,30,203 (Previous FY - 72,30,203 ) equity shares of Rs. 10/- each	723.02	723.02
<b>Total</b>	<b>723.02</b>	<b>723.02</b>

a) Terms/rights attached to equity 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 cast one vote per share.

b) Shareholders holding more than 5 percent of Equity Shares in the Company

Name of Shareholder		As at March 31, 2022 No. of share held	As at March 31, 2021 No. of share held
NextWave Communications Private Limited (Formerly known as MN Enterprises Private Limited)	% of Holding	5,031,685 69.59%	5,031,685 69.59%
Vinsan Brothers Private Limited	% of Holding	1,082,692 14.97%	1,082,692 14.97%
HFCL Limited	% of Holding	630,223 8.72%	630,223 8.72%
Satellite Finance Private Limited	% of Holding	377,500 5.22%	377,500 5.22%
Others holding less than 5% shares	% of Holding	108,103 1.50%	108,103 1.50%

c) Details of shareholding of promoters

S. No.	Shares held by promoters at the year ended March 31, 2022			% change during the year
	Promoter's Name	No. of shares	% of total shares	
1	NextWave Communications Private Limited	5,031,685	69.59	-
2	Vinsan Brothers Private Limited	1,082,692	14.97	-
3	HFCL Limited	630,223	8.72	-
4	Satellite Finance Private Limited	377,500	5.22	-

S. No.	Shares held by promoters at the year ended March 31, 2021			% change during the year
	Promoter's Name	No. of shares	% of total shares	
1	NextWave Communications Private Limited	5,031,685	69.59	-
2	Vinsan Brothers Private Limited	1,082,692	14.97	-
3	HFCL Limited	630,223	8.72	-
4	Satellite Finance Private Limited	377,500	5.22	-

d) Others

The company also has authorised capital of 15,000,000 ((Previous FY - 15,000,000) Preference shares of Rs 10/- each.

24 Other Equity

Particulars	As at March 31, 2022	As at March 31, 2021
Equity component of Compound Financial Instruments	1,325.80	1,325.80
Securities Premium	6,163.35	6,163.35
Retained Earnings	6,080.04	5,606.17
Other Comprehensive Income	-	-
<b>Total</b>	<b>13,569.19</b>	<b>13,095.32</b>

(i) Equity component of Compound Financial Instruments

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	1,325.80	-
Increase/(Decrease) during the year	-	1,325.80
<b>Closing Balance</b>	<b>1,325.80</b>	<b>1,325.80</b>



(ii) Securities Premium

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	6,163.35	6,163.35
Increase/(Decrease) during the year	-	-
Closing Balance	6,163.35	6,163.35

(iii) Retained Earnings

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	5,606.17	6,758.13
Changes in accounting policy or prior period errors	-	-
Restated balance at the beginning of the year	-	-
Net profit/(loss) for the year	405.49	(1,065.77)
Transfer from Other Comprehensive income	-	(105.86)
<b>Items of other comprehensive income recognised directly in retained earnings</b>		
Re-measurement gains / (losses) on defined benefit plans (net of tax)	68.38	19.67
Closing Balance	6,080.04	5,606.17

(iv) Other Comprehensive Income

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	-	(105.86)
Items of Other Comprehensive Income		
Remeasurement of Defined benefit plans (Including Tax Impact)	-	-
Transfer to retained earnings	-	105.86
Closing Balance	-	-

The Description of the nature and purpose of each reserve within equity is as follows:

a) Securities Premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013

b) Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to dividends or other distributions paid to shareholders.

The Company recognises change on account of remeasurement of the net defined benefit liability (asset) as part of retained earnings with separate disclosure, which comprises of:

- (a) actuarial gains and losses; and
- (b) return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset).





## 25 Non-Current - Borrowings

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Secured</b>		
Term Loan from Banks	596.66	-
<b>Unsecured</b>		
Loan from NBFC	-	377.46
6% Compulsorily Convertible Debentures	6,359.48	6,234.65
<b>Total</b>	<b>6,956.14</b>	<b>6,612.11</b>

**(i) Working Capital Term Loan from Punjab National Bank is secured by :****Primary Security**

Extension of Charge on entire present and future current assets of the Company. Extension of Charge over existing primary securities.

**Collateral Security**

Extension of EQM on properties as per detail below:

EM of Land & Built up 5 storied Building at Mauja Bassi Patti Kather in Industrial Area, Chambaghat Solan (HP)

The facility should be covered under Guarantee coverage from NCGTC

**Rate of Interest:** Existing ROI or MCLR (1Y)+1.00%, whichever is lower, subject to maximum of 9.25%

**Repayment Schedule**

The Loan shall be repaid in 36 equal monthly installments of Rs. 916,666.66/- each, after a moratorium period of 24 months.

F.Y.	Amount in ₹
2022-23	-
2023-24	-
2024-25	11,000,000
2025-26	11,000,000
2026-27	11,000,000

**(ii) Working Capital Term Loan from State Bank of India is secured by :****Primary Security**

Second Charge on all present, future stocks and receivables, plants & machinery of the Company on pari-passu basis.

Hypothecation of Stocks & Receivables.

**Collateral Security**

a) Second Charge on five storied RCC Industrial Structure on Plot No. 1-8 situated at Khata No. 666/1455 Khasra No. 386/1 in Mauja Bassi Patti Kather in Industrial Area, Chambaghat Solan (HP)-173211

b) Second Charge on 25,66,585 nos. equity shares of Exicom Tele-systems Ltd.

c) Second Charge on Lien on fixed deposit (total value ₹ 5.69 cr under consortium) current values as on 31.03.2022 are as under:

FDR No.	Bank Name	Owned By	Amount in ₹
152900PU00026019	PNB	Nextwave Communications Pvt. Ltd.	1,21,47,117
152900PU00026037	PNB	Exicom Tele-Systems Ltd	47,02,633
152900PU00026028	PNB	Nextwave Communications Pvt. Ltd.	1,13,18,350
152900PU00026000	PNB	Nextwave Communications Pvt. Ltd.	1,21,65,424
12706000024967	IDBI	Exicom Tele-Systems Ltd	3,12,82,959
<b>Total</b>			<b>7,16,16,483</b>

**Third Party Guarantee-**

Personal Guarantee of Mr. Anant Nahata, Mr. Mahendra Nahata. Corporate Guarantee of HFCL Limited

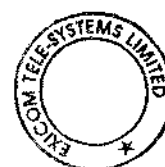
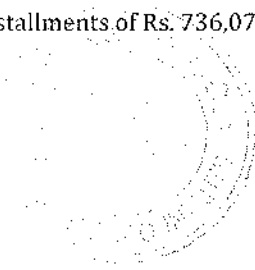
The facility is covered under Guarantee coverage from NCGTC

**Rate of Interest:** 6 months MCLR (Presently 6.95%)+100 bps, present effective rate of 7.95% subject to a maximum interest rate of 9.25% p.a.

**Repayment Schedule**

The Loan shall be repaid in 36 equal monthly installments of Rs. 736,075/- each, after a moratorium period of 24 months.

F.Y.	Amount in ₹
2022-23	-
2023-24	2,208,225
2024-25	8,832,900



2025-26	8,832,900
2026-27	6,625,975

iii) The company has issued 6% Compulsorily convertible debentures for Rs 7500 Lakhs (704,225 debentures having face value of Rs 1065 each) on a private placement offer for cash to Nextwave Communication Private Limited. The CCD instrument carry the below terms and conditions.

(i) CCD Shall be Unsecured;

(ii) CCD shall have tenor of 8 Years;

(iii) CCD Shall carry fixed coupon rate of 6% per annum.

(iv) the holder shall have the right to convert all or part of the CCD held by it into equity shares at any point of time after the completion of 12 months from the date of allotment of CCD till expiry of 8 years from date of allotment at a conversion rate of 1:1 i.e. each CCD shall convert into each equity share.

As per IND AS, Convertible Instruments into fixed number of equity shares with mandatory interest payment is classified as compound financial instrument from the issuer's perspective. Such compound financial instrument is required to be separated into two components i.e. financial liability and equity. When allocating the initial carrying amount of the compound instrument into financial liability and equity, an entity first determines the fair value of the liability component. The fair value of the financial liability is determined with reference to the fair value of a similar stand-alone debt instrument. The amount allocated to the equity component is residual amount after deducting the fair value of the financial liability component from the fair value of the entire compound instruments.

## 26 Non-Current - Others

Particulars	As at March 31, 2022	As at March 31, 2021
M-SIPS Grant against Fixed Assets*	170.66	206.64
<b>Total</b>	<b>170.66</b>	<b>206.64</b>

\* refer note no. 56

## 27 Non-Current Liabilities - Provision

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for Employee Benefits*		
Gratuity	555.59	608.19
Leave Encashment	274.37	282.87
<b>Total</b>	<b>829.96</b>	<b>891.06</b>

\* As per Actuarial Certificate

## 28 Current Financial Liabilities - Borrowings

Particulars	As at March 31, 2022	As at March 31, 2021
Loans repayable on demand from banks		
Secured		
Working Capital Limit	2,360.93	2,011.53
Loans repayable on demand from Financial Institutions		
Unsecured		
Vendor Financing Facility	-	547.47
Unsecured		
Loan From Director	450.00	550.00
Current Maturities of Long-Term Debts*	-	60.54
<b>Total</b>	<b>2,810.93</b>	<b>3,169.54</b>

\* Pursuant to Notification dated 24.03.2021 issued by Ministry of Corporate Affairs, current maturity of long term debts have been classified as Short Term Borrowings instead of Other Current Liabilities. Consequently, Short Term Borrowings are increased and Other Current Liabilities are reduced by Rs. Nil (Previous Year Rs. 60.54 Lakhs)



**Note:**

A. The working capital limit from Punjab National Bank, State Bank of India and IDBI bank Ltd are secured by way of hypothecation of first charge on pari passu basis on entire current assets of the company i.e., hypothecation of stocks of raw materials, finished goods and semi finished goods, stores and spares, book debts etc., both present and future. Further the limit are also secured by way of first charge on pari passu basis on all the movable and immovable properties, both present and future and by pledge of 2,566,585 equity shares of the company held by Nextwave Communications Private Limited and personal guarantee of Shri Anant Nahata. Further the limit from Punjab National Bank, SBI & IDBI are secured by corporate guarantee of HFCL Limited to the extent of Rs. 650 Lakhs and personal guarantee of Shri Mahendra Nahata on pari passu basis.

**Primary Security-** Pari-passu first charge of hypothecation of stock and receivables of the company with consortium members (PNB, SBI and IDBI)

**Immovable Property-**

i) First pari passu charge on immovable property situated at plot no 1-8 situated at khata no 386/1 in mauja bassi patti kather, industrial area, chambaghat, solan, himachal pradesh, 173211. (semi-urban), admeasuring total area: 1488 sq. mtr. in the name of M/s Exicom Tele-systems Limited

ii) First Pari Passu charge on Plant and Machinery of the company (excluding assets charged against term loan)

iii) Lien 1st charge over fixed deposit (total value ₹ 569 Lakhs under consortium) current values as on 31.03.2022 are as under:

FDR No.	Bank Name	Owned By	Amount in ₹
152900PU00026019	PNB	Nextwave Communications Pvt. Ltd.	1,21,47,117
152900PU00026037	PNB	Exicom Tele-Systems Ltd	47,02,633
152900PU00026028	PNB	Nextwave Communications Pvt. Ltd.	1,13,18,350
152900PU00026000	PNB	Nextwave Communications Pvt. Ltd.	1,21,65,424
12706000024967	IDBI	Exicom Tele-Systems Ltd	3,12,82,959
<b>Total</b>			<b>7,16,16,483</b>

iv) Pledge of 25,66,585 nos. equity shares of Exicom Tele-systems Ltd on pari passu basis.

**Third Party Guarantee-**

Personal Guarantee of Mr. Anant Nahata, Mr. Mahendra Nahata. Corporate Guarantee of HFCL Limited (Amount restricted up to Rs. 650 Lakhs as per consortium agreement.)

B) The working capital limit has been sanctioned by the banks at the interest rate: PNB @ 11.85%, IDBI @11.55%, SBI@ 9.70%.

C) Interest Free Unsecured Loan from Director of Rs. 400.00 Lakhs is taken during the financial year 2020-21. ( Previous FY 2019-20 loan taken was Rs. 150.00 Lakhs) during the FY 2021-22 repaid amount is INR 100.00 Lakhs

**29 Trade Payables**

Particulars	As at March 31, 2022	As at March 31, 2021
total outstanding dues of micro enterprises and small enterprises ; and*	3,422.67	3,201.60
total outstanding dues of creditors other than micro enterprises and small enterprises	12,161.04	13,578.33
<b>Total</b>	<b>15,583.71</b>	<b>16,779.93</b>

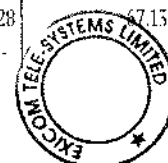
\*Refer Note no. 46

**Trade Payable ageing schedule as at March 31, 2022**

Particulars	Unbilled Payables	Not Due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	1,881.66	1,477.28	18.04	25.05	20.64	3,422.67
(ii) Others	120.77	5,390.35	3,142.70	302.44	2,595.06	609.72	12,161.04
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-

**Trade Payable ageing schedule as at March 31, 2021**

Particulars	Unbilled Payables	Not Due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	1,571.56	1,404.48	196.43	29.13	-	3,201.60
(ii) Others	84.74	4,929.03	3,677.30	2,505.83	2,314.28	47.15	13,578.33
(iii) Disputed dues - MSME	-	-	-	-	-	-	-



(iv) Disputed dues - Others	-	-	-	-	-	-
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**30 Current Financial Liabilities - Others**

Particulars	As at March 31, 2022	As at March 31, 2021
Interest accrued but not due	8.78	16.24
Security Deposit- Vendors	2.75	-
Creditors for Capital Goods - Domestic	177.38	60.58
Creditors for Capital Goods - Foreign	-	0.77
Other Payables		
- Salaries & Wages payable	423.82	360.30
- Expenses Payable	47.38	65.29
- Payable to Employees	30.44	64.35
- Interest Payable on MSMEDA Act, 2006	290.00	221.22
<b>Total</b>	<b>980.55</b>	<b>788.75</b>

**31 Current Liabilities - Others**

Particulars	As at March 31, 2022	As at March 31, 2021
Advance from Customers	6,061.95	1,903.99
Statutory Dues Payable	176.02	154.96
<b>Total</b>	<b>6,237.97</b>	<b>2,058.95</b>

**32 Current Liabilities - Provision**

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for Employee Benefits*		
Gratuity	58.34	8.34
Leave Encashment	20.45	9.36
Provision for Warranty	186.02	96.33
<b>Total</b>	<b>264.81</b>	<b>114.03</b>

\* As per Actuarial Certificate



**33 Revenue from operations**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Sale of Products	31,892.40	26,015.13
Sale of Services	7,890.97	4,897.50
<b>Total</b>	<b>39,783.37</b>	<b>30,912.63</b>

**34 Other Income**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest Income		
From Fixed Deposits / Margin Money with Banks	65.58	109.05
From Others	73.54	33.28
Income from Dividend	1,974.00	-
Income from Royalty	1,210.98	319.18
Gain on foreign currency transaction and translation (net)	81.17	278.87
Duty Draw Back Received	42.91	13.97
Export Benefit (FPS) Received	35.74	10.45
Subsidy from M-SIPS	35.98	36.46
Insurance Claim Received	2.21	1.16
Fair valuation Gain on financial instruments at FVTPL	6.77	-
Gain on Lease Rent Waiver -Ind AS 116	18.35	62.12
Gain on fair valuation of Security Deposit-Ind AS 116	14.78	13.08
Income on lease modification/termination-IND AS 116	-	183.41
Misc. Income	253.86	373.69
<b>Total</b>	<b>3,815.87</b>	<b>1,434.72</b>

**35 Cost of Material Consumed**

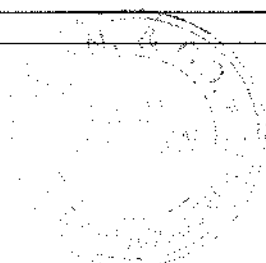
Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening Stock	6,309.75	5,608.24
Add : Purchases During the Year	27,457.16	20,333.30
	33,766.91	25,941.54
Less : Closing Stock	6,744.66	6,309.76
<b>Total</b>	<b>27,022.25</b>	<b>19,631.78</b>

**36 Purchase of Stock-in-Trade**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Purchase of Stock-in-Trade	2.75	4.95
<b>Total</b>	<b>2.75</b>	<b>4.95</b>

**37 Changes In Inventories of Finished Goods, Work-In-Progress And Stock-In-Trade**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening Stock		
Finished Goods	0.10	67.29
Goods for Re-Trade	9.75	6.46
Work in Process	3,757.12	5,317.39
	3,766.97	5,391.14
Closing Stock		
Finished Goods	1.10	0.10
Goods for Re-Trade	8.58	9.75
Work in Process	4,551.00	3,757.12
	4,560.68	3,766.97
<b>Total</b>	<b>(793.71)</b>	<b>1,624.17</b>





**38 Employee Benefits Expenses**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries and Bonus	5,171.42	4,616.66
Contribution to Provident and Other Funds	281.46	283.64
Staff Welfare Expenses	103.71	129.73
<b>Total</b>	<b>5,556.59</b>	<b>5,030.03</b>

**39 Manufacturing Expenses**

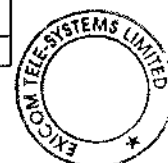
Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Consumption of Packing Materials	297.29	257.95
Consumption of Stores and Spare Parts	669.51	407.42
Power and Fuel	305.54	216.97
Repairs to Plant & Machinery	48.47	84.12
Other Repairs	32.39	27.90
<b>Total</b>	<b>1,353.20</b>	<b>994.36</b>

**40 Finance costs**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest to Banks	247.22	383.84
Interest to Others	331.73	463.74
Interest to Compulsorily Convertible Debentures	574.83	288.53
Interest on fair valuation of Non-current Trade Receivables	207.65	-
Interest on lease liabilities- IND AS 116	172.73	178.05
Other Finance Charges	474.70	247.97
<b>Total</b>	<b>2,008.86</b>	<b>1,562.13</b>

**41 Other Expenses**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Rent	148.99	183.36
Rates and Taxes	38.75	18.81
Insurance Expenses	209.37	157.64
Payments to the Auditor		
Audit Fee	8.00	7.25
Other Services	0.50	0.04
Out of Pocket Expenses	0.30	-
Communication expenses	70.85	91.36
IT Support Expenses	229.21	226.02
Travelling, Conveyance and Vehicle Expenses	507.13	427.89
Loss on Sale of Property, Plant and equipment	0.39	15.85
Fair valuation loss on financial instruments at FVTPL	-	55.29
General Expenses	111.15	94.45
Office & Factory Expenses	23.96	13.47
Sundry Balance Written off (net)	48.17	4.08
Corporate Social Responsibility-Expenses	-	76.43
Recruitment Expenses	52.27	48.04
Security Expenses	98.92	94.91
Facility Management Expenses	124.90	123.62
Printing & Stationery	9.01	14.07
Membership and Subscription Fees	51.22	40.27
Freight Outward	852.14	751.77
Liquidated Damages	573.87	158.72
Impairment allowance for trade receivables considered doubtful	217.97	23.85
Bad Debts Written off	77.84	28.96
Impairment allowance for loan & advance receivable	85.00	23.92
Provision for Warranty (net)	89.70	33.57
Product Testing Expenses	40.12	18.54
Business Promotion Expenses	18.54	13.64
Professional Charges	913.40	459.42
Directors Sitting Fees	13.00	17.50
Comprehensive Maintenance Expenses	62.73	120.12
<b>Total</b>	<b>4,677.40</b>	<b>3,342.86</b>



42 Research & Development Expenses

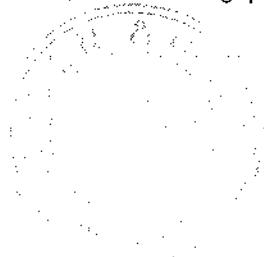
Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries & Wages	489.97	542.68
Contribution to Provident & Other Funds	28.54	37.45
Staff Welfare	20.00	15.38
Other repairs	0.97	2.82
Rent	21.47	10.00
Insurance Expenses	2.82	3.92
Communication Expenses	7.29	14.51
Travelling, Conveyance and Vehicle Expenses	32.05	23.15
General Expenses	129.80	71.38
Facility Management Expenses	90.68	94.95
Printing & Stationery	1.17	1.05
Business Promotion Expenses	0.84	0.23
Professional Charges	25.80	6.90
Cost of Materials	21.86	4.63
Electricity Charges	40.93	39.30
Product Testing Expenses	33.46	-
Security Expenses	17.25	27.41
<b>Total</b>	<b>964.90</b>	<b>895.76</b>

Note: During the financial year 2021-22 the Company has spent Total ₹ 1922.32 Lakhs (P.Y. ₹ 1976.52 Lakhs) on research and development Expenditure. Out of total R&D expenditure ₹ 957.42 Lakhs (P.Y. ₹ 1080.76 Lakhs) has been capitalized as Intangible assets under development during the year, for development of various in house projects, and the balance ₹ 964.90 Lakhs (P.Y. ₹ 895.76 Lakhs) is charged to profit and loss account as revenue expenditure.

43 Earning per Share (EPS) - In accordance with the Indian Accounting Standard (Ind AS-33)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Basic Earnings Per Share</b>		
Profit / (Loss) After Tax	405.49	(1,065.77)
Profit Attributable to Ordinary Shareholders	405.49	(1,065.77)
Weighted Average Number of Ordinary Shares (used as denominator for calculating Basic EPS)	7,230,203	7,230,203
Nominal Value of Ordinary Share	Rs. 10/-	Rs. 10/-
Earnings Per Share - Basic	5.61	(14.74)
<b>Diluted Earnings Per Share</b>		
Profit / (Loss) After Tax	405.49	(1,065.77)
Profit Attributable to Ordinary Shareholders	980.32	(777.24)
Weighted Average Number of Ordinary Shares (used as denominator for calculating Diluted EPS)	7,934,428	7,587,139
Nominal Value of Ordinary Share	Rs. 10/-	Rs. 10/-
Earnings Per Share (Calculated)	12.36	(10.24)
Earnings Per Share - Diluted*	5.61	(14.74)

\*Since diluted earnings per share is increased when taking the 6% Compulsorily Convertible Debentures into account (from Rs. 5.61 to Rs 12.36), the 6% Compulsorily Convertible Debentures are anti-dilutive and are ignored in the calculation of diluted earnings per share. Therefore, diluted earnings per share is Rs. 5.61.



44 Critical accounting estimates and judgments

The estimates and judgements used in the preparation of the said financial statements are continuously evaluated by the Company, and are based on historical experience and various other assumptions and factors (including expectations of future events), that the Company believes to be reasonable under the existing circumstances. The said estimates and judgements are based on the facts and events that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date. Although the Company regularly assesses these estimates, actual results could differ materially from these estimates – even if the assumptions underlying such estimates were reasonable when made, if these results differ from historical experience or other assumptions do not turn out to be substantially accurate. The changes in estimates are recognised in the financial statements in the period in which they become known.

The areas involving critical estimates or judgments are:

1. Estimation of useful life of Tangible asset Note No. 4.2 & 5.
2. Estimation of useful life of Intangible asset Note No. 4.3 & 7.
3. Estimation of defined benefit obligation Note No. 4.12 & 4.5.
4. Impairment of Assets and Investments in subsidiaries Note No. 4.8 & 9.
5. Judgement required for ascertainment of contracts in the nature of lease, lease term and fair value of lease as per Ind AS 116 Note No. 4.13 & 6.
6. Measurement of Fair Values and Expected Credit Loss (ECL) Note No. 4.4 & 11 and 16.
7. Estimation of contingent liabilities refer Note No. 4.19 & 4.7.

45 During the year, Company has recognised the following amounts in the financial statements as per Ind AS - 19 "Employees Benefits"

a) Defined Contribution Plan

Contribution to Defined Contribution Plan, maintained under the Employees Provident Fund Scheme by the Central Government, is charged to Profit and Loss Account as under:

Particulars	[₹ in Lakhs]	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Employer's Contribution to Provident Fund	187.77	193.35
Employer's Contribution to Pension Scheme	78.49	85.67

b) Defined Benefit Plan

The employees' gratuity fund scheme managed by Life Insurance Corporation of India is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognized in the same manner as gratuity.

	[₹ in Lakhs]			
	Gratuity (Funded)		Leave Encashment	
	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
Mortality rates inclusive of provision for disability	100% of IALM (2012-14) (Ultimate)	100% of IALM (2012-14) (Ultimate)	100% of IALM (2012-14) (Ultimate)	100% of IALM (2012-14) (Ultimate)
Discount rate	7.18%	6.92%	7.18%	6.92%
Rate of increase in compensation levels	6.00%	6.00%	6.00%	6.00%

Table showing changes in present value of obligations:

Present value of obligation as at the beginning of the year	624.95	554.78	292.22	379.41
Interest Cost	43.25	38.39	20.22	19.27
Current Service Cost	78.42	91.50	64.43	72.17
Benefits paid	(69.86)	(43.43)	(193.52)	(50.70)
Actuarial (gain)/ loss on obligations	(53.90)	(16.29)	11.47	(18.84)
Present value of obligation as at the end of the period*	622.85	624.95	294.83	292.22

\* Unpaid liability add in closing – 22.92 Lakhs (P.Y. 16.25 Lakhs)

Table showing changes in the fair value of plan assets:

Fair value of plan assets at the beginning of the year	8.42	31.11	Nil	Nil
Actual return on plan assets	0.95	1.67	N/A	N/A
Employer's Contributions	69.42	19.26	Nil	Nil
Fund management charges (FMC)	-	(0.19)	N/A	N/A
Benefit paid	(69.86)	(43.43)	Nil	Nil
Fair value of plan assets at the end of the year	8.92	8.42	Nil	Nil

Other Comprehensive Income

Net cumulative unrecognized actuarial (gain)/loss opening	Nil	Nil	Nil	Nil
Actuarial (gain) / loss for the year on PBO	(53.90)	(16.29)	Nil	Nil
Actuarial (gain) / loss recognized for the year on Assets	(0.37)	0.67	Nil	Nil

Table showing actuarial gain / loss - plan assets:

Expected Interest Income	0.58	2.15	Nil	Nil
Actual Income on Plan Asset	0.95	1.48	Nil	Nil
Fund management Charges	-	(0.19)	Nil	Nil
Actuarial gain / (loss) for the year on Asset	(0.37)	0.67	Nil	Nil

The amounts to be recognized in Balance Sheet:

Present value of obligation at the end of the year	622.85	624.95	294.83	292.22
Fair value of plan assets at the end of the year	8.92	8.42	Nil	Nil
Unfunded Liability/provision in Balance Sheet	(613.93)	(616.53)	(294.83)	(292.22)
Unfunded liability recognised in the balance sheet	(613.93)	(616.53)	(294.83)	(292.22)

Expenses recognised in Statement of Profit and Loss:

Current service cost	78.42	91.50	64.43	72.17
Interest cost	42.66	36.24	20.22	19.27
Net actuarial (gain) / loss recognised in the year	Nil	Nil	11.47	(18.84)
Expenses recognised in the profit & loss	121.08	127.74	96.12	72.60

Sensitivity Analysis of the defined benefit obligation

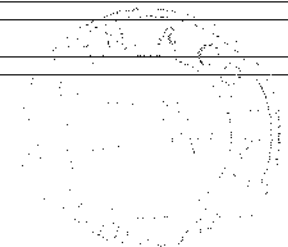
<b>a) Impact of the change in discount rate</b>				
Present Value of Obligation at the end of the period	622.85	624.95	294.83	292.22
Impact due to increase of 0.50%	(30.53)	(39.20)	(17.69)	(17.64)
Impact due to decrease of 0.50%	33.11	29.62	19.39	19.21
<b>b) Impact of the change in salary increase</b>				
Present Value of Obligation at the end of the period	622.85	624.95	294.83	292.22
Impact due to increase of 0.50%	30.86	29.77	19.52	19.33
Impact due to decrease of 0.50 %	(28.72)	(39.63)	(17.96)	(17.77)

Maturity profile of defined benefit obligation

0 to 1 Year	67.26	16.75	20.45	9.36
1 to 2 Year	13.42	31.25	7.21	25.42
2 to 3 Year	22.25	14.85	10.23	6.23
3 to 4 Year	12.62	30.60	5.29	9.48
4 to 5 Year	37.62	11.69	13.13	5.00
5 to 6 Year	19.09	46.51	9.90	11.30
6 Year onwards	450.59	483.08	228.62	225.44

Investment Details

Life Insurance Corporation of India	8.92	8.42	Nil	Nil
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46 Disclosure required under Micro, Small and Medium Enterprises Development Act, 2006 (the Act) are given as follows:

Particulars	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
a. Principal amount due	3,422.67	3,201.60
b. Interest due on above	290.00	221.22
c. Interest paid during the period beyond the appointed day	90.39	46.46
d. Amount of interest due and payable for the period of delay in making payment without adding the interest specified under the Act.	-	-
e. Amount of interest accrued and remaining unpaid at the end of the period	290.00	221.22
f. Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to small enterprises for the purpose of disallowance as a deductible expenditure under Sec 23 of the Act	-	-

Note: The above information and that is given in 'Note-29' Trade Payables regarding Micro and Small Enterprises has been determined on the basis of information available with the Company and has been relied upon by the auditors.

47 Commitments and Contingencies

(a) Contingent Liabilities not provided for in respect of:

Particulars	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
(i) Guarantees given by the bank on behalf of the Company	3,438.47	3,682.60
(ii) Letter of credit given by the bank on behalf of the Company (Margin Money for LC & BGs kept by way of fixed deposits ₹ 1016.87 Lakhs Previous year ₹ 1078.30 Lakhs)	1,536.37	1,704.52
(iii) Additional demand of custom duty raised on the company	6.98	6.98
(iv) Amount demanded by the Sales tax authorities of various states but liability not provided for on account of appeals against the same *	335.39	271.22

\* The Company's pending litigations comprise of claims against the Company and proceedings pending with Tax Authorities / Statutory Authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material impact on its financial position.

During the financial year 2019-20 the company has received the refund on 23.04.2019 pertaining 2011-12 (₹ 54.74 Lakhs), 2012-13 (₹ 1.27 Lakhs), 2013-14 (₹ 78.10 Lakhs) against the sales tax assessment relief granted by the Tribunal on 17.11.2018. Against this relief the Sales tax department has filed revision application to the High court and application has been dismissed on 28.03.2019. Now the Sales tax department has filed the application with the Supreme Court and which is pending at this level. Accordingly, ₹ 134.11 Lakhs is treated as Contingent liability.

During the financial year 2020-21 the company has received a demand order of ₹ 130.71 Lakhs and ₹ 6.39 Lakhs against the sales tax assessment for FY 2014-15 and FY 2015-16 respectively from the office of Deputy commissioner of Sales Tax, Patna. Accordingly, ₹ 137.10 Lakhs is treated as Contingent liability.

During the financial year 2021-22 the company has received a demand order of ₹ 64.17 Lakhs against the sales tax assessment for FY 2015-16 from the office of Deputy commissioner of State Tax, Uttar Pradesh. Accordingly, ₹ 64.17 Lakhs is treated as Contingent liability.

The Company periodically reviews all its long term contracts to assess for any material foreseeable losses. Based on such review wherever applicable, the Company has made adequate provisions for these long term contracts in the books of account as required under any applicable law/accounting standard.

As at March 31, 2022 the Company did not have any outstanding long term derivative contracts.

(b) Capital Commitments

Particulars	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	218.37	260.95

48 In the opinion of the Board and of the best of their knowledge and belief, the value of realization in respect of the Current Assets, Loans and advances in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet and the provision for all known and determined liabilities is adequate and not in excess of amount reasonably required.

49 As per Notification No. FEMA 23(R)/2015-RB Dated 13th January, 2016 and RBI guidelines the amount representing the full export value of goods / software/ services exported should be realized and repatriated to India within nine months from the date of export i.e. Date of Invoice. Trade receivable of ₹ 17,223,175/- (March 31, 2021: ₹ 50,374,837/-) is outstanding against export beyond stipulated time as at March 31, 2022.

50 As per master circular on Import of Goods and Services vide ref no. RBI/2015-16/82 Master Circular No.13/2015-16, Dated July 01, 2015(Amended up to November 27, 2015) remittances against imports should be completed not later than six months from the date of shipment. Trade payable of ₹ 337,927,192/- (March 31, 2021: ₹ 563,713,233/-) is unpaid against Import beyond stipulated time as at March 31, 2022.

51 Segmental Reporting

The operating segments have been identified on the basis of nature of products.

- Segment revenue includes sales and other income directly identifiable with the segment including inter-segment revenue.
- Expenses that are directly identifiable with the segment are considered for determining the segment result.
- Expenses / incomes which are not directly allocable to the segments are included under un-allocable expenditure / incomes.
- Segment results include margins on inter-segment sales which are reduced in arriving at the profit before tax of the company.
- Segment assets and liabilities include those directly identifiable with the respective segments. Un-allocable assets and liabilities
- Fixed assets that are used interchangeably amongst segments are not allocated to primary and secondary segments.
- Inter - Segment revenue :- Segment revenue resulting from transactions with other business segments is accounted on the basis of transfer price agreed between the segments. Such transfer
- Geographical revenues are allocated based on the location of the customer

(a) Primary Segment Information

The Company's operating segments are established on the basis of those components of the Company that are evaluated regularly by the Chief Operating Officer (the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments') in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of products and services, the differing risks and returns and the internal business reporting systems. Operating and reporting segments are primarily telecom, energy and power business. The details of operating and reporting segments are as follows:

Particulars	Business Segments						Total	
	Telecom		Energy		Power		2021-22	2020-21
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21		
Segment Revenue								
Turnover	26,598.79	22,591.64	6,230.47	3,898.90	6,954.11	4,422.10	39,783.37	30,912.63
Segment Result								
Segment profit	(83.85)	(470.32)	(2,930.60)	(2,855.52)	141.05	(489.60)	(2,873.40)	(3,015.44)
Unallocated expenses							3,830.78	1,486.94
Unallocated income							957.30	(2,328.50)
Profit before tax							551.89	(1,262.72)
Income tax (net)							405.50	(1,065.78)
Profit after tax							68.38	19.67
Other Comprehensive Income							473.87	(1,040.11)
Total Comprehensive Income for the year							50,125.09	46,443.99
Segment assets	31,934.39	31,095.57	10,734.38	7,701.29	7,456.32	5,647.13	50,125.09	46,443.99
Unallocated other assets								
Total assets	31,934.39	31,095.57	10,734.38	7,701.29	7,456.32	5,647.13	50,125.09	46,443.99
Segment liabilities	23,738.13	25,579.26	9,555.61	4,971.15	2,539.14	2,076.24	35,832.88	32,625.65
Unallocated other liabilities								
Total liabilities	23,738.13	25,579.26	9,555.61	4,971.15	2,539.14	2,076.24	35,832.88	32,625.65
Debt/equity ratio	710.14	706.49	484.25	375.53	79.63	20.63	1,274.02	1,102.65
Capital Expenditure	899.51	689.36	592.17	713.25	356.10	364.65	1,847.78	1,726.28

\* Amortization expenses of Right of Use assets as per IND AS 116 is not included.



(v) Secondary segment information

i. Secondary segment reporting is on the basis of geographical location of the customer. The Company's revenue during the year by geographical markets are:

Particulars	2021-22	2020-21
Domestic Turnover	36,875.30	29,971.62
Export Turnover	2,908.07	917.97

ii. Geographical Segment wise loss and capital employed not given since the production unit and administration expenses are common.

52 A5 required by Ind AS - 24 "Related Party Disclosures"

a) Name and description of related parties:-

Name of Related Party	Relationship
NextWave Communications Private Limited (Formerly known as MN Enterprises Pvt.Ltd.)	Holding Company
Exicom Tele-Systems (Singapore) Pte Ltd (ETSPL) - Singapore	Subsidiary Company
Energywin Technologies Pvt. Ltd (Energywin)	Subsidiary Company
Innovative Roof Solar Solution LLP	Significant influence of KMP
Horizon TeleSystems Sdn Bhd (Horizon) - Malaysia	Step Down Subsidiary Company
Mr. Anant Nahata - Managing Director & CEO	Key Management Personnel (KMPs)
Mr. Sandeep Garg - Chief Financial Officer (CFO) ceased on June 15, 2021	
Mr. Shray Khanna - Chief Financial Officer (CFO) from August 09, 2021	
Ms. Sangetha Karnatak - Company Secretary (Secretary)	
Mr. Hunanshu Baid	Independent Directors
Mr. Brij Behari Tandon	
Mr. Subhash Chander Rustgi	
Ms. Leena Priyadas Gidwani w.e.f. 01.04.2020	
HFCL Limited	Entity under the control of KMPs & relatives of KMPs

b) Nature of transactions:- The transactions entered into with the related parties during the year along with outstanding balances as at March 31, 2022 are as under:

Nature of Transactions	2021-22	2020-21
<b>A) TRANSACTIONS DURING THE YEAR</b>		
Issue of 6% Compulsorily Convertible Debentures		
Nextwave	-	7,500.00
Purchase of goods		
Energywin	-	-
ETSPL	5.85	569.01
Horizon	-	23.27
Innovative Roofs	-	1.22
HFCL	-	235.12
Services received		
Energywin	-	-
Innovative Roofs	0.24	0.07
HFCL	135.39	33.09
Sitting Fees to Independent Directors		
Mr. Hunanshu Baid	4.00	0.50
Mr. Brij Behari Tandon	-	7.00
Mr. Subhash Chander Rustgi	5.00	5.00
Ms. Leena Priyadas Gidwani	4.00	5.00
Sale of Goods		
Horizon	1,628.63	569.75
HFCL	782.55	589.57
Services rendered		
ETSPL	318.68	357.81
HFCL	884.99	239.53
Interest Income		
Energywin	41.55	33.28
Interest Expenses		
Nextwave	574.83	228.08
Dividend Income		
ETSPL	1,974.00	-
Royalty Income		
ETSPL	1,210.97	319.18
Warranty Expense		
Horizon	104.60	87.26
Other Income		
Horizon	-	4.58
Rent Income		
HFCL	99.12	-
Other Expense		
HFCL	45.90	4.17
ETSPL	11.50	12.61
Loan Given		
Energywin	-	120.00
Advances Given		
Energywin	-	65.00
Loan Received		
Whole Time Director	-	400.00
Loan Repaid		
Whole Time Director	100.00	-
<b>BI BALANCES OUTSTANDING AS AT YEAR END</b>		
<b>ASSETS</b>		
Advances		
Energywin	160.92	160.92
HFCL	506.68	15.97
Loans Given		
Energywin	248.00	368.00
Trade Receivable		
Horizon	90.86	764.49
ETSPL	72.33	480.30
Income Receivable		
ETSPL	168.32	126.37
Interest Receivable		
Energywin	61.71	182.31
<b>LIABILITIES</b>		
Unsecured Loan		
Whole Time Director	450.00	550.00
Trade payables		
HFCL	304.55	89.59
Innovative Roofs	0.00	0.00
ETSPL	3,359.32	4,576.49
Horizon	86.18	74.77
6% Compulsorily Convertible Debentures		
Nextwave	7,500.00	7,500.00





Particulars	2021-22			2020-21		
	Managing Director & CEO	Chief Financial Officer	Company Secretary	Managing Director & CEO	Chief Financial Officer	Company Secretary
Short-term employee benefits	93.01	48.37	5.17	95.01	62.31	4.48
Performance linked incentive ("PLI")	-	-	-	-	-	-
Post employment benefit	10.09	4.73	0.63	10.09	5.08	0.63
State-based payment	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-
Commission paid	-	-	-	-	-	-
	103.10	53.10	5.80	105.70	67.39	5.11

As the liabilities for the gratuity and compensated absences are provided on an actuarial basis, and calculated for the Company as a whole rather than each of the individual employees, the said liabilities pertaining specifically to KMP are not known and hence, not included in the above table.

53. The Company has carried out an Impairment Test on its Fixed Assets as on 31.3.2022 and the Management is of the opinion that there is no asset for which impairment is required to be made as per Ind AS 36, "Impairment of Assets" (Previous year: Nil).

#### 54. Financial Risk Management Objectives and Policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has the 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 and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

#### Management of Liquidity Risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows as at the Balance Sheet date.

Particulars	Notes Nos.	Less than 12 months	1 to 5 Years	Above 5 Years	Total
<b>As at March 31, 2022</b>					
Borrowings	25,28	2,810.93	596.66	6,359.48	9,767.07
Trade payables	29	15,583.71	-	-	15,583.71
Lease liabilities	6	488.65	1,509.50	-	1,998.15
Other liabilities	26,30	980.55	170.66	-	1,151.21
<b>As at March 31, 2021</b>					
Borrowings	25,28	3,169.54	377.46	6,234.65	9,781.65
Trade payables	29	16,779.93	-	-	16,779.93
Lease liabilities	6	417.69	1,586.95	-	2,004.64
Other liabilities	26,30	768.75	206.64	-	995.39

#### Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTPL investments.

The sensitivity analyses in the following sections relate to the position as at March 31, 2022 and March 31, 2021.

POTENTIAL IMPACT OF RISK	MANAGEMENT POLICY	SENSITIVITY TO RISK
<b>INTEREST RATE RISK</b>		
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.	In order to manage its interest rate risk, the Company diversifies its portfolio in accordance with the risk management policies.	As an estimation of the approximate impact of the interest rate risk, with respect to financial instruments, the Company has calculated the impact of a 1% change in interest rates.
a) Company has Fixed deposits with Banks amounting to ₹ 1379.17 Lakhs as at March 31, 2022 (₹ 2227.82 Lakhs as at March 31, 2021). Interest Income earned on fixed deposit for year ended March 31, 2022 is ₹ 65.58 Lakhs (₹ 109.05 Lakhs for the year ended March 31, 2021).		a) A 1% increase in interest rates would have led to approximately an additional ₹ 13.79 Lakhs gain for year ended March 31, 2022 (₹ 22.27 Lakhs gain for year ended March 31, 2021) in interest income. A 1% decrease in interest rates would have led to an equal but opposite effect.
b) Company has Borrowing from Banks amounting to ₹ 2957.59 Lakhs as at March 31, 2022 (₹ 2072.06 Lakhs as at March 31, 2021). Interest Expenses on such borrowings for the year ended March 31, 2022 is ₹ 247.22 Lakhs (₹ 393.83 Lakhs for the year ended March 31, 2021).		b) A 1% increase in interest rates would have led to approximately an additional ₹ 29.57 Lakhs loss for year ended March 31, 2022 (₹ 20.72 Lakhs loss for year ended March 31, 2021) in interest expense. A 1% decrease in interest rates would have led to an equal but opposite effect.

#### Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

#### Trade Receivables

Customer credit risk is managed by each business unit subject to the Company established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. At March 31, 2022, the Company had top 10 customers that owed the Company more than ₹ 7385.10 Lakhs (March 31, 2021: ₹ 10445 Lakhs) and accounted for approximately 60.70% (March 31, 2021: 84.81%) of all the receivables outstanding.

An Impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 11 & 16. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

#### Financial Instruments and Cash Deposits

Credit risk from balances with banks and financial institutions is managed by the management in accordance with the Company's policy. Counterparty credit limits are reviewed by the management on an annual basis, and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2022 and March 31, 2021 is the carrying amounts as illustrated in Note 10, 12, 18, 19 and 20.

#### Capital Management

Capital includes issued equity capital and share premium and all other equity reserves attributable to the equity holder. The primary objective of the Company's capital management is to maximize the shareholder value.

(₹ in Lakhs)			
Particulars	Note	31-Mar-22	31-Mar-21
Borrowings*	6, 25 & 28	11,765.22	11,780.28
Less : Cash and Cash equivalents	17	(909.94)	(220.02)
<b>Total Debt</b>		<b>10,855.28</b>	<b>11,560.27</b>
Equity		14,292.21	13,818.34
<b>Net Debt to Equity</b>		<b>75.95%</b>	<b>83.70%</b>

\* Includes Lease liabilities

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2022 and March 31, 2021.



55 Financial Instruments by category

Particulars	Level	Mar-22			Mar-21		
		FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
<b>1) Financial Assets</b>							
i) Investments (Note No. 10)	1	6.28	-	14.41	2.00	-	11.91
ii) Trade receivables (Note No. 11, 16)	3	-	-	12,166.69	-	-	13,309.38
iii) Cash and cash equivalents (Note No. 17)	1	-	-	909.94	-	-	220.02
iv) Other Bank balances (Note No. 12 & 18)	1	-	-	1,379.17	-	-	2,227.82
v) Loans (Note No. 19)	3	-	-	246.00	-	-	368.00
vi) Other receivables (Note No. 12 & 20)	3	-	-	398.62	-	-	504.97
<b>Total Financial Assets</b>		<b>6.28</b>	<b>-</b>	<b>15,116.83</b>	<b>2.00</b>	<b>-</b>	<b>16,642.10</b>
<b>2) Financial Liabilities</b>							
i) Borrowings							
A) From Banks (Note No. 25 & 28)	3	-	-	2,957.59	-	-	2,072.06
B) From Others (Note No. 25 & 28)	3	-	-	6,809.48	-	-	7,709.59
ii) Trade payables (Note No. 29)	3	-	-	15,583.71	-	-	16,779.93
iii) Lease Liabilities (Note No. 6)	3	-	-	1,998.15	-	-	2,014.61
iv) Other liabilities (Note No. 26 & 30)	3	-	-	1,151.21	-	-	995.39
<b>Total Financial Liabilities</b>		<b>-</b>	<b>-</b>	<b>28,500.14</b>	<b>-</b>	<b>-</b>	<b>29,561.61</b>

**Fair Value measurement**

Fair Value Hierarchy and valuation technique used to determine fair value :

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and are categorized into Level 1, Level 2 and Level 3 inputs.

**Significant estimates**

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. For details of the key assumptions used and the impact of the changes to these assumptions

56 Modified Special Incentive Scheme (M-SIPS) has been notified on 27th July 2012, with approval of Union Budget, for providing special incentive package to offset the disability and attract investment in electronics System Design and Manufacturing Sector. There is a provision in M-SIPS for reimbursement of 25% of capex investment in Non-SEZ area.

Exicom Tele-System Limited had filed Application with Project cost of INR 45 Cr. in two phases (Phase I INR 38.85 Cr and Phase II INR 6.45 Cr) at Industry Plot no 2A Sector -18 for manufacturing of battery controller for lithium ion batteries, Power system and SMR, application was acknowledged on 13.05.2016. Application was accorded approval on 25.01.2018 under the project type "Expansion".

During FY18-19, application for incentive/reimbursement for capex investment done in Phase I (Claim period 13.05.2016 to 30.06.2017) was filed on 31.07.2018 for INR 18.25 Cr. (out of INR 38.85 Crore of the project cost for Phase I, 19.05 Crore was eligible). On verification of the assets by the agency appointed by Ministry of Electronics & Information Technology (MEITY), capex investment amounting to INR 15.07 Cr was considered Eligible for disbursement.

Sanction letter for disbursement of MSIPS incentive/reimbursement amounting to INR 3.76 Cr (25 % of the Eligible capex of 15.06,70,898/-) dated 28.01.2019 was received from Ministry of Electronics & Information Technology and Incentive was received on 11.02.2019.

57 Disaggregation of Revenue

The Company's primary business segments are telecom, energy and power. Sale of goods are made at a point in time and revenue is recognised upon satisfaction of the performance obligations which is typically upon dispatch / delivery. The Company has a credit evaluation policy based on which the credit limits for the trade receivables are established. There is no significant financing component as the credit period provided by the Company is not significant.

**Reconciliation of revenue as recognised in the Statement of Profit and Loss with the contracted price**

Particulars	FY 2021-22	FY 2020-21
Revenue as per contracted price	41,147.30	32,047.14
Less:		
Trade Discount, Rebate, variable consideration etc.	40.15	-
Sale Return	1,323.78	1,134.51
<b>Revenue as per Statement of Profit &amp; Loss (Ind AS-115)</b>	<b>39,783.37</b>	<b>30,912.63</b>

**Disaggregated revenue recognised in the Statement of Profit and Loss:**

Particulars	FY 2021-22	FY 2020-21
DCT Supply & Services	22,415.92	19,596.32
ESS supply & services	3,369.21	2,747.69
EVSE Supply & services	13,261.32	8,320.53
Trading Sales	736.92	248.09
<b>Total</b>	<b>39,783.37</b>	<b>30,912.63</b>

**Primary Geographical Markets in respect of revenue from sale of products as recognised in the Statement of Profit and Loss:**

Particulars	FY 2021-22	FY 2020-21
In India	36,706.98	29,941.85
Outside India	3,076.39	970.79
<b>Total</b>	<b>39,783.37</b>	<b>30,912.63</b>

**Disaggregated revenue recognised in the Statement of Profit and Loss:**

Particulars	FY 2021-22	FY 2020-21
Related Party	3,241.04	1,755.54
External Customer	36,542.33	29,157.09
<b>Total</b>	<b>39,783.37</b>	<b>30,912.63</b>

**Contract Balances**

The following table provides information about receivables and contract liabilities from contract with customers:

Particulars	FY 2021-22	FY 2020-21
<b>Contract liabilities</b>		
Advance from Customers	6,061.95	1,903.99
<b>Total</b>	<b>6,061.95</b>	<b>1,903.99</b>
<b>Receivables</b>		
Trade Receivables*	12,059.12	13,583.84
Less: Impairment allowance for trade receivables	492.43	274.46
<b>Total</b>	<b>12,166.69</b>	<b>13,309.38</b>

\* includes unbilled revenue of Rs.1151.78 Lakhs (FY 2020-21 Rs. 442.42 Lakhs)

<b>Unbilled Revenue</b>		
Opening Balance	442.42	552.22
Less: Billed during the year	432.86	542.35
Add: Unbilled during the year	1,143.23	432.55
<b>Closing Balance</b>	<b>1,151.79</b>	<b>442.42</b>

**Significant changes in the contract liabilities balances during the year are as follows:**

Particulars	FY 2021-22	FY 2020-21
Opening Balance	1,903.99	3,171.66
Addition during the year	8,018.53	2,130.03
Revenue recognised during the year	4,408.38	2,635.72
Other Adjustment	(27.99)	761.98
<b>Closing Balance</b>	<b>6,061.95</b>	<b>1,903.99</b>

**Information about major customers**

More than 10% of the Revenues is from one customer aggregating to 12,418.45 Lakhs representing approximately 31.22% of the Company's revenue from operations from sale of products, for the year ended March 31, 2022.

More than 10% of the Revenues is from three customers aggregating to 11,753.53 Lakhs representing approximately 38.02% of the Company's revenue from operations from sale of products, for the year ended March 31, 2021.



58 Tax Reconciliation

(₹ in Lakhs)		
Particulars	31.03.2022	31.03.2021
Net Profit as per Profit and Loss Account (before tax)	957.38	(2,320.39)
Current Tax rate (MAT)	17.47%	17.47%
Current Tax	167.27	-
Adjustment:		
Provision for unascertained liabilities	68.61	8.35
The amount of expenditure relating income u/s 10	(311.56)	-
Ind AS Impact	(5.92)	(12.68)
Dividend (Tax at Special rate)	493.53	-
Tax Provision as per Books	493.53	-

59 Foreign Currency Exposure

a) The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations will arise.

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions. The use of foreign currency forward contracts is governed by the Company's strategy, which provides principles on the use of such forward contracts consistent with Company's Risk Management Policy. The Company does not use forward contracts for speculative purposes.

b) Details of outstanding hedging contracts relating to foreign LC's

Particulars	Currency	As at March 31, 2022		As at March 31, 2021	
		Foreign Currency	Equivalent ₹ in Lakhs	Foreign Currency	Equivalent ₹ in Lakhs
Trade Payables	USD/INR	-	-	1,561.859	1,143.92

c) Foreign Currency Exposure

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Particulars	Currency	As at March 31, 2022		As at March 31, 2021	
		Foreign Currency	Equivalent ₹ in Lakhs	Foreign Currency	Equivalent ₹ in Lakhs
Trade Receivables	USD/₹	1,160,121.14	875.31	2,051,885.15	1,507.94
Advances given to Suppliers	USD/₹	2,939,968.23	2,230.97	1,814,099.77	1,333.45
	EURO/₹	-	-	1,411.45	1.23
	GBP/₹	-	-	8,131.50	8.51
Trade Payables	USD/₹	10,022,434.06	0,165.53	10,513,260.00	7,731.86
	EURO/₹	1,800.00	1.52	2,480.00	3.14
	GBP/₹	-	-	647.00	0.65
Advances from Customers	USD/₹	16,981.44	12.81	10,333.40	7.60

Foreign currency sensitivity analysis

The following details demonstrate the Company's sensitivity to a 5% increase and decrease in the ₹ against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items as tabulated above and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit or equity and vice-versa.

Impact on profit or loss for the year	As at March 31, 2022		As at March 31, 2021	
	Rupee strengthens by 5%	Rupee weakens by 5%	Rupee strengthens by 5%	Rupee weakens by 5%
USD	253.60	(253.60)	244.90	(244.90)
EURO	0.08	(0.09)	0.05	(0.05)
GBP	-	-	(0.39)	0.39

60 Details of loans given, investments made and guarantee given under section 186(4) of the Companies Act, 2013

Particulars	(₹ in Lakhs)	
	Amount outstanding as at March 31, 2022	Amount outstanding as at March 31, 2021
Loan Given (Refer note no. 19)	248.00	368.00
Guarantee Given	-	-
Investment Made (Refer note no. 9)	678.78	678.78

61 Corporate Social Responsibility expenses

Particulars	(₹ in Lakhs)	
	FY 2021-22	FY 2020-21
Gross amount to be spent by Company during the year	-	24.96
Unspent amount of previous year	26.65	51.46
Total	26.65	76.42
Amount spent during the year	-	-
Contribution of acquisition of assets	-	-
On other purpose	-	49.77
Amount remaining unspent	26.65	26.65

Unspent amount of ₹ 26.65 Lakhs related to ongoing project has been transferred to a special account opened by the company in a scheduled bank to be called the Unspent Corporate Social Responsibility Account on April 30, 2021, and such amount shall be spent by the company in pursuance of its obligation towards the Corporate Social Responsibility Policy within a period of three financial years from the date of such transfer.

Shortfall at the end of the year	-	-
Total of previous year shortfall	-	-
Reason for shortfall	NA	NA
Nature of CSR Activities	NA	Note 1
Detail of related party transactions in relation to CSR expenditure as per Ind AS 24, Related Party Disclosures	Nil	Nil

Note 1 : Nature of CSR activity includes promoting health care including preventive healthcare, setting up old age homes, day care centres and such other facilities for senior citizens, promoting education

Details of ongoing CSR projects under Section 135(6) of the Act

Year	Opening Balance		Amount required to be spent during the year	Closing Balance	
	With Company	In Separate CSR Unspent A/c		With Company	In Separate CSR Unspent A/c
2021-22	-	26.65	-	-	26.65
2020-21	-	-	-	-	-

Amount of ₹ 26.65 Lakhs was transferred to the separate CSR account on April 30, 2021

Details of CSR expenditure under Section 135(5) of the Act in respect of unspent amount other than ongoing projects

Year	Opening Balance unspent	Amount deposited in Specified Fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing Balance unspent
2021-22	-	-	-	-	-
2020-21	51.46	-	21.06	49.78	26.63

62 The Board of Directors of the Company at its meeting held on February 23, 2022, have Principally agree for the proposed transfer of the EV Battery business to Exicom Energy Systems Private Limited ("EESPL") and EV charging business to Exicom Power Systems Private Limited ("EPSPL") by slump sale on a going concern basis.



63 The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues, tangible and intangible assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information on the expected future performance of the Company. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company financial statements may differ from that estimated as at the date of approval of these financial statements.

64 Analytical Ratios (as required by Schedule III of the Companies Act, 2013)

S. No.	Ratio	Numerator	Denominator	As at March 31, 2022 Ratio	As at March 31, 2021 Ratio	% Variance	Reason for variance (if above 25%)
1	Current ratio (in times)	Total current assets	Total current liabilities	1.28	1.36	-5.91%	
2	Debt-Equity ratio (in times)	Debt consists of borrowings and lease liabilities	Total equity	0.92	0.85	+8.33%	
3	Debt service coverage ratio (in times)	Earnings before Debt Service + Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service + Interest paid + Lease payments + Principal repayment	2.13	1.36	56.69%	Due to increase in profit after tax
4	Return on equity ratio (in %)	Net Profit After Tax	Average Shareholder's equity	7.85%	7.79%	+0.06%	Due to increase in Net Profit mainly contributed by Dividend and Royalty Income
5	Income to capital employed ratio (in times)	Revenue from operations	Average Income	1.36	2.21	-38.91%	
6	Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	4.12	2.72	+51.73%	
7	Trade payables turnover ratio (in times)	Cost of Goods Sold	Average trade payables	1.62	1.12	+44.64%	
8	Net capital turnover ratio (in times)	Revenue from operations	Working capital (i.e. Total current assets less Total current liabilities)	5.42	4.67	+16.06%	Due to growth in Revenue and decrease in working capital
9	Net profit ratio (in %)	Profit (Loss) after Tax for the year	Revenue from operations	10.63%	3.45%	+207.56%	Due to increase in Net Profit mainly contributed by Dividend and Royalty Income
10	Return on capital employed (in %)	Profit before tax and finance cost	Capital employed (i.e. Net worth + Lease liabilities + Borrowed + Provisioned liabilities)	11.84%	2.99%	+298.33%	Due to increase in Net Profit mainly contributed by Dividend and Royalty Income
11	Return on investment (in %)	Income generated from invested funds	Average invested fund on the company's investments				
(a)	Quoted Equity Instruments Investments	Fair value at end of investment - Dividend Income	Quoted equity instruments in the books of Equity Instruments	103.15%	10.00%	+931.46%	Increase in return on investment from quoted equity instruments on account of fluctuation in market prices
(b)	Market Linked Investment	Gain on the valuation of Employee Stock Option	Monthly working investment in Market Fund	18.87%	NA	NA	
(c)	Fixed Income Investments	Interest Income	Monthly working investment in Fixed Income Investments	6.14%	6.39%	-4.04%	

Schedule III require explanation where the change in the ratio is more than 25% as compared to the preceding year. Since there are only three instances where the change is more than 25% i.e. Debt Service Coverage ratio, Return on equity ratio, Net capital turnover ratio, Net profit ratio, Return on capital employed, and Return on Investment, hence explanation is given only for the said ratios

65 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. The Ministry of Labour and Employment ('Ministry') has released draft rules for the Code on November 13, 2020 and has invited suggestions from stakeholders which are under active consideration by the Ministry. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period in which the Code becomes effective.

66 Other Statutory Information

- The title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment and Right of Use Assets are held in the name of the Company as at the balance sheet date
- The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
- There are no investment in properties
- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company has not advanced any loans or advances in the nature of loans to specified persons viz. promoters, directors, KMPs, related parties; which are repayable on demand or where the agreement does not specify any terms or period of repayment except loan given to wholly owned subsidiary which is repayable on demand as disclosed in Note No. 19.
- The Company has utilised funds raised from issue of securities or borrowings from banks for the specific purposes for which they were issued/taken.
- The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets and the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company except as mentioned hereunder:

Qtr ending	Bank Name	Particulars	Amount as per Unaudited Books of Accounts	Amount as reported in the quarterly return/statement	Difference	Reason for Discrepancies
30/06/2021	IDBI Bank/Punjab National Bank/State Bank of India	Trade Receivables	11,869.59	11,944.23	(74.64)	Due to re-classification and netting off with other balances
		Inventory	10,648.29	11,355.08	(706.79)	Reported amount is gross of provision for inventory.
30/09/2021		Trade Receivables	11,222.93	11,207.02	(15.91)	Due to re-classification and netting off with other balances
		Inventory	9,412.00	10,090.90	(678.90)	Reported amount is gross of provision for inventory.
31/12/2021		Trade Receivables	11,632.01	11,412.14	219.87	Due to re-classification and netting off with other balances
		Inventory	10,817.28	11,490.33	(673.05)	Reported amount is gross of provision for inventory.
31/03/2022		Trade Receivables	11,715.00	11,382.00	333.00	Due to re-classification and netting off with other balances
		Inventory	12,663.18	12,607.22	55.96	Reported amount is gross of provision for inventory.

viii) The Company has not been declared as a wilful defaulter by any lender who has powers to declare a company as a wilful defaulter at any time during the financial year or after the end of reporting period but before the date when financial statements are approved.

ix) Struck off Companies: Details of relationship with Companies struck off under Section 248 of Companies Act, 2013 or Section 560 of the Companies Act, 1956:

Name of the Company	Nature of Transaction	Balance Outstanding as at March 31, 2022	Relationship with the Struck off Company	Balance Outstanding as at March 31, 2022	Relationship with the Struck off Company
Corrado Consultants Private Limited (CIN: U74340HR2011PTC043822)	Professional Fees	NA	NA	-	Service Provider
S R Telepower Services Private Limited (CIN: U93000HR2011PTC022576)	Trade Payable (ESS Services)	NA	NA	-	Service Provider
ASSAR Networks(OPC) Pvt Ltd. (CIN: U74999UP2016OPC088329)	Advance to Supplier	-	Service Provider	-	Service Provider
Sono Product Design Private Limited (CIN: U29222KA2014PTC075193)	Trade Receivable (Sale of Products)	0.09	Customer	0.09	Customer

x) The Company does not have any transaction which is not recorded in the books of accounts but 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).

xi) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

xii) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.

xiii) The Company does not have any charges or satisfaction which is yet to be registered with the Registrar of Companies (ROC) beyond the statutory period.

xiv) The Company has 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:

- 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

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

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



- 67 (i) Previous year's figures have been regrouped and reclassified wherever necessary to confirm current year classification / presentation  
(ii) Figures representing 0.00 lakhs are below Rs. 500

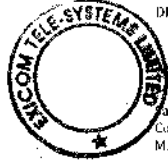
As per our report of even date  
For SGN & Co.  
Chartered Accountants  
Firm Registration No. 134565W

Shreyans Jain  
Partner  
Membership No. 847097

Place: Gurugram  
Date: June 15, 2022

For and on behalf of the Board of Directors

Anant Nahata  
Managing Director  
Cum CEO  
DIN-02216037



Angeta Karnatak  
Company Secretary  
M.No. 25216

Subhash Chander Rustgi  
Director

DIN-06922968

Shiraz Khanna  
Chief Financial Officer