



# DIGITAL

## Annual Report 2022 - 2023

[schneiderelectricpresident.com](https://schneiderelectricpresident.com)



## Board of Directors



**Mr. Ranjan Pant, Chairman**  
Independent Director



**Mr. Ramakrishna  
Rajasekharan Nair**  
Independent Director



**Mr. Shivaprasad Srinivas**  
Whole-Time Director



**Mr. Arnab Roy**  
Non-Executive Director



**Ms. Chitra Sukumar**  
Non-Executive Director



**Mr. Sachin Bhalla**  
Non-Executive Director



**Mr. Subhrendu Sarkar**  
Non-Executive Director



**Ms. Sapna Bhatia**  
Company Secretary



## Corporate Information (as on date)

### Committees of the Board

Audit Committee	Nomination And Remuneration Committee	Corporate Social Responsibility Committee
<ul style="list-style-type: none"> <li>Mr. Ranjan Pant, Independent Director (Chairman)</li> <li>Mr. RR Nair, Independent Director</li> <li>Mr. Arnab Roy, Non-Executive Director</li> </ul>	<ul style="list-style-type: none"> <li>Mr. RR Nair, Independent Director (Chairman)</li> <li>Mr. Ranjan Pant, Independent Director</li> <li>Ms. Chitra Sukumar, Non-Executive Director</li> </ul>	<ul style="list-style-type: none"> <li>Mr. RR Nair, Independent Director</li> <li>Mr. Sachin Bhalla, Non-Executive Director</li> <li>Mr. Arnab Roy, Non-Executive Director</li> </ul>
Stakeholder's Relationship Committee	Finance Committee	
<ul style="list-style-type: none"> <li>Mr. Ranjan Pant, Independent Director (Chairman)</li> <li>Mr. Sachin Bhalla, Non-Executive Director</li> <li>Mr. Arnab Roy, Non-Executive Director</li> </ul>	<ul style="list-style-type: none"> <li>Mr. Arnab Roy, Non-Executive Director</li> <li>Mr. Sachin Bhalla, Non-Executive Director</li> <li>Mr. Subhrendu Sarkar, Non-Executive Director</li> </ul>	

### Auditors:

Statutory Auditors	Secretarial Auditors	Cost Auditors
<b>M/s. S.N. Dhawan &amp; Co LLP</b> Add: 51-52, II Floor, Udyog Vihar Phase IV, Sector 18, Gurugram, Haryana-122016, India	<b>Chandrasekaran Associates</b> Company Secretaries Add: 11F, Pocket-IV, Mayur Vihar Phase-I, Delhi-110091, India	<b>Rao, Murthy &amp; Associates</b> Add: Sampurna Chambers No. 13, 1 <sup>st</sup> Floor- FF2, Vasavi Temple Road, V. V. Puram, Bengaluru-560004 Karnataka, India
Internal Auditors		
<b>Mr. Vinay Kumar Awasthi</b> Schneider Electric		

Registrar & Share Transfer Agent (RTA)	Registered Office	Corporate Office
<b>Universal Capital Securities Private Limited</b> Add: C-101, 247 Park, 1st Floor, LBS Road, Gandhi Nagar, Vikhroli (West), Mumbai - 400 083, India <b>Phone:</b> +91- 022- 2820 7203/2820 7204/ 2820 7205 <b>Contact Person:</b> Mr. Santosh Gamare <b>Email:</b> gamare@unisec.in	<b>Regd. Office Add:</b> 5C/1, KIADB Industrial Area, Attibele, Bengaluru-562107, Karnataka, India <b>Phone:</b> +91 80 6788 8300 <b>Email:</b> companysecreary@se.com	<b>Corp Office Add:</b> Beary Global Research Triangular (BGR), 6 <sup>th</sup> Floor, Sy. No. 63/3B, Gorvigere Village, Bidarahalli Hobli, Bengaluru East Taluk, Whitefield Hoskote Road, Bengaluru- 560 115, Karnataka, India, <b>Phone:</b> +91 80 4554 0000



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## SCHNEIDER ELECTRIC PRESIDENT SYSTEMS LIMITED

CIN: U32109KA1984PLC079103

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

Phone: 080 67888300

Website: [www.schneiderelectricpresident.com](http://www.schneiderelectricpresident.com);

E-mail: [companysecretary@se.com](mailto:companysecretary@se.com)

## NOTICE OF 39<sup>TH</sup> ANNUAL GENERAL MEETING

**NOTICE** is hereby given that the Thirty-Ninth (39<sup>th</sup>) Annual General Meeting ("**AGM/Meeting**") of the Members of Schneider Electric President Systems Limited ("**Company**") will be held on Thursday, September 21, 2023, at 03.30p.m. (**IST**) through Video Conferencing ("**VC**")/Other Audio-Visual Means ("**OAVM**"), to transact the following business(es):

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2023 including audited Balance Sheet as at March 31, 2023, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors and Auditors thereon and in this regard, if thought fit, to pass the following resolution as an **ORDINARY RESOLUTION**:

**"RESOLVED THAT** the Audited Financial Statements of the Company for the financial year ended March 31, 2023, including audited Balance Sheet as at March 31, 2023, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors and Auditors thereon laid before this Meeting, be and are hereby received, considered and adopted."

2. To approve, the re-appointment of Mr. Sachin Bhalla (DIN:07325708), who retires by rotation and being eligible, offers himself for re-appointment as Director and in this regard, if thought fit, to pass the following resolution as an **ORDINARY RESOLUTION**:

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Sachin Bhalla (DIN: 07325708), who retires by rotation and being eligible, has offered himself for re-appointment, be and is hereby re-appointed as a Non-Executive Director of the Company, liable to retire by rotation."

3. To approve, the re-appointment of Mr. Shivaprasad Srinivas (DIN: 09530278), who retires by rotation and being eligible, offers himself for re-appointment as Whole-Time Director (Professional capacity) and in this regard, if thought fit, to pass the following resolution as an **ORDINARY RESOLUTION**:

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Shivaprasad Srinivas (DIN:09530278), who retires by rotation and being eligible, has offered himself for re-appointment, be and is hereby re-appointed as a Whole-Time Director of the Company, not liable to retire by rotation."

### SPECIAL BUSINESS

4. To approve, the appointment of Ms. Chitra Sukumar (DIN:09814015) as a Non-Executive Director of the Company effective from January 01, 2023, and in this regard, to pass, the following Resolution as an **ORDINARY RESOLUTION**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 161 and other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 ("Rules"), and further amendments thereto from time to time (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and the provisions of the Article of Association of the Company, Ms. Chitra Sukumar (DIN:09814015), who was appointed as an Additional Director (Non-Executive) by the Board of Directors, on the recommendation of the Nomination and Remuneration Committee, with effect from January 01, 2023 and who holds office up to the date of this ensuing Annual General Meeting or the last date on which the Annual General Meeting for the financial year 2022-23 should have been held, whichever is earlier, and in respect of whom the Company has

received a notice in writing from a Member proposing her candidature for the Office of Director, be and is hereby appointed as a Non-Executive Director of the Company, liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers to any officer(s) / authorized representative(s) of the Company to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. To approve, the appointment of Mr. Subhrendu Sarkar (DIN:09813992) as a Non-Executive Director of the Company effective from January 01, 2023, and in this regard, to pass, the following Resolution as an **ORDINARY RESOLUTION**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 161 and other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and the provisions of the Article of Association of the Company, Mr. Subhrendu Sarkar (DIN:09813992), who was appointed as an Additional Director (Non-Executive) by the Board of Directors, on the recommendation of the Nomination and Remuneration Committee, with effect from January 01, 2023 and who holds office up to the date of the ensuing Annual General Meeting or the last date on which the Annual General Meeting for the financial year 2022-23 should have been held, whichever is earlier, and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the Office of Director, be and is hereby appointed as a Non-Executive Director of the Company, liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers to any officer(s) / authorized representative(s) of the Company to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. To approve, the re-appointment of Mr. Ramakrishna Rajasekharan Nair (DIN:00202551) as Non-Executive Independent Director of the Company for a second term of five (5) consecutive years with effect from November 20, 2023, and in this regard, to pass, the following Resolution as a **SPECIAL RESOLUTION**:

**"RESOLVED THAT** pursuant to provisions of Section 149, 150, 152 and 161(1) of the Companies Act, 2013 and rules made thereunder (as amended from time to time), read with Schedule IV and other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactments thereof for the time being in force), and as per Articles of Association of the Company and based on the recommendation of Nomination & Remuneration Committee, Mr. Ramakrishna Rajasekharan Nair (DIN:00202551), who was appointed an Non-Executive Independent Director for a period of five (5) years and whose term of office as Non-Executive Independent Director will complete on November 19, 2023 and in this regard, Mr. Nair has submitted a declaration that he meets the criteria for independence as provided in the Act and is eligible for re-appointment as Non-Executive Independent Director for a second term of five (5) consecutive years with effect from November 20, 2023 to November 19, 2028 at such terms and conditions as may be decided by the Board of Directors of the Company, not liable to retire by rotation, be and is hereby appointed as Non-Executive Independent Director.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers to any officer(s) / authorized representative(s) of the Company to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

7. To approve the re-appointment of Mr. Ranjan Pant (DIN:00005410) as Non-Executive Independent Director of the Company for a second term of five (5) consecutive years with effect from December 17, 2023, and in this regard, to pass, the following Resolution as a **SPECIAL RESOLUTION**:

**"RESOLVED THAT** pursuant to provisions of Section 149, 150, 152 and 161(1) of the Companies Act, 2013 and rules made thereunder (as amended from time to time), read with Schedule IV and other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactments thereof for the time being in force), and as per Articles of Association of the Company and based on the recommendation of Nomination & Remuneration Committee, Mr. Ranjan Pant (DIN:00005410), who was appointed an Non-Executive Independent Director for a period of five (5) years and whose term of office as Non-Executive Independent Director will complete on December 16, 2023 and in this regard, Mr. Pant has submitted a declaration that he meets the criteria for independence as provided in the Act and is eligible for re-appointment as Non-Executive Independent Director for a second term of five (5) consecutive years with effect from December 17, 2023 to December 16, 2028 at such terms and conditions as may be decided by the Board



of Directors of the Company, not liable to retire by rotation, be and is hereby appointed as Non-Executive Independent Director.”

8. To ratify the remuneration of cost auditors for the financial year ended March 31, 2024, and, in this regard, if thought fit, to pass the following resolution as an **ORDINARY RESOLUTION**:

“**RESOLVED THAT** in accordance with the provisions of section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and Rule 6(2) of the Companies (Cost Records and Audit) Rules, 2014 and other applicable provisions, if any, the remuneration of INR 1,50,000/- (Indian Rupees One Lakh and fifty Thousand Only) plus applicable taxes and reimbursement of out-of-pocket expenses, for the financial year ending March 31, 2024 as recommended by the Audit Committee and approved by the Board of Directors, to be paid to M/s. Rao, Murthy & Associates, Cost Accountants, (Firm Registration No.000065), Bengaluru, appointed by the Board of Directors, to conduct the audit of the cost records of the Company, be and is hereby ratified.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers to any officer(s) / authorized representative(s) of the Company to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

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

Date: June 20, 2023

Place: Bengaluru

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

Sapna Bhatia  
Company Secretary  
ACS 32349

## Notes:

1. The statement pursuant to Section 102(1) of the Companies Act, 2013 (“the Act”) setting out material facts concerning the special businesses to be transacted at the 39<sup>th</sup> Annual General Meeting (“39<sup>th</sup> AGM”/ “Meeting”), is annexed hereto forming part of this Notice and Secretarial Standard-2 on General Meetings issued by The Institute of Company Secretaries of India, in respect of Director retiring by rotation seeking appointment/ re-appointment at this Annual General Meeting (“AGM”) is furnished as **Annexure-1** to this Notice
2. The Shareholders may note that in compliance with the provisions of the Ministry of Corporate Affairs (“MCA”) inter-alia vide its General Circular No. 20/2020 dated May 05, 2020 and 10/2022, dated December 28, 2022, respectively and other relevant circulars in this regard, issued by the Ministry of Corporate Affairs (collectively referred to as “MCA Circulars”), permitted to hold the Annual General Meeting through other audio-visual means (“OAVM”), without the physical presence of the Members at a common venue.  
In compliance with the above, 39<sup>th</sup> AGM of the Company is being held through VC/OAVM and in accordance with the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (“ICSI”) read with Clarification/ Guidance on applicability of SS-2 dated April 15, 2020 issued by the ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company at 5C/1, KIADB Industrial Area, Attibele, Bengaluru-562107, Karnataka, India which shall be deemed venue of the AGM.
3. As per the provisions of Clause 3.A.II. of the General Circular No. 20/2020 dated May 05, 2020, the matters of Special Business as appearing at Item Nos. 4 to 8 of the accompanying Notice are considered to be unavoidable by the Board and hence forming part of this Notice.
4. Pursuant to Section 105 of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a Proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since the AGM is being held through VC/OAVM, in accordance with the applicable circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of Proxies by the members will not be available for the 39<sup>th</sup> AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.
5. Institutional Investors i.e. other than individuals, HUF, NRI etc., who are Members of the Company, are encouraged to attend and vote at the AGM through VC/OAVM facility. Corporate Members intending to appoint their authorized representatives pursuant to Section 113 of the Act to attend the AGM through VC or OAVM or to vote through remote e-voting are requested to send a certified copy of the Board Resolution to the Scrutinizer by email at [rupesh@cacsindia.com](mailto:rupesh@cacsindia.com), failing him [shashikant@cacsindia.com](mailto:shashikant@cacsindia.com) with a copy marked to [evoting@kfintech.com](mailto:evoting@kfintech.com) and may also upload their Board Resolution/Power of Attorney (POA)/Authority Letter etc. by clicking on “Upload Board Resolution/ Authority Letter” displayed under “e-Voting” tab in their login.
6. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members (ROM) of the Company will be entitled to vote at the AGM.
7. KFin Technologies Limited (“Kfintech”) has been engaged to facilitate, the participation of the Members in the 39<sup>th</sup> AGM and to provide e-Voting facility (remote e-Voting and e-Voting at the AGM) for casting the votes electronically in terms of provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules 2014, (as amended), Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (“ICSI”) read with the MCA Circulars.
8. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
9. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and Register of Contracts or arrangements in which Directors are interested maintained under Section 189 of the Act and relevant documents referred to in this Notice and explanatory statements will be available electronically for inspection by the Members during the AGM. All documents referred to in the Notice will also be available electronically for inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an e-mail to [companysecretary@se.com](mailto:companysecretary@se.com) stating their DP ID/ Client ID or Folio No.
10. Members holding shares in demat form are requested to update their Electronic Bank Mandate with their respective Depository Participant(s) (“DPs”). The Company/ Company’s RTA will not entertain any direct request from such members for change of address, transposition of names, deletion of name of deceased joint holder and change in the Bank Account details. The said details will be considered as furnished by the DPs to the Company.
11. As per the provisions of Section 72 of the Act, facility for making nominations is now available to individuals holding shares in the Company. Members holding shares in physical form may obtain the Nomination Form from the RTA of

the Company. Members holding shares in electronic form have to approach their DPs for completing the nomination formalities. Registration and/ or updation of bank mandate ensures the receipt of dividend and/or any other consideration timely, faster and easier and more important avoids fraudulent encashment of warrants. Members are requested to submit their bank registration documents i.e., request letter, cancelled cheque and self-attested PAN card & address proof with the Company and/ or DP.

12. Non-Resident Indian Members are requested to inform the Company's RTA/ respective DPs, immediately of:
  - a) Change in their residential status on return to India for permanent settlement.
  - b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
13. Pursuant to MCA notification dated September 10, 2018, effective from October 02, 2018, transfer of shares in physical mode is prohibited and mandates holding of shares in demat except in case of transmission or transposition. Accordingly, the Company/RTA has stopped accepting any fresh lodgment of transfer, transmission, transposition, sub-division, consolidation. Renewal/exchange of share certificate or issuance of duplicate share certificates, for shares held in physical form. Members are requested to convert the physical holding to demat through DP. Members may contact the Company for any assistance in the said process of physical to demat of shares.
14. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates and self-attested copies of the PAN card of the holders for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making the requisite changes. The consolidation will be processed in demat form.
15. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. In addition, periodic statements of holdings should be obtained from the concerned Depository Participant, and holdings should be verified from time to time.
16. Furnish PAN, KYC details: verify the address and bank details updated with RTA or DP and intimate the changes if any pertaining to name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., as, and when required. Do not share your demat account login and password and retain the relevant instruction slips in safe custody.
17. **Green Initiative:** All notices, financial statements, annual report etc. will be sent to the Members electronically as notified in the Act and Rules made thereunder. It reduces Company's cost of printing and dispatch, ensures timely and speedy intimations, and supports the initiative of green environment. Members are requested to register/ update their e-mail ID by writing to the Company except wherein the shareholding is in demat it may be sent to the respective DP.
18. In this Notice and the statement of material facts, the term "shareholder(s)" and "Member(s)" and the term "39<sup>th</sup> AGM" and "Meeting" are used interchangeably.
19. In adherence to the provisions of Section 125 of the Act, read with Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 the ("IEPF Rules"), 20,758 equity shares of Rs. 10 each in respect of which dividend have not been claimed by the shareholders or unclaimed for a period of consecutive seven (7) years were transferred to the demat account of Investors Education and Protection Fund (IEPF) as per the details given hereunder:

Financial Year	Shares Held	No. of Records	No. of Shares
FY 2008-09	NSDL	1	1
	CDSL	3	173
	Physical Form	38	11367
	<b>Total</b>	<b>42</b>	<b>11541</b>
FY 2009-10	NSDL	8	976
	CDSL	1	1
	Physical Form	26	8240
	<b>Total</b>	<b>35</b>	<b>9217</b>

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

20. Those Members who have already registered their email IDs are requested to keep the same validated with their DP/ RTA to enable serving of notices/ documents/Annual Reports and other communications electronically to their email ID in future.
21. For any queries regarding the matters set out in the Notice or any other investor related queries, the Members may write to Company Secretary at [companysecretary@se.com](mailto:companysecretary@se.com).

**22. GENERAL INSTRUCTIONS FOR ACCESSING AND PARTICIPATING IN THE 39<sup>TH</sup> AGM THROUGH VC/OAVM AND VOTING THROUGH ELECTRONIC MEANS INCLUDING REMOTE E-VOTING:**

- A. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and MCA Circulars, the Company is providing its Members the facility to exercise their right to vote by electronic means through the e-voting services provided by Kfin, on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below.
- B. The 39<sup>th</sup> AGM to be conducted through VC/OAVM, allows two-way teleconferencing for the ease of participation of the Members. Members may join the 39<sup>th</sup> AGM through VC/OAVM facility by following the procedure as mentioned below which shall be kept open from 3:00 p.m. (IST) i.e., 30 minutes before the time scheduled to start the 39<sup>th</sup> AGM on Thursday, September 21, 2023.
- C. Members may note that the VC/OAVM facility, provided by Kfintech, allows participation of at least one thousand (1000) Members, basis on first-come-first serve. The large shareholders (i.e., shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairperson(s) of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. can attend the 39<sup>th</sup> AGM without any restriction on account of first-come-first-serve principle.
- D. In compliance with the aforesaid MCA Circulars, Annual Report 2022-23 including the Notice of the AGM (“Annual Report 2022-23”) is being sent only through electronic mode to all the Members who have registered their email ids with the Company/Depository Participants (DPs)/ Company’s Registrar and Share Transfer Agents and whose names appear in the Register of Members/ List of Beneficial Owners as received from Depositories i.e. National Securities Depository Limited (“NSDL”) / Central Depository Services (India) Limited (“CDSL”) as on **Friday, August 18, 2023**, i.e. the Record Date fixed by the Company for the purpose sending the Annual Report 2022-23 to the Members of the Company.
- E. The Members may note that Annual Report 2022-23 will also be available on the Company’s website at [www.schneiderelectricpresident.com](http://www.schneiderelectricpresident.com) and on the website of Kfintech i.e. <https://evoting.kfintech.com>
- F. The remote e-Voting will be available during the following period:

Commencement of remote e-Voting	From 09:00 a.m. (IST) on Monday, September 18, 2023
End of remote e-Voting	Up to 05:00 p.m. (IST) on Wednesday, September 20, 2023

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

- G. Members, who would like to express their views or ask questions on the financial statements of the Company or any other matter to be placed at the 39<sup>th</sup> AGM, during the 39<sup>th</sup> AGM, will have to visit: <https://emeetings.kfintech.com/> and click on “Post your Questions” or register themselves as Speaker by clicking on “Speaker Registration” by mentioning the demat account number/folio number, city, email id, mobile number and submit. The **Speaker Registration** or the option for posting the questions shall be available from **Monday, September 18, 2023, from 09:00 a.m. (IST) till Wednesday, September 20, 2023 up to 05:00 p.m. (IST)**. The queries may be raised precisely and in brief to enable the Company to answer the same suitably depending on the availability of time at the Meeting. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of 39<sup>th</sup> AGM.
- H. The voting rights of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the Cut-off Date.

- I. Members whose name appears in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on **Thursday, September 14, 2023**, i.e., the “Cut-off Date” shall only be entitled to avail the facility of remote e-Voting and e-Voting at the 39<sup>th</sup> AGM. Any person who is not a Member on the Cut-off Date should treat the notice for information purposes only.
- J. Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of Notice of 39<sup>th</sup> AGM and holds shares as on the Cut-off Date can obtain the login ID and password by sending a request at [evoting@kfintech.com](mailto:evoting@kfintech.com) or [companysecretary@se.com](mailto:companysecretary@se.com). However, if you are already registered with Kfintech for remote e-Voting then you can use your existing user ID and password/PIN for casting your vote.
- K. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the **Cut-off Date** only shall be entitled to avail the facility of remote e-Voting or casting vote through e-Voting system during the Meeting.
- L. The Register of Members and Share Transfer Books of the Company will remain closed from **Friday, September 15, 2023, to Thursday, September 21, 2023 (both days inclusive)**.
- M. The Company has appointed Mr. Rupesh Agarwal (ACS16302), Managing Partner, Chandrasekaran Associates, failing him Mr. Shashikant Tiwari (FCS 11919 and CP 13050), Partner, Chandrasekaran Associates as the Scrutinizer to scrutinize the e-Voting in a fair and transparent manner and have communicated their willingness to be appointed and will be available for same purpose.
- N. The Scrutinizer shall after the conclusion of e-Voting at the 39<sup>th</sup> AGM, first download the votes cast at the 39<sup>th</sup> AGM and thereafter unblock the votes cast through remote e-Voting and shall make a consolidated scrutinizer’s report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such Report shall then be sent to the Chairman or a person authorized by him, who shall then countersign and declare the Result of the voting forthwith, within three days from the conclusion of the 39<sup>th</sup> AGM.
- O. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company at [www.schneiderelectricpresident.com](http://www.schneiderelectricpresident.com) and on the website of Kfintech at <https://evoting@kfintech.com/> immediately after the declaration of Results by the Chairman or a person authorized by him.

### 23. INSTRUCTIONS TO MEMBERS WHOSE EMAIL IDS ARE NOT REGISTERED FOR PROCURING USER ID AND PASSWORD AND REGISTRATION OF EMAIL IDS FOR E-VOTING:

Those Members who have not registered their email addresses are required to send an email request to [evoting@kfintech.com](mailto:evoting@kfintech.com) in along with the following documents for procuring user id and password for e-voting for the resolutions set out in this Notice

- In case shares are held in physical form and who wish to participate in the 39<sup>th</sup> AGM or cast their vote through remote e-Voting or through the e-Voting system during the Meeting, may obtain the login ID and password by sending scanned copy of: (i) a signed request letter mentioning name, folio number and complete address; and (ii) self-attested scanned copy of the PAN Card and any document (such as Driving License, Bank Statement, Election Card, Passport, AADHAR Card) in support of the address of the Member as registered with the Company; to the email address of the Company Secretary at [companysecretary@se.com](mailto:companysecretary@se.com) or Registrar & Share Transfer Agents, Universal Capital Securities Private Limited (RTA) at [gamare@uniseq.in](mailto:gamare@uniseq.in) or to Kfintech at [evoting@kfintech.com](mailto:evoting@kfintech.com).
- In case shares are held in demat mode, Members may obtain the login ID and password by sending scanned copy of (i) a signed request letter mentioning name, DP ID-Client ID (16 digit DP ID + Client ID or 16 digit beneficiary ID); (ii) self-attested scanned copy of client master or Consolidated Demat Account statement; and (iii) self-attested scanned copy of the PAN Card, to the email address of the Company Secretary at [companysecretary@se.com](mailto:companysecretary@se.com) or RTA at [gamare@uniseq.in](mailto:gamare@uniseq.in) or to Kfintech at [evoting@kfintech.com](mailto:evoting@kfintech.com).

### 24. INSTRUCTIONS FOR MEMBERS FOR E-VOTING DURING THE 39<sup>TH</sup> AGM ARE AS UNDER:

- A. Upon declaration by the Chairman about the commencement of e-Voting at 39<sup>th</sup> AGM, members shall click on the Thumb sign on the left bottom corner of the video screen for voting at the 39<sup>th</sup> AGM, which will take them to the “Instapoll” page.
- B. Members to click on the “Instapoll” icon to reach the resolution page and follow the instructions to vote on the resolutions.
- C. Only those Members, who will be present in the 39<sup>th</sup> AGM through VC/OAVM and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through

e-Voting system at the 39<sup>th</sup> AGM.

D. The Members who have cast their vote by remote e-Voting prior to the 39<sup>th</sup> AGM may also participate in the 39<sup>th</sup> AGM through VC/OAVM but shall not be entitled to cast their vote again.

E. A video guide assisting the members for attending the 39<sup>th</sup> AGM either as a speaker or participant is available for quick reference at: <https://emeetings.kfintech.com/video/howitworks.aspx>.

F. Members who need technical assistance before or during the 39<sup>th</sup> AGM, may contact at [evoting@kfintech.com](mailto:evoting@kfintech.com) or helpline at 1800 309 4001 (toll free).

**25. INSTRUCTIONS FOR REMOTE E-VOTING BEFORE/DURING 39th AGM:**

The details of the process and manner for remote e-voting and virtual meeting (“AGM”) are explained herein below:

**Step 1 :** Access to Depositories e-voting system in case of individual shareholders holding shares in demat mode.

**Step 2 :** Access to Kfintech e-Voting system in case of Members holding shares in physical

**Step 3 :** Access to join 39<sup>th</sup> AGM of the Company on Kfintech to participate and vote at the 39<sup>th</sup> AGM through VC/OAVM:

**Step 1: Access to Depositories e-Voting system**

**A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of e-Voting facility provided by the Company, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> <li>1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the <b>“Beneficial Owner”</b> icon under <b>“Login”</b> which is available under <b>‘IDeAS’</b> section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on <b>“Access to e-Voting”</b> under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a> Select <b>“Register Online for IDeAS Portal”</b> or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon <b>“Login”</b> which is available under <b>‘Shareholder/Member’</b> section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to <b>e-Voting website of NSDL</b> for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>

	<p>4. Shareholders/Members can also download <b>NSDL Mobile App</b> “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;"><b>NSDL Mobile App is available on</b></p> <p style="text-align: center;">  App Store      Google Play         </p> <div style="display: flex; justify-content: space-around; align-items: center;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

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

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

Login type	Helpdesk details
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022 - 4886 7000 and 022 - 2499 7000</p>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43</p>

**Step 2 : Access to Kfintech e-Voting system in case of Members holding shares in physical**

**B) Login method for Non-Individual Members and Members holding securities in Physical Form**

- (a) Initial password is provided in the body of the email.

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

**Step 3 : Access to join 39<sup>th</sup> AGM of the Company on Kfintech to participate and vote at the 39<sup>th</sup> AGM through VC/OAVM:**

- A. Members will be provided with a facility to attend the 39th AGM through video conferencing platform provided by Kfintech. Members may access the same at <https://emeetings.kfintech.com/> and click on the "video conference" and access the shareholders/members login by using the remote e-Voting credentials. The link for 39th AGM will be available in shareholder/members login where the EVEN and the name of the Company can be selected. Click on the video symbol and accept the Meeting etiquettes to join the Meeting.
  - C. Please note that the Members who have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions.
  - D. Facility for joining AGM through VC/OAVM shall open at least 15 minutes before and after the scheduled time of commencement of the Meeting by following the procedure mentioned herein.
  - E. Members are encouraged to join the Meeting through Laptops with Google Chrome for better experience.
  - F. Members will be required to allow Camera, if any, and hence use Internet with a good speed to avoid any disturbance during the Meeting.
  - G. The Company has made all efforts to arrange the VC/OAVM meeting smoothly. However, Members connecting from mobile devices or tablets or through laptops etc. connecting via mobile hotspot, may experience Audio/ Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
  - H. The members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-Voting system available during the AGM and 15 minutes after the conclusion of the AGM. E-Voting during the AGM is integrated with the VC/ OAVM platform. The Members may click on the voting icon displayed on the screen to cast their votes.
26. In case of any query and/or grievance, in respect of voting by electronic means, members may refer to the Help & FAQs and e-voting user manual available at the download section of <https://evoting.kfintech.com/> ("Kfin Website") or send an e-mail at [evoting@kfintech.com](mailto:evoting@kfintech.com) or call Kfin's toll free No. 1800-309-4001 for any further clarifications.



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

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

### ITEM NO. 4

Based on the recommendation of the Nomination and Remuneration Committee (NRC), the Board of Directors of the Company have appointed Ms. Chitra Sukumar (DIN:09814015) as an Additional Director in the capacity of Non-Executive Non-Independent Director of the Company with effect from January 01, 2023, liable to retire by rotation.

As an Additional Director, Ms. Chitra Sukumar, holds office till the date of this 39<sup>th</sup> AGM and is eligible for being appointed as a Non- Executive Director.

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

Ms. Chitra Sukumar is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given required disclosures and consent for her appointment as Director of the Company.

Ms. Chitra Sukumar is currently holding the position of SVP- Digital Engineering and Tech Debt in Schneider Electric. She carries over 26 years of Leadership Experience in multi-disciplinary global R&D departments responsible for the full life cycle of product lines, building world-class software development teams in India, aligning technology strategy with business strategy, and driving a platform approach to product development. She has worked extensively in geographically distributed global teams in matrix organizations in the highly regulated healthcare industry. She has done Bachelor's in computer science from Bangalore University.

She is associated with Schneider Electric since 2021 and her work profile includes:

- DEVS: Building a team that can handle end to end responsibility on software platforms anchoring key areas of responsibility around commissioning. Delivering on commitments to ecostruxure power, with a focus on partner monetization value stream.
- Energy Management-Chief Technology Officer: Setting up the India Hub for energy management CTO office, with global focus in some key disciplines and regional focus in other disciplines relevant to energy management across divisions.
- India R&D: Representing Schneider in Leadership of the R&D Council India.

Prior to employment with Schneider, she has worked with Philips Innovation, as Sr. Director, Global Head of R&D, Mobile Surgery in Pune and IGT Systems R&D, Bangalore and LEC India, Bangalore.

She has been awarded the Philips Innovation Campus's most prestigious award, The Golden Leaf, for consistent contribution towards enhancing the contributions from Philips Innovation Campus, Bangalore

Your Board believes that induction of Ms. Sukumar on the Board will support in broadening the overall expertise of the Board and enhancing the business portfolio of secure power with different outlook.

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

Except, Ms. Sukumar, being the appointee, and her relative, none of the Directors, Key Managerial Personnel of the Company and their relatives are in anyway, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the accompanying Notice of the 39<sup>th</sup> AGM.

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

### ITEM NO. 5

Based on the recommendation of the Nomination and Remuneration Committee (NRC), the Board of Directors of the Company have appointed Mr. Subhrendu Sarkar (DIN:09813992) as an Additional Director in the capacity of Non-Executive Non-Independent Director of the Company with effect from January 01, 2023, liable to retire by rotation.

As an Additional Director, Mr. Subhrendu Sarkar, holds office till the date of this 39<sup>th</sup> AGM and is eligible for being appointed as a Non- Executive Director.

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



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

Mr. Sarkar has over 19 years of Leadership Experience in assorted finance streams. He is a Chartered Accountant by profession and has done master's in commerce from Kolkata University. He has been associated with Schneider Electric India since January 2013 and held various positions in Finance. He is currently working with Schneider Electric as CFO for SEITB & partners the President Secure Power Business and holds directorship in other Schneider group Companies.

Prior to his employment with Schneider, he was associated with Companies General Motors and GE Healthcare. Having worked across Multiple Geographies, he also has cross industry experience like Manufacturing, Healthcare & Automobiles. He has Known for enabling & partnering Equity performance & Transformation, Leading Transformation for finance operating model & streamlining processes through Digitization, Driving Efficiency.

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

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

Except, Mr. Sarkar, being the appointee, and his relative, none of the Directors, Key Managerial Personnel of the Company and their relatives are in anyway, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the accompanying Notice of the 39<sup>th</sup> AGM.

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

#### **ITEM NO. 6**

Based on the recommendation of the Nomination and Remuneration Committee (NRC), the Board of Directors of the Company have re-appointed Mr. Ramakrishna Rajasekharan Nair (DIN:00202551) as Non-Executive Independent Director of the Company to hold an office for a second term of five (5) consecutive years with effect from November 20, 2023, not liable to retire by rotation, subject to consent of the Members of the Company at this 39<sup>th</sup> AGM.

As the first term of five (5) years of Independent Director, Mr. Nair will complete on close of business hours on November 19, 2023 and is eligible for being re-appointment as an Independent Director for a second term of five (5) years with effect from November 20, 2023. The Company has received necessary declaration(s) from Mr. Nair confirming that he meets the criteria as prescribed under the Act and not disqualified from being appointed as a Director under provisions of Section 164 of the Companies Act, 2013.

The Company has received from Mr. Nair (i) consent in writing to act as Directors in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014; (ii) intimation in Form DIR-8 pursuant to Rule 14 of the Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that he is not disqualified in accordance with sub-section (2) of Section 164 of the Companies Act, 2013; and (iii) Form MBP 1 and (iv) Independent Directors declaration and certificate of Independence.

Mr. R R Nair is a Coach for CXOs & CEOs from diverse industrial sectors, both large Indian and MNCs. He is also a consultant to businesses on 'HR Strategy' and 'Leadership and Organization Development'. He serves on the Boards of Companies as an Independent Director. Mr. Nair served Unilever Group of companies for over three decades and held several positions including as CHRO and towards the closure of his long innings, he served as Coach for Board level leaders, and OD Advisor for HUL and Unilever's Regional Business Group, Singapore. While in Unilever London where he was seconded earlier in his career, he was trained by Hay Mcker as a Leadership Coach. He is an alumnus of Stanford and Michigan Universities through their management education programs.

He also served on the Academic Council of Tata Management Training Centre Pune, Lowe Lintas's Centre for Executive Education, HR Technical Committee of Reserve Bank of India, and Confederation of Indian Industry's National HR Council. Mr. Nair actively associated himself with the HR and leadership development space in the country. He has been associated with ISB's prestigious LSTM programme as a Leadership Coach for over a decade. He was chosen by NHRD Network for the National Award for outstanding contribution to the HR function. He was also conferred the Life-Time Achievement Award by CNBC-KPMG. Coaching Foundation India, in recognition of his exemplary lifetime achievement in facilitating the growth of human potential as a Coach & mentor, admitted him as Honorary Fellow. He co-edited a publication entitled "Managing Transition".

In the opinion of the Board, Mr. Nair fulfills the conditions for his re-appointment as an Independent Director as specified in the Act and the Rules made thereunder and is independent of the management.



Mr. Nair has done MA in Psychology from University of Kerala and post Masters' Diploma in Management from IIT Kharagpur. He was also trained by Tavistok School of Human Relations' faculty in the UK in individual and group development processes.

Your Board believes that based on the performance evaluation of Mr. Nair from last five years, it would be fruitful for the Company to achieve the strategies as planned under the leadership of Mr. Nair and he will support in broadening the overall expertise of the Board.

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

Except, Mr. Nair, being appointee(s), and his relative, none of the Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out for their respective appointment in Item No. 6 of the accompanying Notice of the 39<sup>th</sup> AGM.

Copy of the letter of appointment of Mr. Nair as Non-Executive Independent Directors setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours (9:00 am to 5:00 pm) on any working day, excluding Saturday and are also available at the website of the Company at [www.schneiderelectricpresident.com](http://www.schneiderelectricpresident.com).

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

#### **ITEM NO. 7**

Based on the recommendation of the Nomination and Remuneration Committee (NRC), the Board of Directors of the Company have re-appointed Mr. Ranjan Pant (DIN:00005410) as Non-Executive Independent Director of the Company to hold office for a second term of five (5) consecutive years with effect from December 17, 2023, not liable to retire by rotation, subject to consent of the Members of the Company at this AGM.

As the first term of five (5) years of Independent Director, Mr. Ranjan Pant will complete on close of business hours on December 16, 2023 and is eligible for being re-appointment as an Independent Director for a second term of five (5) years with effect from December 17, 2023. The Company has received necessary declaration(s) from Mr. Ranjan Pant confirming that he meets the criteria as prescribed under the Act and not disqualified from being appointed as a Director under provisions of Section 164 of the Companies Act, 2013.

The Company has received from Mr. Ranjan Pant (i) consent in writing to act as Directors in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014; (ii) intimation in Form DIR-8 pursuant to Rule 14 of the Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that he is not disqualified in accordance with sub-section (2) of Section 164 of the Companies Act, 2013; and (iii) Form MBP 1 and (iv) Independent Directors declaration and certificate of Independence.

Mr. Pant is a CEO Advisor, global strategy management consultant and change management expert with overall 35 Years of experience. At present, Mr. Pant is holding the position of Independent Director and act as an advisor on the Board of Major Companies.

In the opinion of the Board, Mr. Pant fulfills the conditions for his re-appointment as an Independent Director as specified in the Act and the Rules made thereunder and is independent of the management.

As a professional in the initial years, he joined Bain & Co as a Management Consultants and later moved as Director Business Development at the General Electric headquarters in Fairfield and again joined Bain as a Partner leading the global energy and utilities practice. In 2019, he was appointed to the Board of Governors of the IIM-Indore Board of Governors and in the year 2022, he was appointed as an Advisor on the governing body of Mahindra University

Mr. Pant is an MBA from The Wharton School, University of Pennsylvania, and a Bachelor of Mechanical Engineering (Honours) from the Birla Institute of Technology and Science (BITS), Pilani.

Your Board believes that based on the performance evaluation of Mr. Pant from last five years, it would be fruitful for the Company to achieve the strategies as planned under the leadership of Mr. Pant and he will support in broadening the overall expertise of the Board.

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

Except, Mr. Pant, being appointee and his relative, none of the Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out for their respective appointment in Item No. 7 of the accompanying Notice of the 39<sup>th</sup> AGM.



Copy of the letter of appointment of Mr. Pant as Non-Executive Independent Directors setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours (9:00 am to 5:00 pm) on any working day, excluding Saturday and are also available at the website of the Company at [www.schneiderelectricpresident.com](http://www.schneiderelectricpresident.com).

The Board of Directors accordingly recommends the Special Resolution set out at Item No. 7 of the Notice for the approval of the Members.

#### **ITEM NO. 8**

On the recommendation of the Audit Committee, the Board of Directors at their Meeting held on June 20, 2023 approved the re-appointment of M/s. Rao, Murthy & Associates, Cost Accountants, Bengaluru (Firm Registration No. 000065) as the Cost Auditors to conduct the audit of the cost records of the Company for financial year 2023-24 at a remuneration of INR 1,50,000/- (Rupees One Lakh Fifty Thousand Only) plus applicable taxes and reimbursement of out-of-pocket expenses.

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

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 8 of the Notice of the 39<sup>th</sup> AGM for ratification of remuneration payable to the Cost Auditors for the financial year ending March 31, 2024.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested financially or otherwise in the resolution set out at Item No. 8 of the accompanying Notice of the 39<sup>th</sup> AGM.

The Board recommends the Ordinary Resolution set out at Item No. 8 of the Notice for approval of the Members.

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

**Date:** June 20, 2023  
**Place:** Bengaluru

**Sapna Bhatia**  
Company Secretary  
ACS32349

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

Information of Director(s) seeking appointment/re-appointment at this 39<sup>th</sup> AGM of the Company in accordance with the Companies Act, 2013 and Secretarial Standards, as on the date of Notice.

Particulars	(I)	(II)	(III)
Name of Director/ Particulars	Mr. Sachin Bhalla	Mr. Shivaprasad Srinivas	Ms. Chitra Sukumar
Director Identification Number (DIN)	07325708	09530278	09814015
Nationality	Indian	Indian	Indian
Date of Birth (Age in Years)	May 20, 1979 (44 Years)	October 02, 1965 (57 Years)	July 27, 1974(48 Years)
Date of First Appointment	August 01, 2021	March 08, 2022	January 01, 2023
Expertise in specific functional area	Expertise in market share growth, profitability improvement, marcom, ecommerce, Capex reduction program, setting up of Business / BPO/ Startups & Implementing Business Strategies, Due Diligence for Private Equity etc.	Expertise in Production, Tool design and manufacturing, Industrial engineering, Product engineering, Design and development of products and solutions, Product costing and cost management through VA & VE. Value creation and infrastructural upgradation of Plant etc.	Software and Hardware Platforms, Agile Development Methodologies, Change Management, End to End Product Development, Multi-site Development, leading large teams, Ecosystem connect
Qualifications	<ul style="list-style-type: none"> <li>• B. Tech (Mechanical Engineering) from Indian Institute of Technology (IIT), Delhi</li> <li>• Post-Graduate Program in Management (Silver Medallist)- Indian School of Business (ISB), Hyderabad</li> </ul>	BE (Mechanical Engineer)	Bachelors in Computer Science (B.Sc)
Experience	23	33	26
List of Companies in which Directorship is held	a) Spreading Happiness Indiya Foundation b) Schneider Electric IT Business India Private Limited	-	-
Chairman/Member of Committee (s) of Board of Directors of Other Companies	a) Schneider Electric IT Business India Private Limited: <ul style="list-style-type: none"> <li>• Member &amp; Chairman of Corporate Social Responsibility Committee</li> </ul>	None	None
No. of Shares held in the Company	Nil	41	Nil

<b>Relationship with Directors, Managers and Key Managerial Personnel</b>	None	None	None
<b>Terms and Conditions of Appointment/ Reappointment</b>	Retiring by rotation being eligible offered himself for appointment. Accordingly proposed to be reappointed as Director (In the category of Non-Executive and Non-Independent)	Retiring by rotation being eligible offered himself for appointment. Accordingly proposed to be re-appointed Whole Time Director, not liable to retire by rotation	Appointment as Director (In the category of Non-Executive and Non-Independent)
<b>Remuneration sought to be paid/ last drawn</b>	Nil	For the remuneration paid during financial year, please refer notes to accounts of the financial statement and Remuneration for remaining term shall be paid as per the Shareholders approval passed at the 38th AGM held on September 13, 2022 read with explanatory statement issued along with the notice of 38th AGM.	Nil
<b>Number of Meetings of Board held/ attended during the year</b>	4/4	4/4	11/4

<sup>1</sup>Ms. Chitra Sukumar was appointed as an Additional Non-Executive Director and member of Nomination and Remuneration Committee effective from January 01, 2023, in the meeting of the Board of Directors held on December 06, 2022.

Information of Director(s) seeking appointment/re-appointment at this 39th AGM of the Company in accordance with the Companies Act, 2013 and Secretarial Standards, as on the date of Notice.

Particulars	(IV)	(V)	(VI)
Name of Director/ Particulars	Mr. Subhrendu Sarkar	Mr. Ranjan Pant	Mr. RR Nair
Director Identification Number (DIN)	09813992	00005410	00202551
Nationality	Indian	Indian	Indian
Date of Birth (Age in Years)	September 12, 1975 (47 Years)	June 29, 1959 (63 Years)	July 02, 1939 (83 Years)
Date of First Appointment	January 01, 2023	December 17, 2018	November 20, 2018
Expertise in specific functional area	Finance and Accounts, enabling & partnering, Equity performance & Transformation, Leading Transformation for finance operating model & streamlining processes through Digitization, Driving Efficiency	CEO Advisors, Global strategy management consultant and change management leader	Trains CXOs & CEOs from diverse industrial sectors, both large Indian and MNCs and provide consultancy to businesses on 'HR Strategy' and 'Leadership and Organisation Development'
Qualifications	<ul style="list-style-type: none"> <li>Chartered Accountant</li> <li>Master's in commerce (M. Com)</li> </ul>	<ul style="list-style-type: none"> <li>MBA from The Wharton School, University of Pennsylvania</li> <li>Bachelor's in Mechanical Engineering from the Birla Institute of Technology and Science, BITS Pilani</li> </ul>	<ul style="list-style-type: none"> <li>MA (Psychology) from Kerala University</li> <li>Post Masters' diploma from IIT Kharagpur</li> </ul>
Experience	19	35	45
List of Companies in which Directorship is held	Schneider Electric IT Business India Pvt Ltd	a) Mahindra Accelo Limited b) Point RP Consulting Private Limited	a) Headjam Consulting Private Limited b) ARTSPARKS Foundation
Chairman/Member of Committee (s) of Board of Directors of Other Companies	a) Schneider Electric IT Business India Private Limited: <ul style="list-style-type: none"> <li>Bond Committee (Member)</li> </ul>	a) Mahindra Accelo Limited: <ul style="list-style-type: none"> <li>Nomination and Remuneration Committee-Member &amp; Chairman</li> </ul>	None
No. of Shares held in the Company	Nil	Nil	Nil
Relationship with Directors, Managers and Key Managerial Personnel	None	None	None
Terms and Conditions of Appointment/ Reappointment	Appointment as Director (In the category of Non-Executive and Non-Independent)	Re-appointment as a Non-Executive, Independent Director	Re-appointment as a Non-Executive, Independent Director



<b>Remuneration sought to be paid/ last drawn</b>	Nil	He shall be paid a fee for attending meetings of the Board or Committees thereof and reimbursement of expenses for participating in the Board and other meetings. For the fee paid during previous financial year please refer notes to accounts of the financial statement.	He shall be paid a fee for attending meetings of the Board or Committees thereof and reimbursement of expenses for participating in the Board and other meetings. For the fee paid during previous financial year please refer notes to accounts of the financial statement
<b>Number of Meetings of Board held/ attended during the year</b>	<sup>1</sup> 1/4	4/4	4/4

<sup>1</sup>Mr.Subhrendu Sarkar was appointed as an Additional Non-Executive Director and member of Finance committee effective from January 01, 2023, in the meeting of the Board of Directors held on December 06, 2022



## BOARD'S REPORT

Dear Members,

Your directors take pleasure in presenting the 39<sup>th</sup> Annual Report on business and operations of the Company together with Audited Financial Statements for the financial year ended March 31, 2023.

### 1. Financial Results

(INR in Millions)

Particulars	Financial Year 2022-23	Financial Year 2021-22
Revenue from Operations	3,336.36	3,671.55
Total Income	3,377.08	3,675.11
Earnings before interest and Depreciation (EBITDA)	316.01	298.38
Less: Finance Cost (Interest)	14.88	18.11
Less: Depreciation & Amortization expenses	70.75	66.88
Profit / (Loss) before Tax	230.38	213.39
Less: Provision for Tax	50.62	55.05
Less: Deferred Tax	12.87	0.89
Profit After Tax	166.89	157.45

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

The Revenue from operations of the Company was at INR 3,336.36 million as compared to INR 3,671.55 million in the previous year. The Profit after Tax was at INR 166.89 million compared to INR 157.45 million in the previous year. During the financial year 2022-23, the Company has delivered a strong performance based on strategic possibilities. The Product level initiatives, Customer focus & efficiency in operations were pivotal for sustainable progress. The Company's reported turnover dropped by 9% mainly due to reduced offtake in the Telecom Sector. However, the Company has observed a strong performance in Contract Manufacturing, BFSI & ITES sector while Channel business was focused on sustained market share.

As on March 31, 2023, the Company has registered 7% profit before Tax which is 1% higher than previous year. The liquidity (cash) position becomes secure despite repayments of borrowings and reflection of number of days reduction in days sales outstanding (DSO). Return on Capital Employed (ROCE) remained prosperous at 19.33% with a challenging macroeconomic environment, high commodity inflation & tepid market growth.

The Company has voluntarily opted to adopt Ind-AS with effect from March 31, 2023, with transition date as April 01, 2021.

### 3. Dividend

After careful assessment of the fund requirement for the ongoing business and future growth, the Board of Directors of the Company have decided not to recommend the dividend for the financial year ended March 31, 2023.

### 4. Reserves

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

### 5. Public Deposits

During the financial year 2022-23, the Company has neither accepted nor renewed any deposits from public within the meaning of Section 73 of the Companies Act, 2013 ("the Act") read with Companies (Acceptance of Deposits) Rules, 2014 and as such, no amount on account of interest on deposits from Public was outstanding as on the date of the Balance sheet.

### 6. Extract of Annual Return

As required under Section 134(3)(a) of the Act, the Annual Return of the Company as per Section 92(3) of the Act can be accessed from the website of the Company at [https://apwpresident.com/Pages\\_investors\\_Annual\\_Return.html](https://apwpresident.com/Pages_investors_Annual_Return.html).

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

At the year ended March 31, 2023, the Board has seven (07) directors comprising of four (04) Non-Executive Directors including one (01) Women Director; two (02) Independent Directors; and one (01) Executive Director.

### Change in Directorship:

During the financial year 2022-23, there were following changes in the composition of the Board of Directors of the Company:

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

- appointed Mr. Arnab Roy (DIN:02522674) as an Additional Director (Non-Executive) of the Company in its meeting held on March 08, 2022, effective from April 01, 2022. The appointment was approved by the shareholders at 38<sup>th</sup> Annual General Meeting (AGM) held on September 13, 2022.
- In their meeting held on December 06, 2022, appointed Ms Chitra Sukumar (DIN:09814015) as an Additional Director (Non-Executive) of the Company with effect from January 01, 2023.
- In their meeting held on December 06, 2022, appointed Mr. Subhrendu Sarkar (DIN:09813992) as an Additional Director (Non-Executive) of the Company with effect from January 01, 2023.

### Re-appointment of Independent Directors

In accordance with the provisions of the Act and Articles of Association of the Company, Mr. Ranjan Pant (DIN:00005410) and Mr. Ramakrishna Rajasekharan Nair (DIN:00202551) were appointed as Independent Directors in the Board of the Company with effect from December 17, 2018, and November 20, 2018, respectively for a period of five (5) consecutive years. As the term of their appointment is completing on December 16, 2023 and November 19, 2023, respectively. In view of the valued contribution being made and positive feedback during performance evaluation and considering their knowledge, acumen, and expertise, it will be immense benefit to the Company to re-appoint Mr. Ranjan Pant and Mr. Ramakrishna Rajasekharan Nair for a second term. In this regard, the Board on the recommendation of NRC, recommends their re-appointment for a second term of five years with effect from December 17, 2023 and November 20, 2023, respectively.

The appointment(s) of Mr. Ranjan Pant, Mr. Ramakrishna Rajasekharan Nair, Ms Chitra Sukumar and Mr. Subhrendu Sarkar are subject to the approval of the Members at this forthcoming 39<sup>th</sup> AGM of the Company. Further, re-appointment of aforesaid Independent Directors have been made considering their performance evaluation and his/her engagement level during their tenure.

### Re-appointment of Director liable to retire by rotation

In accordance with the provisions of the Act and Articles of Association of the Company, Mr. Sachin Bhalla (DIN:07325708), Non- Executive Director, and Mr. Sivaprasad Srinivas (DIN:09530278), Whole-Time Director are retiring by rotation and being eligible, has offered themselves for re-appointment. The Board, on the recommendation of NRC, recommends their re-appointment to the Members of the Company for their approval at ensuing Annual General Meeting.

Brief profile of Mr. Chitra Sukumar, Mr. Ranjan Pant, Mr. Ramakrishna Rajasekharan Nair, Mr. Sachin Bhalla, Mr. Shivaprasad Srinivas and Mr Subhrendu Sarkar along with the details required pursuant to the provisions of the Act read with the Secretarial Standard-2 on the General Meetings issued by the Institute of Company Secretaries of India are given in the Notice of AGM.

Attention of the members is invited to the relevant items in the Notice of AGM.

The profile of Board of Directors can be accessed at Companies website at

[https://www.apwpresident.com/Pages\\_investors\\_Board.html](https://www.apwpresident.com/Pages_investors_Board.html).

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

**Cessations:** During the financial year 2022-23, the following directors resigned from the Board of the Company:

- Ms. Rachna Mukherjee (DIN:06970986), resigned from the position of Non-Executive Director, from close of business hours on December 31, 2022, due to superannuation.
- Mr. Sinivasa Narasimhan (DIN:08488167), resigned from the position of Non-Executive Director, from close of business hours on January 01, 2023 due to change in role within the Schneider Group.

The Board places on record its appreciation for the valuable services provided by Ms. Rachna Mukherjee and Mr. Srinivasa Narasimhan during their tenure.

### Key Managerial Personnel (KMPs)

During the financial year 2022-23, no change was reported in the positions held by Key Managerial Personnel at the closure of the financial year and as on date of this Report, the following are the KMPs of the Company:

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

### 8. Criteria of Independence and Declaration from Independent Directors

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

The Company has received declaration from the Independent Directors confirming that they meet the criteria of Independence as laid out under Section 149(6) of the Companies Act, 2013.

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

In terms of the provisions of Section 178 of the Companies Act, 2013 read with relevant rules made thereunder and the directives issued by the Nomination and Remuneration Committee (NRC), the Company carried out the Board Evaluation exercise for the financial year 2022-23.

The Board evaluation was conducted through a questionnaire for the Board, Chairman, Committees, and individual Director based on criteria laid down for the Board and NRC pursuant to the provisions of the Act such as composition, role of the Board, Board communication, relationships, functioning of Board Committees, succession planning, strategic planning, etc. Evaluation of Committees was based on criteria such as frequency of meetings and time allocated for discussions at meetings, functioning of Board Committees etc.

Summary of outcome (Board Evaluation Report) was placed before the Nomination and Remuneration Committee and Board of Directors at meetings held on June 20, 2023, for their consideration.

The Board of Directors has evaluated the performance of Independent Directors during the year 2022-23 and opined that the integrity, expertise, and experience (including proficiency) of the Independent Directors are satisfactory.

### 10. Board Meetings and Annual General Meeting

During the financial year 2022-23, the Board of Directors of the Company met four (4) times, viz. May 31, 2022, August 16, 2022, December 06, 2022, and March 06, 2023. The gap intervening between two consecutive meetings was within the permissible limits as required under Companies Act 2013.

The composition and category of Directors, attendance of each Director at the Board Meetings held during the financial year 2022-23 and at the last Annual General Meeting is tabulated hereunder:

Sl. No.	Name of Director	Category of Directorship	Number of Meetings held and attended during the Year				Total Number of Meetings entitled to attend	% age	Attendance at the last AGM <sup>5</sup> held on September 13, 2022
			31/05/22	16/08/22	06/12/22	06/03/23			
1	Mr. Ranjan Pant	Chairman - Independent Director	√	√	√	√	4/4	100	Yes
2	Mr. RR Nair	Independent Director	√	√	√	√	4/4	100	Yes
3	Mr. Arnab Roy	Non-Executive Director	√	√	√	√	4/4	100	Yes
4	Ms. Chitra Sukumar <sup>1</sup>	Additional Director (Non-Executive)	NA	NA	NA	√	1/1	100	NA
5	Ms. Rachna Mukherjee <sup>2</sup>	Non-Executive Director	√	√	√	NA	3/3	100	Yes
6	Mr. Sachin Bhalla	Non-Executive Director	√	√	√	√	4/4	100	Yes
7	Mr. Shivaprasad Srinivas	Whole-Time Director	√	√	√	√	4/4	100	Yes
8	Mr. Srinivasa Narasimhan <sup>3</sup>	Non-Executive Director	√	√	√	NA	3/3	100	Yes
9	Mr. Subhrendu Sarkar <sup>4</sup>	Additional Director (Non-Executive)	NA	NA	NA	√	1/1	100	NA

<sup>1</sup>Ms. Chitra Sukumar, appointed as an Additional Director (Non-Executive) on the Board of the Company with effect from January 01, 2023, vide resolution passed in the Board meeting held on December 06, 2022.

<sup>2</sup>Ms. Rachna Mukherjee resigned from the position of Non-Executive Director, with effect from close of business hours on December 31, 2022.

<sup>3</sup>Mr. Srinivasa Narasimhan, resigned from the position of Non-Executive Director, with effect from close of business hours on January 01, 2023.

<sup>4</sup>Mr. Subhrendu Sarkar, appointed as an Additional Director (Non-Executive) on the Board of the Company with effect from January 01, 2023, vide resolution passed in the board meeting held on December 06, 2022.

<sup>5</sup>The Company has organised and conducted its Annual General Meetings for the financial year 2021-22 through Audio Visual conference facility in compliance with Companies Act 2013 and other applicable norms issued by the MCA.

## 11. Remuneration Policy

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

During the financial year 2022-23, there have been no changes to the Policy. The Policy may be accessed from the Company's website at [https://www.apwpresident.com/Pages\\_investors\\_Policies.html](https://www.apwpresident.com/Pages_investors_Policies.html).

## 12. Board Committees

The Board has constituted following committees of the Board:

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

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

The details of the composition of the Committees, meetings, and attendance of the members at each Board Committee(s) as on March 31, 2023, are as under:

Committees and Member of Committees	Number of Meetings held and attended during the Year					Total Number of Meetings	% age
	31/05/22	16/08/22	06/12/22	06/03/23	-		
<b>Audit Committee</b>							
Mr. Ranjan Pant (C)	√	√	√	√	-	4/4	100
Mr. Ramakrishna Rajasekharan Nair	√	√	√	√	-	4/4	100
Mr. Arnab Roy	√	√	√	√	-	4/4	100
<b>Nomination and Remuneration Committee</b>	31/05/22	-	06/12/22	-	-	-	-
Mr. Ramakrishna Rajasekharan Nair (C)	√	-	√	-	-	2/2	100
Mr. Ranjan Pant	√	-	√	-	-	2/2	100
Ms. Rachna Mukherjee <sup>1</sup>	√	-	√	-	-	2/2	100
Ms. Chitra Sukumar <sup>2</sup>	NA	-	NA	-	-	-	-
<b>Corporate Social Responsibility Committee</b>	31/05/22	-	-	06/03/23	-	-	-
Mr. Ramakrishna Rajasekharan Nair	√	-	-	√	-	2/2	100
Mr. Sachin Bhalla	√	-	-	√	-	2/2	100
Mr. Arnab Roy	√	-	-	√	-	2/2	100
<b>Stakeholder's Relationship Committee</b>	-	-	-	06/03/23	-	-	-
Mr. Ranjan Pant, (C)	-	-	-	√		1/1	100
Mr. Arnab Roy	-	-	-	√		1/1	100
Mr. Sachin Bhalla	-	-	-	√		1/1	100
<b>Finance Committee</b>	31/05/22	-	-	-	28/03/23	-	-
Mr. Arnab Roy	√	-	-	-	√	2/2	100
Mr. Sachin Bhalla	√	-	-	-	√	2/2	100
Mr. Srinivasa Narasimhan <sup>3</sup>	√	-	-	-	NA	1/1	100
Mr. Subhrendu Sarkar <sup>4</sup>	NA	-	-	-	√	1/1	100

<sup>1</sup>Ms. Rachna Mukherjee, ceased to be member of the Nomination and Remuneration Committee subsequent to resignation with effect from the close of business hours on December 31, 2022.

<sup>2</sup>Ms. Chitra Sukumar, appointed as member of the Nomination and Remuneration Committee with effect from January 01, 2023, and participated in the meeting as an invitee.

<sup>3</sup>Mr. Srinivasa Narasimhan, ceased to be member the Finance Committee subsequent to his resignation with effect from the close of business hours on January 01, 2023.

<sup>4</sup>Mr. Subhrendu Sarkar, appointed as member of the Finance Committee with effect from January 01, 2023.

The details with respect to powers, roles, terms of reference of the Committee(s) held during the financial year 2022-23 are as under:

#### **(I) Audit Committee**

As on March 31, 2023, the Audit Committee of the Board comprises of three (03) Non-Executive Directors, out of which two (02) are Independent Directors. The composition of the Committee is compliant and follows the provisions of Section 177 of the Act. The Chairperson of the Audit Committee is a Non-Executive Independent Director. All the members of the Audit Committee are financially literate. The Audit Committee met four (04) times viz. May 31, 2022, August 16, 2022, December 06, 2022, and March 06, 2023, during the financial year.

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

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

#### **(II) Nomination and Remuneration Committee**

As on March 31, 2023, the Nomination and Remuneration Committee of the Board comprises of three (03) Non-Executive Directors, out of which two (02) are Independent Directors. The Chairperson of the (NRC) is an Independent Director. The Composition of the Committee complies with the provisions of Section 178 of the Act.

During the financial year 2022-23, the Committee met two (2) times viz. May 31, 2022, and December 06, 2022.

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

#### **(III) Stakeholder's Relationship Committee**

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

As on March 31, 2023, the SRC comprises of three (03) Non- Executive Directors, out of which one (01) is an Independent Director. The Chairperson of the SRC is an Independent Director. During the financial year 2022-23, the members of the Committee met once i.e., March 06, 2023.

#### **(IV) Corporate Social Responsibility Committee**

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

The Committee oversees, inter-alia, CSR activities and other related matters and discharges the roles as prescribed under Section 135 of the Act which includes formulating and recommending to the Board, a CSR Policy indicating the activities to be undertaken by the Company, as per Schedule VII of the Act, recommending the amount of CSR budget or expenditure to be incurred during the year, formulating and monitoring of the plan as per the CSR Policy of the Company etc.

The Company's policy on CSR can be accessed at [https://www.apwpresident.com/Pages\\_investors\\_Policies.html](https://www.apwpresident.com/Pages_investors_Policies.html).

As on March 31, 2023, the CSR Committee comprises of three (03) Non-Executive Directors, out of which one (01) is an Independent Director. There is no designated chairperson for the CSR Committee, the Committee appoints chairperson for each meeting. During the financial year 2022-23, the Committee met twice i.e., May 31, 2022, and March 06, 2023. The details of the composition, attendance etc. forms part of the Annual Report on CSR Activities annexed as **Annexure I**.

#### (V) Finance Committee

To facilitate seamless operations and cater to various day-to-day requirements, the board has formed a functional Committee known as the Finance Committee. The Committee meets as and when deemed necessary to cater to the day-to-day requirements of the Company. The Committee comprises of three (03) Non-Executive Directors. There is no appointed chairperson for the Finance Committee. During the financial year 2022-23, the Committee meetings were conducted physically on May 31, 2022, and March 28, 2023. The Committee operates within the overall responsibilities and powers entrusted by the Board.

#### 13. Risk Management

The Company has set up a robust risk management framework across the organization which facilitates identification, assessment, communication, and management of risk in an effective manner. All five essential components of Committee of Sponsoring Organization (COSO) framework i.e., control environment, risk assessment, control activities, information communication and monitoring are considered while defining the control objective, as the intent is to ensure adherence to Company defined guidelines along with value addition through improvement in existing Company processes.

These procedures are periodically reviewed to ensure that the executive management controls risk through means of a properly defined framework, which is in line with best practices of current risk management. The primary objective of Risk Management is to assess the level of impact from any negative outcome of risks and the measures required to cover the organization from such risks.

#### 14. Related Party Transactions

The Company has formulated a policy on Related Party Transaction pursuant to provisions of the Act and rules made thereunder and may be referred from the website of the Company at

[https://www.apwpresident.com/Pages\\_investors\\_Policies.html](https://www.apwpresident.com/Pages_investors_Policies.html).

All transactions entered with the Related Parties during the financial year 2022-23 were on an arm's length basis and in the ordinary course of business. Accordingly, no transaction was reported in Form AOC-2 in terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014.

#### 15. Conservation of Energy and Technology absorption and Foreign Exchange Earnings and Outgo

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

#### 16. Auditors

##### (i) Statutory Auditors and Audit Report

M/s. S.N. Dhawan and Co, LLP, Chartered Accountants (Firm Registration No. 000050N/ N500045), are the Statutory Auditors of the Company, appointed for a period of five (05) consecutive years, until the conclusion of the 42nd AGM of the Company.

The Report given by the Auditors on the Financial Statements of the Company for financial year 2022-23 forms part of this annual report. There has been no qualification, reservation, adverse remarks, or disclaimer given by the Auditors in their report except emphasis of matter on pending litigation with SEBI. Further, the Auditors Report being self-explanatory does not call for any further comments from the Board of Directors.

During the financial year 2022-23, no instances of fraud have been reported by the Statutory Auditors under Section 143(12) of the Act and the rules framed thereunder, neither to the Company nor to the Central Government.

##### Voluntary Adoption of Indian Accounting Standards (Ind As)

In terms of the provisions of Section 133 of the Companies Act 2013 and rules made thereunder read with Companies (Indian Accounting Standards) Rules 2015, the Company has voluntarily adopted an Indian Accounting standard (IND AS) and opted to incorporate the same in the financial statements effective from March 31, 2023.

In this regard, the Board on recommendation of Audit Committee, approved the voluntary adoption of the IND-AS in their meeting held on March 06, 2023 effective from the financial year ending March 31, 2023, and accordingly, the Company has prepared its financial statements for March 31, 2023, with a comparative of previous years.

**(ii) Cost Auditors & Cost Audit Report**

M/s. Rao, Murthy & Associates, Cost Accountants, Bengaluru (ICWA Registration No.000065), reappointed by the Board of Directors based on the recommendation of Audit Committee, to audit the cost records of the Company for the financial year 2023-24. As per the requirement of the Act, a resolution seeking members' approval for the remuneration payable to the Cost Auditors forms part of the Notice convening the 39<sup>th</sup> AGM.

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

Pursuant to the provision of Section 148 of the Act and applicable Rules as amended from time to time, the Company is required to maintain cost records and accordingly, such accounts are being made and records has been maintained in respect of the applicable products for the financial year ended March 31, 2023.

The Cost Audit Report for the financial year 2022-23 will be adopted as per rules of the Act and the Cost Audit Report of the Company for the financial year March 31, 2022, was adopted and approved by the Audit Committee and Board of Directors in their meeting held on August 16, 2022. There has been no qualification, reservation, adverse remarks, or disclaimer given by the Auditors in their report.

**(iii) Secretarial Auditors and Secretarial Audit Report**

The Board has appointed M/s. Chandrasekaran Associates, Practicing Company Secretaries, New Delhi (ICSI Firm Registration No. PI988DE002500) as Secretarial Auditors, to conduct the Secretarial Audit of the Company for the financial year 2022-23 as required under Section 204 of the Act and rules made thereunder. The Board has re-appointed M/s. Chandrasekaran Associates as Secretarial Auditors of the Company for the financial year 2023-24 in compliance with the Act.

The Secretarial Audit Report for the financial year 2022-23 is attached as **Annexure III** to the Board's Report and the Board took note that the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. and there has been no qualification, reservation, adverse remarks, or disclaimer given by the Auditors in their report except matter of emphasis on pending litigation with SEBI and a comment w.r.t non-filing of an e-form w.r.t appointment of an Additional Director, with Registrar of Companies.

Management Reply: Due to the technical issues on the portal of Ministry of Corporate Affairs arising on account of transition of Version 2 to Version 3 aforesaid form could not be filed and continuously trying to file the same with the ROC.

**(iv) Internal Audit and Internal Financial Controls**

The Company has an Internal Control System, commensurate with the size, scale, and complexity of its operations. In compliance to requirements of the Act, your Company has put in place, an independent and objective inhouse internal audit department designed to provide reasonable assurance with regards to the effectiveness and adequacy of the internal control system, processes, and reliability of financial reporting.

The Board appointed Mr.Vinay Kumar Awasthi as Internal Auditor of the Company to conduct the Internal Audit for the financial year 2022-23. The audit plan for the year is based on risk assessment, which is approved by the Audit Committee.

The in-house internal audit department, along with assistance from third party audit firms, provides audit assurance, add value to improve the Company's end to end processes through a systematic disciplined approach, from inception, through fieldwork to final reporting.

Also, as per requirements of the Act, a detailed internal financial control framework has been documented, reviewed, and updated annually. Control self-assessments are also performed by respective process owners annually for the defined key internal controls. Operating effectiveness of such framework is tested on annual basis and results are presented to Board/Audit Committee.

The Audit Committee does a regular review of the internal audit reports submitted by the Internal Auditor and the action plan status. The Committee also meets the Company's statutory auditors to ascertain, inter alia, their views on the adequacy of internal control systems in the Company and keeps the Board of Directors informed of its major observations, if any.

The Company confirms that the Internal financial controls were adequate and operating effectively.

The Board on the recommendation of Audit Committee, in its meeting held on June 20, 2023, appointed Mr. Vinay Kumar Awasthi, as Internal Auditor of the Company for conducting the internal audit of the financial year 2023-24.

## 17. Subsidiary/ Joint Venture/ Associate Companies

As on March 31, 2023, the Company does not have Subsidiary/ Joint Venture/ Associate Company.

## 18. Share Capital

As on March 31, 2023, the Authorised Share Capital of the Company was INR 12,00,00,000/- (Indian Rupees Twelve Crores Only) divided into 1,20,00,000 Equity Shares of INR 10/- (Indian Rupee Ten Only) each and Issued, Subscribed and Paid-Up Equity Share Capital of the Company stands at INR 6,04,80,000/- (Indian Rupees Six Crore Four Lakh Eighty Thousand Only) divided into 60,48,000 Equity Shares of INR 10/- (Indian Rupee Ten Only) each. During the financial year 2022-23, there has been no change in the Share Capital structure i.e., Equity Share Capital of the Company.

### Shareholding Pattern

As on March 31, 2023, Schneider Electric South East Asia (HQ) Pte Ltd. (the "Promoters") of the Company hold 80.49% of the total share capital of the Company. Remaining shares i.e., 19.51% were held by "Public Shareholders".

## 19. Status update on litigation – SEBI/SAT

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

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

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

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

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

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

### SEBI Order:

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

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

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

### Current Status:

The Company on advice of its law firm, representing before the Authorities, had filed a Writ Petition with Hon'ble Bombay High Court against the SEBI order dated January 19, 2021. The Hon'ble High Court by its order dated February

15, 2021, has directed the Company to approach the SAT in an Appeal, to review of the Order passed by the SEBI with an observation that the SAT shall not be influenced with its earlier order and dismissed the Writ petition.

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

The matter is sub-judice and is listed for hearing on June 26, 2023.

## 20. Particulars of Employees

As on March 31, 2023, the Company has 238 employees on roll (permanent employees) and none of the employees drawing a remuneration as per provisions of section 197(12) of the Act and Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (the Rules). Accordingly, the disclosure in terms of Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the Company.

## 21. Directors' Responsibility Statement

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

- a) in the preparation of the annual accounts of the Company for the financial year ended March 31, 2023, the applicable accounting standards has been followed and there are no material departures from the same;
- b) they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts on a going concern basis;
- e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f) they have devised proper systems to ensure compliance with the provision of all applicable laws and that such systems were adequate and operating effectively; and

### Secretarial Standards

The Company has complied with the Secretarial Standards-1 (Meetings of Board of Directors) and Secretarial Standards-2 (General Meetings) issued and amended from time to time, by the Institute of Company Secretaries of India.

## 22. Particulars of Loans, Guarantees, Security or Investments

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

## 23. Material Changes and Event affecting the Financial Position of the Company after March 31, 2023

No material changes and commitments affecting the financial position of the Company occurred after the end of the financial year ended March 31, 2023, till the date of this report.

However, the Company has conducted Postal Ballot, which was completed on April 14, 2023, as per below:

### Postal Ballot dated March 06, 2023

In furtherance to the approval granted by the Board of Directors of the Company at their Meeting held on March 06, 2023, inter-alia, for conducting the Postal Ballot for "Approval to provide loan/financing assistance to the Company's employees to subscribe to Schneider Electric SE's shares and grant of employer's matching shares under Schneider Electric SE's Worldwide Employee Share Ownership Plan 2023 ("2023 WESOP")", a special resolution was approved by the shareholders on April 14, 2023 with requisite majority.

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

During the financial year 2022-23 no significant and material orders were passed by the Regulators or Courts or Tribunals impacting the going concern status and the Company's operations.

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

Pursuant to the provisions of the Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with Rules as amended up to date, the Company has constituted Internal Complaints Committee (ICC) as per the requirement under the law and has adopted the policy on Prevention of Sexual Harassment at Workplace. The Policy is also available on the website of the Company at [https://www.apwpresident.com/Pages\\_investors\\_Policies.html](https://www.apwpresident.com/Pages_investors_Policies.html) ICC have been given the responsibility to receive and address the complaints received, if any, at all locations where the Company is located at present. The Company has also taken steps to create awareness about familiarization to the said policy by conducting periodical webinars for its employees in line with the rules and regulation of the Act and providing continuance information on digital platforms along with publishing of information on the notice boards of the premises. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The reporting mechanism has been established in the organisation for reporting the cases, if any, to the Audit Committee and Board of Directors meetings respectively. During the financial year 2022-23, no case was reported of alleging sexual harassment.

**26. Vigil Mechanism/Whistle Blower Policy**

Pursuant to the provisions of Section 177 of the Act read with the Rules made thereunder, the Company has formulated and implemented Vigil Mechanism [https://www.apwpresident.com/Pages\\_investors\\_Policies.html](https://www.apwpresident.com/Pages_investors_Policies.html) for disclosing any unethical behaviour, actual or suspected fraud or violation of the Company’s code of conduct and other improper practice or wrongful conduct by employees or directors of the Company. During the financial year 2022-23, the Company has not received complaints relating to unethical behaviour, actual or suspected fraud or violation of Company’s Trust Charter (formerly known as Principles of Responsibility) from any employee, director, or any other person except one unsubstantiated alleged incident which was disposed off after due verification

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

The Company has neither bought back any of its securities nor issued any sweat equity or bonus shares during the financial year 2022-23.

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

The Board of the Company has adopted a Code of Conduct and Ethics known as Trust Charter (formerly known as Principles of Responsibility) for the directors, senior executives, and employees of the Company. The objective is to conduct the Company’s business ethically and with responsibility, integrity, fairness, transparency, and honesty. It sets out a broad policy for one’s conduct in dealing with the Company, fellow directors and employees and with the environment in which the Company operates. The code is available on the Company’s website : [https://www.apwpresident.com/Pages\\_investors\\_Policies.html](https://www.apwpresident.com/Pages_investors_Policies.html).

**29. Reconciliation of Share Capital Audit**

In compliance with the provisions of Rule 9A sub rule 8 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Share Reconciliation Audit Form PAS-6 for the period ended September 30, 2022, and March 31, 2023 duly certified by the Practicing Company Secretary were filed with Registrar of Companies within prescribed timelines. As on March 31, 2023, the status of reconciliation of demat & physical shares are appended below wherein the Promoter holds 80.49% shares in demat form.

Category/Head	No. of Holders	No. of shares	% of shares
NSDL	821	5646006	93.35
CDSL	608	358174	5.92
PHYSICAL	161	43820	0.73
TOTAL	1590	6048000	100.00



### 31. Detail of Factories/Plants

The detail of the Factories/Plants of the Company located in the state of Karnataka are as under:

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

### 32. Acknowledgement

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

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

Date : June 20, 2023  
Place: New Delhi

**Ranjan Pant**  
Chairman  
DIN:00005410

**ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2022-23**

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

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

**2. Composition of CSR Committee**

Sl. No.	Name of Members	Designation/Nature of Directorship	No. of meetings of CSR Committee held during the year	No. of meetings of CSR Committee attended during the year
1	Mr. Ramakrishna Rajasekharan Nair	Independent Director	2	2
2	Mr. Sachin Bhalla	Non-executive Director	2	2
3	Mr. Arnab Roy	Non-executive Director	2	2

The CSR committee doesn’t have designated Chairperson. Therefore, the Chairperson was appointed at the CSR meetings.

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

Composition of CSR committee:

[https://www.apwpresident.com/content/Committees%20of%20Board\\_01.01.2023.pdf](https://www.apwpresident.com/content/Committees%20of%20Board_01.01.2023.pdf)

CSR Policy: [https://www.apwpresident.com/Pages\\_investors\\_Policies.html](https://www.apwpresident.com/Pages_investors_Policies.html)

CSR Projects [https://www.apwpresident.com/Pages\\_investors\\_CSR.html](https://www.apwpresident.com/Pages_investors_CSR.html)

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

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

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

**6. Average net profit of the company as per section 135(5): INR 160,235,419/-**

**7. (a) 2% of average net profit of the company as per section 135(5): INR 32,04,708/-**

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

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

(d) Total CSR obligation for the financial year (7a+7b-7c): INR 32,04,708/-

**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
32,04,708/-	N.A	N.A	N.A	N.A	N.A

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local Area (Yes/ No)	Location of the Project		Project duration	Amount allocated for the project (in Rs.)	Amount spent in the Current Financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per section 135(6) (in Rs.)	Mode of Implementation-Direct (Yes/ No)	Name	CSR registration number
				State	District							
1	Tree Plantation	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 including contribution to the Clean Ganga Fund setup by the Central Government for rejuvenation of river Ganga;	Yes	West Bengal, Karnataka	North 24 Parganas, Bangalore	2 yrs	31,30,000	31,30,000	NA	No	Schneider Electric India Foundation	CSR00012125
<b>Total</b>							31,30,000	31,30,000				

(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.	Nil								
<b>Total</b>									

(d) Amount spent in Administrative Overheads: INR 74,708/-

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

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): INR 32,04,708/-

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

Sl. No.	Particulars	Amount (in Rs.)
(i)	2% of average net profit of the company as per section 135(5)	32,04,708
(ii)	Total amount spent for the financial year	32,04,708
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years[(iii)-(iv)]	-

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

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

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

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

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

- Date of creation or acquisition of the capital asset(s) .
- Amount of CSR spent for creation or acquisition of capital asset.
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- Provide details of the capital asset(s), created or acquired (including complete address and location of the capital asset).

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

R R Nair  
Chairman-CSR Committee  
DIN: 00202551

Sachin Bhalla  
Director  
DIN: 07325708

Ranjan Pant  
Chairman-Board of Directors  
DIN:00005410

Place: New Delhi  
Date: June 20, 2023

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

**A. Conservation of Energy:**

- I. The company production activity is moderately energy intensive. Adequate measures have been taken to optimize energy consumption with initiatives such as, LED Lighting, Day light harvesting, PME & RA, Green Energy initiative, LTE and STP for water recovery.
- II. Following are the projects in pipeline for execution to reduce energy consumption:
  - (a) PME RA - Power monitoring expert and Resource adviser is the schneider eco- structure solution which will provide the actionable data to take the appropriate decisions. The Company will be able to know the real energy loss in different level (Incoming to machine level) with an Investment INR 60,000/- (Indian Rupee Sixty Thousand only).
  - (b) IGBT RECTIFIER AND MACHINE AUTO CONTROL: Conversion of Transformer rectifier to IGBT rectifier in Plating and High energy consumption machines Hydraulic unit will auto shut off during an idle time. Investment of INR 11,00,000/- (Indian Rupee Eleven Lakhs only) is made towards replacement and modification of rectifier.
  - (c) DAY LIGHT HARVESTING: Replacement of GI sheet to transparent Poly carbonate sheet for better lighting in the shop floor. This will reduce the usage of approx. 25KW of light load in Day time with an investment INR 3,00,000/- (Indian Rupee Three Lakh Only).
  - (d) INVERTER DRIVEN SOLAR AC: Conversion of old Air conditioner to inverter-based air conditioner by solar energy (4 Star Rated Air Conditioner) with an investment of INR 4,00,000/- (Indian Rupee Four Lakh Only).
  - (e) HIGH EFFICIENCY AIR COMPRESSOR: High efficiency Permanent magnet IE 4 standard with VFD (variable speed Drive with IoT enabled) to get the maximum output of air by optimized energy consumption with an investment of INR 34,00,000/- (Indian Rupee Thirty Four Lakh Only).
  - (f) STP: Setting up of Johkasou (Domestic Wastewater Treatment System) to treat STP water with minimum energy with an investment of INR 25,00,000/- (Indian Rupee Twenty Five Lakh Only).
  - (g) ENERGY EFFICIENT MOTORS: Substitution of inefficient low PF old motors to high performance motors- with an Investment of INR 2,00,000/- (Indian Rupee Two Lakh Only).
  - (h) WATER COOLER AND HVLS FAN: Water based membrane cooler will be installed in place of Air conditioner and HVLS fan can cover 4000 to 5000 SFT area for natural cooling in shop floor with an Investment INR 8,00,000/- (Indian Rupee Eight Lakh Only).
- III. Total energy consumption was equal to 3239020 KWH during the financial year 2022-23. The information on consumption per unit data cannot be provided as the product configurations varies and based on the model mix, it also becomes a variable.

**B. Technology Absorption:**

**I. Research & Development**

a	Specific areas in which Research and development (R&D) is carried out by the Company	This is ongoing process in the Company.
b	Benefits derived out of R & D as per above	New products developed which are reliable and energy efficient meeting the requirements of the various markets both domestic and global.
c	Future of action	Development of new product range to improve product application and to cater to Edge based computing and 5G applications.
d	Expenditure on R & D i. Capital ii. Recurring	Development work on products and applications is continuous in nature and is debited to profit and loss account under respective head.

## II. Technology Absorption

a.	Efforts made towards technology absorption	The Company has in-house R&D Facility, in which new product development and continual improvement in products and processes is an ongoing process. In year 2022-23, new platforms of Industrial rack and new medium global offer for IT rack developed which is received well in the market.
b.	Benefits derived due to above	All products are designed in house, Prototypes are then developed and tested before introducing these products into the manufacturing range, the process of manufacturing established is based on the product features. Products are tested based on markets for UL, CE, IP etc. to give it a competitive advantage and reliability.
c.	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) (a) The details of technology Imported (b) The year of Import (c) Whether the technology has been fully absorbed (d) If not fully absorbed area where absorption has not taken place and the reasons thereof	No technology imported during the financial year 2022-23

## III. Details on the new product developed during the year FY 2022-23

- (a) Industrialized Power Monitoring Management unit with 99.5% Efficiency.
- (b) Outdoor Enclosure: Developed enclosures for Telecom application with IP55 Capability and Thermal Management, with Remote monitoring and ready to plugin DCDB for telecom equipment for 5G application.
- (c) New self-contained enclosures for data centre application were developed and launched in domestic and international markets for edge-based applications.

## C. Foreign Exchange Earnings & Outgo:

Sl. No.	Particulars	March 31, 2023	March 31, 2022
1	Foreign Exchange earned:	12.87	-
2	Foreign Exchange outgo:	-	0.09

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

Place: New Delhi  
Date: June 20, 2023

Ranjan Pant  
Chairman  
DIN:00005410

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31st MARCH 2023**

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

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

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

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 ("**Period under review**") according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **Not applicable during the period under review.**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 76 of Securities and Exchange Board of India (Depositories and Participants), Regulations, 2018; **Not applicable during the period under review.**
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): **Not applicable during the period under review.**
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
  - h. The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018;
- (vi) The other laws, as informed and certified by the management of the Company which are specifically applicable to the Company based on the sectors/ Industry are:
  - (a) Electricity Act, 2003 and the Rules made thereunder.
  - b) Hazardous Wastes (Management and Handling) Rules, 1989.

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

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



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

- (i) The Company is yet to file an e-form w.r.t appointment of an Additional Director, with Registrar of 'Companies. As confirmed by the management of the Company that due to the technical issues on the portal of Ministry of Corporate Affairs arising on account of transition of Version 2 to Version 3 aforesaid form could not be filed and they are continuously trying to file the same with the ROC.

#### **We further report that**

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent atleast seven days in advance except in cases where meetings were convened at a shorter notice. The Company has complied with the provisions of the Act for convening the meeting at shorter notice. A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

We further report that during the audit period, following major event/action has been happened which is deemed to have major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

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

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

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

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

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

SEBI re-heard the minority shareholder through personal hearing scheduled on January 08, 2021. The SEBI passed an Order dated January 19, 2021 read with revised Order dated January 21, 2021 ("SEBI Order") directed the Company to either: (i) list the equity shares of the Company on a nationwide stock exchange or (ii) delist the Company in terms of the Delisting Regulations within a period of 6 months from SEBI Order. Further, the order also required the company to provide an opportunity to the shareholders who have tendered their shares the exit to buy back the shares. The



Company was directed to intimate its decision to National Stock Exchange (NSE) and its shareholders as per option availed (as stated above) within a period of one month from the date of its order. i.e. February 18, 2021. However the company had filed a Writ Petition with Hon'ble Bombay High Court against the SEBI order dated January 19, 2021 on advice of its law firm, representing before the Authorities.

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

The Company filed an appeal before the SAT in Appeal (L) No. 128 of 2021. Currently, the matter is pending with SAT scheduled for final hearing at admission stage on June 26, 2023.

For Chandrasekaran Associates  
Company Secretaries  
**FRN: P1988DE002500**  
**Peer Review Certificate No.: 1428/2021**

Shashikant Tiwari  
Partner  
Membership No. FCS 11919  
Certificate of Practice No. 13050  
UDIN: F011919E000702631

Date: June 20, 2023  
Place: Delhi

Notes:

- i. This report is to be read with our letter of even date which is annexed as Annexure-A to this report and forms an integral part of this report.
- ii. We conducted the secretarial audit by examining the Secretarial Records including Minutes, Documents, Registers and other records etc., and some of them received by way of electronic mode from the Company and could not be verified from the original records. The management has confirmed that the records submitted to us are the true and correct.



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

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

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

For Chandrasekaran Associates  
Company Secretaries  
**FRN: P1988DE002500**  
**Peer Review Certificate No.: 1428/2021**

Shashikant Tiwari  
Partner  
Membership No. FCS 11919  
Certificate of Practice No. 13050  
UDIN: F011919E000702631

Date: June 20, 2023  
Place: Delhi



## INDEPENDENT AUDITOR'S REPORT

To the Members of Schneider Electric President Systems Limited

Report on the Audit of the Ind AS Financial Statements

### Opinion

We have audited the Ind AS financial statements of Schneider Electric President Systems Limited ("the Company"), which comprise the balance sheet as at March 31, 2023, and the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

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

### Emphasis of Matter

We draw attention to Note 38 of the accompanying financial statements in respect of pending litigation with Securities Exchange Board of India (SEBI) and certain public shareholders of the Company, in relation to delisting of the Company's shares on Indian stock exchanges. Since the matter is sub-judice, the final outcome is presently not ascertainable. Our opinion is not modified in respect of this matter.

### Emphasis of Matter

We draw attention to Note 38 of the accompanying financial statements in respect of pending litigation with Securities Exchange Board of India (SEBI) and certain public shareholders of the Company, in relation to delisting of the Company's shares on Indian stock exchanges. Since the matter is sub-judice, the final outcome is presently not ascertainable. Our opinion is not modified in respect of this matter.

### Information other than the Ind AS financial statements and Auditor's report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the Ind AS financial statements and our auditor's report thereon.

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

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

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

### Management's Responsibility for the Financial Statements

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



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

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

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

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

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

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

#### **Other Matter**

The transition date opening balance sheet as at April 1, 2021 included in these Ind AS financial statements are based on the financial statements prepared and issued in accordance with the Companies (Accounting Standards) Amendment Rules, 2006 (as amended), read with Companies (Accounts) Rules, 2014 (as amended), as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS. The financial statements for the year ended March 31, 2021 were audited by another auditor, who expressed a modified opinion on those financial statements on July 30, 2021.

Our opinion is not modified in respect of this matter.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report to the extent applicable that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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, except that the back-up of the books of account and other records and papers maintained in electronic mode has not been maintained on servers physically located in India, on a daily basis.
- (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 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 explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 29B to the Ind AS financial statements;
  - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - (iv) (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 41(ii) to the Ind AS financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 41(ii) to the Ind AS financial statements, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.
  - (v) The Company has not declared or paid any dividend during the year.
  - (vi) As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, as amended is applicable for the Company only w.e.f. April 1, 2023, therefore, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, as amended, is not applicable.

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

**Pankaj Walia**  
Partner  
Membership No.: 509590  
UDIN No.: 23509590BGWRYW8949

Place: Bengaluru  
Date: June 20, 2023

## Annexure A to the Independent Auditor's Report

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditor's Report of even date to the members of Schneider Electric President Systems Limited on the Ind AS financial statements as of and for the year ended March 31, 2023

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
  - (B) The Company has maintained proper records showing full particulars of intangible assets
- (b) The Company has a regular program of physical verification of its Property, Plant and Equipment under which Property, Plant and Equipment are verified in a phased manner over a period of 3 years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain Property, Plant and Equipment were verified during the year and according to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and based on the examination of the registered sale deed / transfer deed / conveyance deed / assignment deed provided to us, we report that, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and intangible assets during the year. Accordingly, the provisions of clause 3(i)(d) of the Order are not applicable.
- (e) There are no proceedings which have been initiated or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and Rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year except for goods-in-transit and stocks lying with third parties. For stocks lying with third parties at the year-end, written confirmations have been obtained by the management. According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the coverage and procedure of such verification by the management is appropriate and no material discrepancies of 10% or more in the aggregate for each class of inventory were noticed on physical verification as compared to the book records.
- (b) According to the information and explanations given to us, during the year, the Company has not been sanctioned any working capital from banks or financial institutions on the basis of security of current assets. Accordingly, the provisions of clause 3(ii) (b) of the Order are not applicable.
- (iii) According to the information and explanations given to us, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties. Accordingly, the provisions of clause 3(iii)(a) - (f) of the Order are not applicable.
- (iv) According to the information and explanations given to us, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act.
- (v) According to the information and explanations given to us, the Company has neither accepted any deposits nor the amounts which are deemed to be deposits during the year and further the Company had no unclaimed deposits at the beginning of the year within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013 in respect of Company's products. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained by the Company. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) In our opinion and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) that have not been deposited with the appropriate authorities on account of any dispute except for the following cases:

Sl. No.	Name of the statute	Nature of dues	Disputed amount (Rs. in million)	Deposited amount (Rs. in million)	Period to which the amount relates	Forum where dispute is pending
1.	The Karnataka VAT Act 2003	VAT	18.00	5.86	FY 2016-17	Deputy Commissioner of Commercial tax, Karnataka
2.	The Maharashtra VAT Act 2003	VAT	3.52	1.82	FY 2016-17	Deputy Commissioner of Commercial tax, Maharashtra
3.	Goods & Service Act 2017	GST	6.18	0.32	FY2018-19	Deputy Commissioner Sale Tax, Bangalore

- (viii) According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the information and explanations given to us, the Company did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix)(c) of the Order are not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company
- (e) According to the information and explanations given to us, the Company does not have any subsidiary, associate or joint venture. Accordingly, the provisions of clause 3(ix)(e) of the Order are not applicable.
- (f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the provisions of clause 3(ix)(f) of the Order are not applicable.
- (x) (a) According to the information and explanations given to us, the Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of clause 3(x)(a) of the Order are not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally). Accordingly, provisions of clause 3 (x)(b) of the order are not applicable.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.
- (b) No report under sub-section (12) of Section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 (as amended) with the Central Government, during the year and upto the date of this report.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year and shared with us for reporting under this clause.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii)(a)-(c) of the Order are not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date, for the period under audit.



- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the RBI Act, 1934. Accordingly, provisions of clause 3 (xvi) (a) of the order are not applicable.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration from the RBI as per the RBI Act, 1934.
- (c) The Company is not a Core Investment Company ("CIC") as defined in the regulations made by the Reserve Bank of India. Accordingly, provisions of clause 3(xvi)(c) of the Order are not applicable.
- (d) The Group does not have more than one CICs which are part of the Group. Accordingly, the provisions of clause 3(xvi)(d) of the Order are not applicable.
- (xvii) The Company has not incurred any cash losses in the current financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) a) There is no unspent amount towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Act in compliance with the second proviso to sub-section (5) of Section 135 of the said Act.
- (b) There is no unspent amount towards Corporate Social Responsibility (CSR) on ongoing projects requiring a transfer to a special account in compliance with provision of sub-section (6) of Section 135 of the said Act.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

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

**Pankaj Walia**  
Partner  
Membership No.:509590  
UDIN No.: 23509590BGWRYW8949

Place: Bengaluru  
Date: June 20, 2023



## Annexure-B to the Independent Audit Report

**Annexure B to the Independent Auditor's Report of even date to the members of Schneider Electric President Systems Limited, on the Ind AS financial statements for the year ended March 31, 2023**

**Independent Auditor's report on the Internal Financial Controls with reference to the Ind AS financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to the Ind AS financial statements of Schneider Electric President Systems Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

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

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

### **Auditors' Responsibility**

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

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

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

### **Meaning of Internal Financial Controls with reference to the Ind AS Financial Statements**

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

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

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



### **Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls system with reference to the Ind AS financial statements and such internal financial controls with reference to the Ind AS financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

**Pankaj Walia**  
Partner  
Membership No.: 509590  
UDIN No.: 23509590BGWRYW8949

Place: Bengaluru  
Date: June 20, 2023



## BALANCE SHEET AS AT MARCH 31, 2023

		(Rs. in million)		
	Notes	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	3.1	315.03	334.31	279.45
Capital work-in-progress	3.2	6.31	8.86	9.63
Right-of-use assets	31	33.59	45.25	52.20
Intangible assets (net)	4	1.60	2.07	1.60
<b>Financial assets</b>				
(i) Other financial assets	5	22.74	19.79	18.64
Income tax assets (net)	6	21.74	13.20	25.40
Deferred tax assets (net)	24	31.07	40.15	41.23
Other non-current assets	7	-	116.66	79.55
<b>Total non-current assets</b>		<b>432.08</b>	<b>580.29</b>	<b>507.70</b>
<b>Current assets</b>				
Inventories	8	302.60	326.42	297.12
<b>Financial assets</b>				
(i) Trade receivables	9(i)	657.84	1,090.53	1,039.47
(ii) Cash and cash equivalents	9(ii)	481.78	14.06	50.64
(iii) Other financial assets	9(iii)	7.92	4.54	15.44
Other current assets	10	64.91	55.07	32.71
<b>Total current assets</b>		<b>1,515.05</b>	<b>1,490.62</b>	<b>1,435.38</b>
<b>Assets held for sale</b>	3.1	<b>20.28</b>	<b>20.28</b>	<b>20.28</b>
<b>Total assets</b>		<b>1,967.41</b>	<b>2,091.19</b>	<b>1,963.36</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity share capital	11(i)	60.48	60.48	60.48
Other equity	11(ii)	1,170.19	1,014.55	856.52
<b>Total equity</b>		<b>1,230.67</b>	<b>1,075.03</b>	<b>917.00</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
<b>Financial liabilities</b>				
(i) Lease liabilities	31	27.73	38.38	45.04
Provisions	12	52.87	35.01	36.25
<b>Total non-current liabilities</b>		<b>80.60</b>	<b>73.39</b>	<b>81.29</b>
<b>Current liabilities</b>				
<b>Financial liabilities</b>				
(i) Borrowings	13(i)	-	152.32	125.98
(ii) Lease liabilities	31	10.40	10.54	7.66
(iii) Trade payables	13(ii)			
Total outstanding dues of micro and small enterprises		64.72	71.62	101.91
Total outstanding dues of creditors other than micro and small enterprises		456.70	593.21	613.41
(iv) Other financial liabilities	13(iii)	86.56	69.06	64.33
Provisions	14	30.19	28.16	44.37
Other current liabilities	15	7.57	17.86	7.41
<b>Total current liabilities</b>		<b>656.14</b>	<b>942.77</b>	<b>965.07</b>
<b>Total equity and liabilities</b>		<b>1,967.41</b>	<b>2,091.19</b>	<b>1,963.36</b>
Summary of significant accounting policies	2.2			

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

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

For S.N. Dhawan & Co LLP  
Chartered Accountants  
Firm Registration Number: 000050N/N500045

**Pankaj Walia**  
Partner  
Membership Number: 509590

**Sachin Bhalla**  
Director  
DIN: 07325708

**Subhrendu Sarkar**  
Director  
DIN: 09813992

**Sapna Bhatia**  
Company Secretary  
ACS: 32349

Place: Bengaluru  
Date: June 20, 2023

Place: Gurugram  
Date: June 20, 2023

Place: Gurugram  
Date: June 20, 2023

Place: Bengaluru  
Date: June 20, 2023



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in million)

	Notes	Year ended March 31, 2023	Year ended March 31, 2022
<b>Income</b>			
Revenue from operations	16	3,336.36	3,671.55
Other income	17	40.72	3.56
<b>Total income (I)</b>		<b>3,377.08</b>	<b>3,675.11</b>
<b>Expenses</b>			
Cost of raw material and components consumed	18	2,237.86	2,643.89
Purchase of traded goods		21.08	9.07
(Increase)/ Decrease in inventories of finished goods, work-in-progress and traded goods	19	25.77	(14.58)
Employee benefits expenses	20	304.72	301.91
Depreciation and amortisation expenses	21	70.75	66.88
Finance costs	22	14.88	18.11
Other expenses	23	471.64	436.44
<b>Total expenses (II)</b>		<b>3,146.70</b>	<b>3,461.72</b>
<b>Profit before tax (I-II)</b>		<b>230.38</b>	<b>213.39</b>
<b>Tax expenses</b>			
Current tax	24	54.56	53.74
Adjustment of tax relating to earlier periods		(3.94)	1.31
Deferred tax charge/ (credit)		12.87	0.89
<b>Total tax expenses</b>		<b>63.49</b>	<b>55.94</b>
<b>Profit for the year</b>		<b>166.89</b>	<b>157.45</b>
<b>Other comprehensive income</b>			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Re-measurement gain/(loss) on defined benefit plan	26	(15.04)	0.77
Income tax effect	24	3.79	(0.19)
Total other comprehensive income, net of tax		<b>(11.25)</b>	<b>0.58</b>
<b>Total comprehensive income for the year</b>		<b>155.64</b>	<b>158.03</b>
<b>Earnings per equity share of par value of Rs. 10 (31 March 2022: Rs 10 each)</b>			
Basic and diluted	25	27.59	26.03
Summary of significant accounting policies.	2.2		

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

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

**For S.N. Dhawan & Co LLP**  
Chartered Accountants  
Firm Registration Number: 000050N/N500045

**Pankaj Walia**  
Partner  
Membership Number: 509590

**Sachin Bhalla**  
Director  
DIN 07325708

**Subhrendu Sarkar**  
Director  
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Place: Bengaluru  
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Date: June 20, 2023

Place : Bengaluru Date:  
June 20, 2023



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

	(Rs. in million)	
	Year ended March 31, 2023	Year ended March 31, 2022
<b>A. Operating activities</b>		
Profit before tax	230.38	213.39
Adjustment to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expenses	70.75	66.88
Liabilities no longer required written back	(5.58)	-
(Gain)/loss on sale of property, plant and equipment (net)	(0.06)	(0.52)
Impairment allowance on trade receivables	(12.78)	21.52
Provision for doubtful advances	1.81	-
Net unrealized foreign exchange differences	(4.66)	(0.80)
Finance income	(5.00)	(2.54)
Finance costs	13.48	15.41
Provision for litigations	0.26	-
<b>Operating profit before working capital changes</b>	<b>288.60</b>	<b>313.34</b>
Working capital adjustments:		
Decrease/(Increase) in trade receivables (including unbilled revenue)	445.68	(71.27)
Decrease/(Increase) in other financial assets	(5.06)	10.91
Decrease/(Increase) in other assets	106.82	(59.47)
Decrease/(Increase) in inventories	23.82	(29.30)
Increase/(Decrease) in trade payables	(135.51)	(52.02)
Increase/(Decrease) in other financial liabilities	17.50	4.73
Increase/(Decrease) in other liabilities	(5.23)	6.68
Increase/(Decrease) in provisions	4.60	(17.17)
<b>Cash generated from/(used in) operations</b>	<b>741.22</b>	<b>106.43</b>
Income tax paid (net of refunds)	(57.70)	(41.47)
<b>Net cash flow from/(used in) operating activities (A)</b>	<b>683.52</b>	<b>64.96</b>
<b>B. Investing activities</b>		
Purchase of property, plant and equipment, including capital work-in-progress, intangible assets and capital advances	(42.26)	(109.88)
Proceeds from sale of property, plant and equipment	1.82	4.96
Interest received	2.28	1.38
<b>Net cash flow from/(used in) investing activities (B)</b>	<b>(38.16)</b>	<b>(103.54)</b>
<b>C. Financing activities</b>		
Payment of principal portion of lease liabilities	(9.72)	(9.95)
Interest paid	(13.48)	(15.41)
Proceeds from short term borrowings from fellow subsidiaries	-	26.34
Repayments of short term borrowings from fellow subsidiaries	(152.32)	-
<b>Net cash flow from/(used in) financing activities (C)</b>	<b>(175.52)</b>	<b>0.98</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>469.84</b>	<b>(37.60)</b>
Cash and cash equivalents at the beginning of the year	14.06	50.64
Effects of changes in exchange rates on cash and cash equivalents	(2.12)	1.02
<b>Cash and cash equivalents at the end of the year</b>	<b>481.78</b>	<b>14.06</b>
*Also refer note 14		
<b>Components of cash and cash equivalents [Note 9(iii)]</b>		
Balance with scheduled banks		
- in current accounts	0.22	-
- in deposit accounts	446.00	-
- in Exchange Earners' Foreign Currency accounts (EEFC)	35.56	14.06
	<b>481.78</b>	<b>14.06</b>
Summary of significant accounting policies. (Refer note 2.2)		

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

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

**For S.N. Dhawan & Co LLP**

Chartered Accountants

Firm Registration Number: 000050N/N500045

**Pankaj Walia**  
Partner  
Membership Number: 509590

**Sachin Bhalla**  
Director  
DIN: 07325708

**Subhrendu Sarkar**  
Director  
DIN: 09813992

**Sapna Bhatia**  
Company Secretary  
ACS: 32349

Place: Bengaluru  
Date: June 20, 2023

Place : Gurugram  
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Place : Bengaluru  
Date: June 20, 2023

Statement of changes in Equity for year ended 31 March 2023

A) Equity share capital

Equity shares of Rs 10 each issued, subscribed and fully paid

Particulars	Numbers	Amount
As at 1 April 2021	60,48,000	60.48
Changes during the year	-	-
As at 31 March 2022	60,48,000	60.48
Changes during the year	-	-
As at 31 March 2023	60,48,000	60.48

B) Other equity [Also refer Note 11(ii)]

Particulars	Reserve and Surplus				Items of other comprehensive income	Total
	Capital reserve	Securities premium	General reserve (transferred from Profit and loss)	Retained earnings	Remeasurement of defined benefit obligation	
As at 1 April 2021	0.17	81.70	44.00	730.65	-	856.52
Profit for the year	-	-	-	157.45	-	157.45
Remeasurement gains on defined benefit plans, net	-	-	-	-	0.58	0.58
Transfer to retained earnings	-	-	-	0.58	(0.58)	-
As at 31 March 2022	0.17	81.70	44.00	888.68	-	1,014.55
Profit for the year	-	-	-	166.89	-	166.89
Remeasurement gains on defined benefit plans, net	-	-	-	-	(11.25)	(11.25)
Transfer to retained earnings	-	-	-	(11.25)	11.25	-
As at 31 March 2023	0.17	81.70	44.00	1,044.32	-	1,170.19

As per our report of even date.

**For S.N. Dhawan & Co LLP**

Chartered Accountants

Firm Registration Number: 000050N/N500045

**For and on behalf of Board of Directors of**

**Schneider Electric President Systems Limited**

**Pankaj Walia**  
Partner  
Membership Number: 509590

**Sachin Bhalla**  
Director  
DIN: 07325708

**Subhrendu Sarkar**  
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Place: Bengaluru  
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Date: June 20, 2023

3 Property, plant and equipment and capital work in progress

3.1 Property, plant and equipment

	Freehold Land	Leasehold Land	Leasehold improvements	Buildings-Factory	Building-Office	Plant and equipments	Office equipments	Tools, dies and jigs	Furniture and fixtures	Computer hardware	Vehicles	Total
Gross Block as at 1 April 2021	42.02	5.09	5.48	185.02	2.76	481.56	19.31	48.26	16.08	24.82	8.47	838.87
Accumulated Depreciation	-	1.01	0.48	101.67	1.10	344.12	15.29	30.97	13.88	22.15	4.77	535.44
Deemed Cost as at 1 April 2021	42.02	4.08	5.00	83.35	1.66	137.44	4.02	17.29	2.20	2.67	3.70	303.43
Assets held for sale (refer note i)	-	(4.08)	(0.34)	(15.11)	-	(0.71)	-	-	(0.04)	-	-	(20.28)
Reclassification on adoption of Ind AS 116 - Leases	-	-	-	-	-	-	-	-	-	-	(3.70)	(3.70)
Additions	-	-	17.24	-	-	89.74	1.87	0.02	-	4.14	-	113.01
Disposals	-	-	0.62	0.00	-	3.74	-	0.04	0.01	0.01	-	4.42
At 31 March 2022	42.02	-	21.28	68.24	1.66	222.73	5.89	17.27	2.15	6.80	-	388.04
Additions	-	-	0.04	0.48	-	30.79	0.89	1.08	0.09	4.94	-	38.31
Disposals	-	-	-	-	-	-	-	-	-	0.12	-	0.12
At 31 March 2023	42.02	-	21.32	68.72	1.66	253.52	6.78	18.35	2.24	11.62	-	426.23
Accumulated depreciation	-	-	-	-	-	-	-	-	-	-	-	-
At 1 April 2021	-	-	-	-	-	-	-	-	-	-	-	-
Charge for the year	-	-	2.59	5.40	0.01	38.66	1.79	3.70	0.48	1.83	-	54.46
Disposals	-	-	0.05	-	-	0.66	-	-	0.01	0.01	-	0.73
At 31 March 2022	-	-	2.54	5.40	0.01	38.00	1.79	3.70	0.47	1.82	-	53.73
Charge for the year	-	-	3.23	5.65	0.16	39.41	1.86	3.08	0.48	3.60	-	57.47
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
At 31 March 2023	-	-	5.77	11.05	0.17	77.41	3.65	6.78	0.95	5.42	-	111.20
Net carrying Amount												
At 1 April 2021	42.02	-	4.66	68.24	1.66	136.73	4.02	17.29	2.16	2.67	-	279.45
At 31 March 2022	42.02	-	18.74	62.84	1.65	184.73	4.10	13.57	1.68	4.98	-	334.31
At 31 March 2023	42.02	-	15.55	57.67	1.49	176.11	3.13	11.57	1.29	6.20	-	315.03

(i) During the year ended March 31, 2020, the Board of directors had passed a resolution to consolidate the Pune factory with Bangalore factory and the production activities were discontinued effective from February 21, 2020. Leasehold land, building and other assets to the tune of Rs. 20.28 million (31 March 2022 Rs. 20.28 million, 1 April 2021: Rs 20.28 million) were considered as 'Assets held for sale' which has been disclosed separately in the Ind AS financial statements. The sale process was delayed due to Covid-19 pandemic. In the current year, the Company has started the process of identifying potential customer to sell these assets and envisaging to sell the same within a period of next 1 year from reporting date.

### 3.2 Capital Work In Progress

Gross block as at 1 April 2021	9.63
Additions	118.20
Less: Capitalization	118.97
<b>As at 31 March 2022</b>	<b>8.86</b>
Additions	37.89
Less: Capitalization	40.44
<b>As at 31 March 2023</b>	<b>6.31</b>

#### Ageing of Capital work in progress (CWIP) as at 31 March 2023

As at 31 March 2023	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	6.31	0*	-	-	6.31
Projects temporarily suspended	-	-	-	-	
<b>Total</b>	<b>6.31</b>	<b>0*</b>	<b>-</b>	<b>-</b>	<b>6.31</b>

\* It represents absolute number of Rs. 2,350/-

#### Ageing of Capital work in progress (CWIP) as at 31 March 2022

As at 31 March 2022	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	8.80	0.06	-	-	8.86
Projects temporarily suspended	-	-	-	-	
<b>Total</b>	<b>8.80</b>	<b>0.06</b>	<b>-</b>	<b>-</b>	<b>8.86</b>

#### Ageing of Capital work in progress (CWIP) as at 1 April 2021

As at 1 April 2021	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	9.58	0.05	-	-	9.63
Projects temporarily suspended	-	-	-	-	
<b>Total</b>	<b>9.58</b>	<b>0.05</b>	<b>-</b>	<b>-</b>	<b>9.63</b>

Note: There are no projects under capital work-in-progress where the completion is overdue or has exceeded the cost, compared to its original plan.

#### 4 Intangible assets:

	Computer Software	Patents and trademarks	Designs and copyrights	Total
<b>Gross Block as at 1 April 2021</b>	<b>35.88</b>	<b>0.04</b>	<b>3.89</b>	<b>39.81</b>
Accumulated depreciation	34.28	0.04	3.89	38.21
<b>Deemed Cost as at 1 April 2021</b>	<b>1.60</b>	<b>-</b>	<b>-</b>	<b>1.60</b>
Additions	1.40	-	-	1.40
Disposals	-	-	-	-
<b>At 31 March 2022</b>	<b>3.00</b>	<b>-</b>	<b>-</b>	<b>3.00</b>
Additions	0.91	-	-	0.91
Disposals	-	-	-	-
<b>At 31 March 2023</b>	<b>3.91</b>	<b>-</b>	<b>-</b>	<b>3.91</b>
<b>Depreciation/ Amortisation</b>				
<b>At 1 April 2021</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Charge for the year	0.93	-	-	0.93
Disposals	-	-	-	-
<b>At 31 March 2022</b>	<b>0.93</b>	<b>-</b>	<b>-</b>	<b>0.93</b>
Additions	1.38	-	-	1.38
Disposals	-	-	-	-
<b>At 31 March 2023</b>	<b>2.31</b>	<b>-</b>	<b>-</b>	<b>2.31</b>
<b>Net carrying Amount</b>				
<b>At 1 April 2021</b>	<b>1.60</b>	<b>-</b>	<b>-</b>	<b>1.60</b>
<b>At 31 March 2022</b>	<b>2.07</b>	<b>-</b>	<b>-</b>	<b>2.07</b>
<b>At 31 March 2023</b>	<b>1.60</b>	<b>-</b>	<b>-</b>	<b>1.60</b>

Note: There is no intangible asset under development.

	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
<b>5 Non-current financial assets</b>			
(i) <b>Others financial assets (unsecured) carried at amortised cost</b>			
<b>Security deposits carried at amortised cost</b>			
Security deposits - considered good	22.74	19.79	18.64
<b>Total other financial assets</b>	<b>22.74</b>	<b>19.79</b>	<b>18.64</b>
<b>6 Income tax assets (net)</b>			
Advance income tax (net of provisions)	23.55	13.20	25.40
Less: Impairment allowance for doubtful balances	(1.81)	-	-
	<b>21.74</b>	<b>13.20</b>	<b>25.40</b>
<b>7 Other non-current assets</b>			
<b>Unsecured, considered good</b>			
Balance with statutory/government authorities*	-	116.66	79.55
	<b>-</b>	<b>116.66</b>	<b>79.55</b>
<b>Unsecured, considered doubtful</b>			
Balance with statutory/government authorities*	5.29	5.29	8.10
	<b>5.29</b>	<b>5.29</b>	<b>8.10</b>
Less: Impairment allowance for doubtful assets	5.29	5.29	8.10
<b>Total other non-current assets</b>	<b>-</b>	<b>116.66</b>	<b>79.55</b>

\*Includes amounts paid under protest Nil (31 March 2022 Rs. 18.12 million, 1 April 2021: Rs 21.31 million)

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023

(All amounts are in Indian Rupees Millions, unless otherwise stated)

	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
<b>8 Inventories</b>			
<b>(Lower of cost or net realisable value, unless otherwise stated)</b>			
Raw materials and components	221.76	219.81	205.09
Work-in-progress	51.57	64.38	51.95
Finished goods	28.79	41.69	38.72
Traded goods	0.48	0.54	1.36
<b>Total inventories</b>	<b>302.60</b>	<b>326.42</b>	<b>297.12</b>
The above includes goods in transit as under:			
Raw materials	13.04	16.00	28.23
Finished goods	-	8.80	20.25
Traded goods	-	-	0.73
	<b>13.04</b>	<b>24.80</b>	<b>49.21</b>
<b>9 Current financial assets</b>			
<b>(i) Trade receivables (unsecured)</b>			
Trade receivables- considered good	465.63	862.97	914.81
Trade receivables- considered doubtful	28.22	41.00	79.41
Receivables from related parties - considered good (refer note 28)	192.21	227.56	124.66
<b>Total trade receivables (gross)</b>	<b>686.06</b>	<b>1,131.53</b>	<b>1,118.88</b>
Less: Impairment allowance for trade receivables credit impaired	28.22	41.00	79.41
<b>Total trade receivables (net)</b>	<b>657.84</b>	<b>1,090.53</b>	<b>1,039.47</b>

Note: Trade receivable are non-interest bearing and are generally on terms of 30 to 90 days.

### Trade receivables ageing schedule as at 31 March 2023

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables – considered good	413.96	205.53	29.48	11.94	8.36	10.34	679.61
(ii) Undisputed trade receivables – credit impaired	-	1.13	-	-	0.04	5.28	6.45
<b>Total trade receivables (gross)</b>	<b>413.96</b>	<b>206.66</b>	<b>29.48</b>	<b>11.94</b>	<b>8.39</b>	<b>15.62</b>	<b>686.06</b>
Less : Allowances for credit impairment	-	1.13	-	-	0.04	5.28	6.45
Less : Allowances for expected credit loss	-	-	-	-	-	-	21.77
<b>Total</b>	<b>413.96</b>	<b>205.53</b>	<b>29.48</b>	<b>11.94</b>	<b>8.36</b>	<b>10.34</b>	<b>657.84</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023

(All amounts are in Indian Rupees Millions, unless otherwise stated)

### Trade receivables ageing schedule as at 31 March 2022

Outstanding for following periods from due date of payment							
Particulars	Not due	Less than 6 months	6 months 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables – considered good	842.85	220.15	16.34	16.71	12.19	13.29	1,121.53
(ii) Undisputed trade receivables – credit impaired	-	-	-	0.03	0.83	9.14	10.00
<b>Total trade receivables (gross)</b>	<b>842.85</b>	<b>220.15</b>	<b>16.34</b>	<b>16.74</b>	<b>13.02</b>	<b>22.43</b>	<b>1,131.53</b>
Less : Allowances for credit impairment	-	-	-	-	-	-	10.00
Less : Allowances for expected credit loss	-	-	-	-	-	-	31.00
<b>Total</b>	<b>842.85</b>	<b>220.15</b>	<b>16.34</b>	<b>16.74</b>	<b>13.02</b>	<b>22.43</b>	<b>1,090.53</b>

### Trade receivables ageing schedule as at 1 April 2021

Outstanding for following periods from due date of payment							
Particulars	Not due	Less than 6 months	6 months 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables – considered good	872.74	142.86	17.32	15.39	15.55	17.38	1,081.24
(ii) Undisputed trade receivables – credit impaired	-	-	-	0.28	1.21	36.15	37.64
<b>Total trade receivables (gross)</b>	<b>872.74</b>	<b>142.87</b>	<b>17.32</b>	<b>15.67</b>	<b>16.75</b>	<b>53.53</b>	<b>1,118.88</b>
Less : Allowances for credit impairment	-	-	-	-	-	-	37.64
Less : Allowances for expected credit loss	-	-	-	-	-	-	41.77
<b>Total</b>	<b>872.74</b>	<b>142.87</b>	<b>17.32</b>	<b>15.67</b>	<b>16.75</b>	<b>53.53</b>	<b>1,039.47</b>

The Company does not have disputed trade receivables as at 31 March 2023, 31 March 2022 and 1 April 2021.

### (ii) Cash and cash equivalents

	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
<b>Balances with banks:</b>			
- Current accounts	0.22	-	1.50
- Deposits with original maturity of less than three months	446.00	-	-
- Exchange earners foreign currency (EEFC) accounts	35.56	14.06	49.14
<b>Total cash and cash equivalents</b>	<b>481.78</b>	<b>14.06</b>	<b>50.64</b>

Note: There are no restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023

(All amounts are in Indian Rupees Millions, unless otherwise stated)

	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
<b>(iii) Other financial assets (unsecured, considered good)</b>			
Dues from related parties (unsecured) (refer note 28)	5.09	4.54	15.44
Recoverable from gratuity trust	2.83	-	-
<b>Total other financial assets</b>	<b>7.92</b>	<b>4.54</b>	<b>15.44</b>
<b>10 Other current assets</b>			
<b>Unsecured, considered good</b>			
Advance to suppliers	1.24	8.83	2.46
Advance to employees	9.01	16.51	6.00
Prepaid expenses	13.61	17.49	16.70
Balance with statutory/ government authorities	41.05	12.24	7.55
	<b>64.91</b>	<b>55.07</b>	<b>32.71</b>
<b>Unsecured, considered doubtful</b>			
Advance to suppliers	-	0.69	0.47
Balance with statutory/government authorities	-	27.44	32.14
	-	<b>28.13</b>	<b>32.61</b>
Less: Impairment allowance for doubtful assets	-	28.13	32.61
<b>Total other current assets</b>	<b>64.91</b>	<b>55.07</b>	<b>32.71</b>
<b>11 Equity</b>			
<b>(i) Equity share capital</b>			
<b>Authorised:</b>			
12,000,000 (31 March 2022: 12,000,000; 1 April 2021: 12,000,000) equity shares of Rs 10 each	120.00	120.00	120.00
<b>Issued, subscribed and fully paid up</b>			
6,048,000 (31 March 2022: 6,048,000; 1 April 2021: 6,048,000) equity shares of Rs 10 each fully paid up (refer note (f) below)	60.48	60.48	60.48
	<b>60.48</b>	<b>60.48</b>	<b>60.48</b>
<b>a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period</b>			
	<b>Numbers</b>	<b>Amount</b>	
<b>As at 1 April 2021</b>	6,048,000	60.48	
Issued during the year	-	-	
<b>As at 31 March 2022</b>	6,048,000	60.48	
Issued during the year	-	-	
<b>As at 31 March 2023</b>	<b>6,048,000</b>	<b>60.48</b>	
<b>b) Terms/ rights attached to equity shares</b>			

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity is entitled to one vote per share.

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

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023

(All amounts are in Indian Rupees Millions, unless otherwise stated)

### c) Details of shares held by promoters

Promoter name	Shares held by promoters at the end of the year		Shares held by promoters at the beginning of the year	Change during the year	% Change during the year
	No. of Shares	% of total shares	No. of Shares		
<b>As at 31 March 2023</b>					
Schneider Electric South East Asia (HQ) Pte Limited	4,867,933	80.49%	4,867,933	-	-
<b>Total</b>	<b>4,867,933</b>	<b>80.49%</b>	<b>4,867,933</b>	-	-
<b>As at 31 March 2022</b>					
Schneider Electric South East Asia (HQ) Pte Limited	4,867,933	80.49%	4,867,933	-	-
<b>Total</b>	<b>4,867,933</b>	<b>80.49%</b>	<b>4,867,933</b>	-	-
<b>As at 1 April 2021</b>					
Schneider Electric South East Asia (HQ) Pte Limited	4,867,933	80.49%	4,867,933	-	-
<b>Total</b>	<b>4,867,933</b>	<b>80.49%</b>	<b>4,867,933</b>	-	-

### d) Shares held by holding/ultimate holding company and/or their subsidiaries/associates

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

	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
<b>Schneider Electric South East Asia (HQ) Pte Limited</b>			
4,867,933 (31 March 2022: 4,867,933 & 1 April 2021: 4,867,933) equity shares of Rs. 10 each fully paid up (refer note (f) below)	48.68	48.68	48.68

### e) Details of shareholders holding more than 5% shares in the Company

	Number of Shares	% holding
<b>Equity shares of Rs 10 each fully paid</b>		
Schneider Electric South East Asia (HQ) Pte Limited (31 March 2022: 4,867,933; 1 April 2021: 4,867,933) equity shares	4,867,933	80.49%

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

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

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

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023

(All amounts are in Indian Rupees Millions, unless otherwise stated)

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

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

### (ii) Other equity

	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
Capital reserve	0.17	0.17	0.17
Securities premium	81.70	81.70	81.70
General reserve	44.00	44.00	44.00
Retained earnings	1,044.32	888.68	730.65
	<b>1,170.19</b>	<b>1,014.55</b>	<b>856.52</b>
<b>Capital reserve</b>			
Opening balance	0.17	0.17	0.17
Add: Change during the year	-	-	-
	<b>0.17</b>	<b>0.17</b>	<b>0.17</b>
<b>Securities premium</b>			
Opening balance	81.70	81.70	81.70
Add: Change during the year	-	-	-
	<b>81.70</b>	<b>81.70</b>	<b>81.70</b>
<b>General reserve</b>			
Opening balance	44.00	44.00	44.00
Add: Change during the year	-	-	-
	<b>44.00</b>	<b>44.00</b>	<b>44.00</b>
<b>Retained earnings</b>			
Opening balance	888.68	730.65	586.89
Add: Profit for the year	155.64	158.03	143.76
	<b>1,044.32</b>	<b>888.68</b>	<b>730.65</b>

### Description of nature and purpose of each reserve:

- Capital reserve:** The capital reserve represents the capital profit recognized in respect of profit on equity shared forfeited.
- Securities premium:** The amount received in excess of face value of equity shares is recognised in securities premium.
- General Reserve:** The general reserve amount represents the profit transferred from profit and loss.
- Retained Earnings:** Retained earnings are the profits that the company has earned till date, less any transfers to general reserve, dividend or other distributions paid to shareholders

	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
12 Non-current provisions			
Provision for warranties [Note 14(i)]	-	-	2.63
Provision for gratuity [Note 26]	52.87	35.01	33.62
	<b>52.87</b>	<b>35.01</b>	<b>36.25</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023

(All amounts are in Indian Rupees Millions, unless otherwise stated)

13 Current financial liabilities	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
<b>i) Borrowings carried at amortised cost, unsecured</b>			
Loan from fellow subsidiary [Note (i)]	-	151.93	125.27
Cash credit from bank (unsecured) [Note (ii)]	-	0.39	0.71
	-	<b>152.32</b>	<b>125.98</b>
<p>(i) The Company has an arrangement with Schneider Electric India Private Limited, India (SEIPL), a fellow subsidiary, for a cash lending limit up to Rs. 350.00 million (31 March 2022 Rs. 350.00 million, 1 April 2021 Rs. 350.00 million). Basis such arrangement, the Company's banker automatically transfers funds from Schneider Electric India Private limited to the Company's bank account in case of requirement of fund at the end of each day up to the approved limits. This loan carry interest rate of 3.33%.</p> <p>(ii) Pertains to cash credit facility availed on one of the current account with the Bank.</p>			
<b>ii) Trade payables carried at amortised cost</b>			
- Total outstanding dues of micro and small enterprises [MSME] [Note (vi) below]		64.72	71.62
- Total outstanding dues of creditors other than micro and small enterprises		456.70	593.21
		<b>521.42</b>	<b>664.83</b>
		<b>715.32</b>	

### Trade Payables Ageing Schedule

As at 31 March 2023	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	3.33	59.47	1.69	0.16	-	0.07	64.72
(ii) Others	88.68	279.09	84.12	3.01	0.88	0.92	456.70
<b>Total</b>	<b>92.01</b>	<b>338.56</b>	<b>85.81</b>	<b>3.17</b>	<b>0.88</b>	<b>0.99</b>	<b>521.42</b>

As at 31 March 2022	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	0.19	58.38	0.70	0.57	11.78	71.62
(ii) Others	118.31	171.97	297.39	1.98	2.50	1.06	593.21
<b>Total</b>	<b>118.31</b>	<b>172.16</b>	<b>356.77</b>	<b>2.68</b>	<b>3.07</b>	<b>12.84</b>	<b>664.83</b>

As at 1 April 2021	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	98.59	2.09	0.03	0.10	0.10	101.91
(ii) Others	71.37	291.03	248.35	1.19	1.19	1.28	613.41
<b>Total</b>	<b>71.37</b>	<b>389.62</b>	<b>250.44</b>	<b>1.22</b>	<b>1.29</b>	<b>1.38</b>	<b>715.32</b>

- (i) Trade payables include due to related parties Rs 153.18 million (31 March 2022: Rs 131.45 million & 1 April 2021: Rs 115.56 million) (refer note 28)
- (ii) Trade payable balance includes amount payable to bank due to vendor credit arrangement with Bank and is repayable within a period of 6 months. The interest costs are borne by the respective vendors availing such facility.
- (iii) Trade payable amounts are non interest bearing and normally settled on 90 day terms.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023

(All amounts are in Indian Rupees Millions, unless otherwise stated)

- (iv) The amounts falling in the category of more than 1 year are related to pending obligation on the part of supplier as per agreed terms and conditions mentioned in contracts.
- (v) The Company does not have disputed trade payables as at 31 March 2023, 31 March 2022 and 1 April 2021
- (vi) Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended 31 March 2023 is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
i) Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act:			
Principal	64.72	71.62	101.91
Interest	0.32	0.16	0.13
ii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	2.35	-	-
iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act.	2.08	1.68	1.08
iv) The amount of interest accrued and remaining unpaid at the end of accounting year.	14.18	14.13	12.29
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	14.18	14.13	12.29
<b>iii) Other financial liabilities</b>			
Interest accrued and due on payables to micro and small enterprises (Refer note 13(ii)(vi))	14.18	14.13	12.29
Security deposit payable	0.81	1.21	1.21
Employee dues payable	26.91	31.35	35.94
Statutory dues payable	5.28	7.85	9.05
Payable to related parties (refer note 28)	20.01	-	-
Other payables	19.37	14.52	5.84
	<b>86.56</b>	<b>69.06</b>	<b>64.33</b>
<b>14 Provision for employee benefits</b>			
Provision for compensated absences	20.59	13.99	13.24
<b>Other provisions</b>			
Provision for warranties [Note (i)]	-	1.00	1.40
Provision for litigations [Note (ii)]	6.93	6.67	23.23
Restructuring provisions [Note (iii)]	2.67	6.50	6.50
	<b>30.19</b>	<b>28.16</b>	<b>44.37</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023

(All amounts are in Indian Rupees Millions, unless otherwise stated)

### Note (i)

#### Provision for warranties

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

	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
At the beginning of the year	1.00	4.03	6.89
Arising during the year (net of reversal) (refer note 17)	(1.00)	(3.03)	(2.46)
Utilization/ adjustment during the year	-	(0.00)	(0.40)
At the end of the year	-	1.00	4.03
Current	-	1.00	1.40
Non-current	-	-	2.63

### Note (ii)

#### Provision for litigations

Provision for litigations pertains to disputed matters primarily relating to pending statutory forms for various assessment years, which the Company is contesting at various forums.

	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
At the beginning of the year	6.67	23.23	22.30
Arising during the year (net of reversal)	0.26	-	0.93
Utilization during the year	-	(16.56)	-
At the end of the year	6.93	6.67	23.23

### Note (iii)

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

	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
At the beginning of the year	6.50	6.50	6.50
Arising during the year (net of reversal)	-	-	-
Utilization during the year	(3.83)	-	-
At the end of the year	2.67	6.50	6.50

### 15 Other current liabilities

Advance from customers	7.57	12.80	6.12
Payable for capital goods	-	5.06	1.29
	7.57	17.86	7.41

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023

(All amounts are in Indian Rupees Millions, unless otherwise stated)

	Year ended 31 March 2023	Year ended 31 March 2022
<b>16. Revenue from operations</b>		
<b>Revenue from contract with customers</b>		
a) Sale of products		
Sale of finished goods	3151.27	3,569.22
Sale of traded goods	56.48	16.03
<b>Total sale of products</b>	<b>3207.75</b>	<b>3,585.25</b>
b) Sale of services	75.68	60.16
<b>Other operating revenue</b>		
Scrap sales	16.48	7.98
Export incentives	36.45	18.16
	<b>3,336.36</b>	<b>3,671.55</b>
i) For details refer note 39.		
<b>17 Other income</b>		
Other non-operating income		
- Gain on account of foreign exchange fluctuations (net)	12.87	-
- Gain on sale of property, plant and equipment	0.06	0.52
- Impairment allowance of trade receivable written back	12.78	-
- Liabilities no longer required written back	5.58	-
- Others	4.43	0.50
Interest income on:		
- Bank deposits	2.28	-
- Security deposits	1.26	1.16
- Income tax refunds	1.46	1.38
	<b>40.72</b>	<b>3.56</b>
<b>18 Cost of raw material and components consumed</b>		
Inventory at the beginning of the year	219.81	205.09
Add: Purchases	2,239.81	2,658.61
	<b>2,459.62</b>	<b>2,863.70</b>
Less: Inventory at the end of the year	221.76	219.81
<b>Cost of raw material and components consumed</b>	<b>2,237.86</b>	<b>2,643.89</b>
<b>19 (Increase)/ Decrease in inventories of finished goods, work-in-progress and traded goods</b>		
<b>Inventories at the end of the year (refer note 8)</b>		
Traded goods	0.48	0.54
Work-in-progress	51.57	64.38
Finished goods	28.79	41.69
	<b>80.84</b>	<b>106.61</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023

(All amounts are in Indian Rupees Millions, unless otherwise stated)

	Year ended 31 March 2023	Year ended 31 March 2022
<b>Inventories at the beginning of the year (Note 8)</b>		
Traded goods	0.54	1.36
Work-in-progress	64.38	51.95
Finished goods	41.69	38.72
	<b>106.61</b>	<b>92.03</b>
	<b>25.77</b>	<b>(14.58)</b>
<b>20 Employee benefits expenses</b>		
Salaries, wages and bonus	230.29	222.51
Contribution to provident and other funds	11.48	11.66
Gratuity expense (refer note 26)	6.09	5.80
Staff welfare expenses	56.86	61.94
	<b>304.72</b>	<b>301.91</b>
<b>21 Depreciation and amortisation expenses</b>		
Depreciation of property, plant and equipment	57.47	54.46
Amortisation of right-of-use assets (refer note 31)	11.90	11.49
Amortisation of intangible assets	1.38	0.93
	<b>70.75</b>	<b>66.88</b>
<b>22 Finance costs</b>		
Interest to micro and small enterprises	2.40	1.84
Interest on lease liabilities (refer note 31)	5.03	5.52
Interest on loans from fellow subsidiaries	4.90	6.72
Bank charges	1.40	2.70
Others	1.15	1.33
	<b>14.88</b>	<b>18.11</b>
<b>23 Other expenses</b>		
Subcontracting expenses	119.81	128.72
Freight and forwarding charges	12.62	16.92
Rent	3.90	6.96
Travelling and conveyance	5.16	1.84
Legal and professional fees	64.69	57.03
Directors' sitting fees	0.55	0.54
Payments to auditors (refer note below)	4.04	2.50
Management fees (refer note 28)	49.53	32.55
Information technologies licence fees (refer note 28)	57.70	26.84
Power and fuel	62.42	64.74

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023

(All amounts are in Indian Rupees Millions, unless otherwise stated)

	Year ended 31 March 2023	Year ended 31 March 2022
Repairs and maintenance		
Building	13.20	9.67
Plant and machinery	29.13	18.87
Others	8.85	13.67
Consumption of stores and spares	13.78	14.42
Advertising and sales promotion	0.17	0.05
Rates and taxes	1.63	1.59
Insurance	11.50	10.86
Provision for litigations	0.26	-
Impairment allowance for doubtful advances	1.81	-
Impairment allowance on trade receivables	-	21.52
Loss on account of foreign exchange fluctuations (net)	-	0.09
Corporate Social Responsibility expense (refer note 36)	3.20	3.07
Warranty expenses/(reversal)	-	(3.02)
Miscellaneous expenses	7.69	7.01
	<b>471.64</b>	<b>436.44</b>
<b>Note: Payment to auditors</b>		
<b>As auditor</b>		
- Statutory audit fee	3.40	2.20
- Tax audit fee	0.30	0.30
- Reimbursement of expenses	0.34	-
	<b>4.04</b>	<b>2.50</b>
<b>24 Income Taxes</b>		
The major components of Income tax expense for the years ended 31 March 2023 and 31 March 2022 are:		
<b>Statement of Profit and Loss:</b>		
Current income tax charge	54.56	53.74
Adjustments in respect of current income tax of earlier years	(3.94)	1.31
Deferred tax charge	12.87	0.89
<b>Income tax expense reported in the statement of profit and loss</b>	<b>63.49</b>	<b>55.94</b>
<b>Other comprehensive income (OCI)</b>		
Deferred tax related to items recognised in OCI during the year:		
Re-measurement gain (loss) on defined benefit plans	3.79	(0.19)
<b>Income tax charged to OCI</b>	<b>3.79</b>	<b>(0.19)</b>
<b>Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2023 and 31 March 2022:</b>		
Accounting profit before income tax	230.38	213.39
Applicable tax rate	25.17%	25.17%
<b>Tax expense at statutory income tax rate</b>	<b>57.98</b>	<b>53.70</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023

(All amounts are in Indian Rupees Millions, unless otherwise stated)

	Year ended 31 March 2023	Year ended 31 March 2022
Adjustment of tax relating to earlier periods	(3.94)	1.31
Tax effect due to expenses not allowed for tax purposes	2.64	1.25
Tax impact of prior years	6.79	-
Others	0.02	(0.32)
<b>At the effective income tax rate</b>	<b>63.49</b>	<b>55.94</b>
<b>Income tax expense reported in the statement of profit and loss</b>	<b>63.49</b>	<b>55.94</b>

a) Deferred tax assets (net)	Balance Sheet			Statement of profit and loss and other comprehensive income	
	31 March 2023	31 March 2022	1 April 2021	31 March 2023	31 March 2022
<b>Deferred tax assets/ (liabilities) relates to the following:</b>					
Depreciation on property, plant and equipment and intangible assets for income tax purposes	(2.05)	(5.64)	(8.15)	(3.59)	(2.51)
Expenses allowable on payment basis	23.64	26.22	15.01	2.58	(11.21)
Disallowance for doubtful debts and others	8.89	18.74	34.37	9.85	15.63
Impact due to lease liabilities	(1.97)	10.49	12.20	12.46	1.71
Impact due to right to use assets	2.52	(9.72)	(12.20)	(12.24)	(2.48)
Others	0.04	0.06	-	0.02	(0.06)
<b>Net deferred tax assets</b>	<b>31.07</b>	<b>40.15</b>	<b>41.23</b>	<b>9.08</b>	<b>1.08</b>

**b) Reconciliation of net deferred tax assets is as follows:**

	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
Opening balance	40.15	41.23	41.23
Deferred tax during the year recognised in profit or loss	(12.87)	(0.89)	-
(Charge)/credit during the year recognised in OCI	3.79	(0.19)	-
Closing balance	<b>31.07</b>	<b>40.15</b>	<b>41.23</b>

**25 Earnings per share [EPS]**

Profit attributable to equity shareholders	166.89	157.45
Weighted average number of equity shares for basic and diluted EPS		
Equity shares	6,048,000	6,048,000
Total	6,048,000	6,048,000
<b>Basic and diluted EPS (Rs)</b>	<b>27.59</b>	<b>26.03</b>

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

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023

(All amounts are in Indian Rupees Millions, unless otherwise stated)

26. The Company has a defined benefit gratuity plan as per the Payment of Gratuity Act, 1972. Under such Act, an employee who has completed five years of service is entitled to specific benefit. The level of benefit provided depends on the employee's length of service and salary at retirement/ termination age. The plan is funded with HDFC Life Insurance in the form of a qualifying insurance policy.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the plan:

(a) Net defined benefit asset/ (liability) recognised in the balance sheet	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
Fair value of plan assets	28.37	28.17	26.62
Present value of defined benefit obligation Amount	(78.41)	(63.18)	(60.24)
recognised in Balance Sheet- asset/ (liability)	<b>(50.04)</b>	<b>(35.01)</b>	<b>(33.62)</b>
Current asset/ (liability)	-	-	-
Non Current asset/ (liability)	(50.04)	(35.01)	(33.62)
	<b>(50.04)</b>	<b>(35.01)</b>	<b>(33.62)</b>

  

(b) Net defined benefit expense recognised in the statement of profit and loss for the year	Year ended 31 March 2023	Year ended 31 March 2022
Current service cost	3.70	3.68
Net interest cost	2.39	2.12
Net defined benefit expense debited to statement of profit and loss	<b>6.09</b>	<b>5.80</b>

  

(c) Remeasurement gain/ (loss) recognised in other comprehensive income	Year ended 31 March 2023	Year ended 31 March 2022
Actuarial gain / (loss) for the year on defined benefit obligation		
- from experience adjustments	(2.07)	(0.49)
- from changes in financial assumptions	(11.02)	1.75
Actuarial gain /(loss) for the year on plan assets	(1.95)	(0.48)
Remeasurement gain/ (loss) recognised in other comprehensive Income	<b>(15.04)</b>	<b>0.77</b>

  

(d) Reconciliation of opening and closing balances of defined benefit obligation	Year ended 31 March 2023	Year ended 31 March 2022
Present value of defined benefit obligation at the beginning of the year	63.18	60.24
Interest cost	4.53	4.15

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023

(All amounts are in Indian Rupees Millions, unless otherwise stated)

	Year ended 31 March 2023	Year ended 31 March 2022
Current service cost	3.70	3.68
Benefit paid	(2.83)	(2.39)
Acquisition/Divestiture of liability	(3.26)	(0.26)
Actuarial (gain)/ loss arising from changes in financial assumptions	11.02	(1.75)
Actuarial (gain)/ loss arising from changes in experience adjustments	2.07	(0.49)
<b>Defined benefit obligation at year end</b>	<b>78.41</b>	<b>63.18</b>
<b>(e) Reconciliation of opening and closing balances of fair value of plan assets</b>		
Fair value of plan assets at beginning of the year	28.17	26.62
Return on plan assets- net of discount rate	2.14	2.03
Actuarial gains/ (loss) on plan assets	(1.95)	(0.48)
<b>Fair value of plan assets at year end</b>	<b>28.37</b>	<b>28.17</b>
<b>(f) Broad categories of plan assets as a percentage of total assets</b>		
Insurer managed funds	100%	100%
<b>(g) Principal assumptions used in determining defined benefit obligation</b>		
Mortality table	100% of IALM (2012- 14)	100% of IALM (2012- 14)
Discount rate (per annum)	7.25%	7.25%
Salary escalation	8.00%	6.00%
Ages- Withdrawal rates		
Up to 30 years	3%	3%
From 31 to 44 years	2%	2%
Above 44 years	1%	1%
Retirement age (years)	60	60
<b>(h) Quantitative sensitivity analysis for significant assumptions is as below:</b>		
<b>(a) Impact of change in discount rate</b>		
Present Value of Obligation at the end of the year	78.41	60.24
Decrease by 0.50%	82.71	66.13
Increase by 0.50%	75.95	60.41
<b>(b) Impact of change in discount rate</b>		
Present Value of Obligation at the end of the year	78.41	60.24
Decrease by 0.50%	76.29	60.56
Increase by 0.50%	82.26	65.94

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023

(All amounts are in Indian Rupees Millions, unless otherwise stated)

Sensitivities due to mortality and withdrawals are not material and hence impact of such changes are not calculated.

Sensitivities as to the rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.

The above sensitivity analysis may not be representative of the actual benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

In presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet.

### (i) Maturity profit of defined benefit obligation

Year	Year ended 31 March 2023	Year ended 31 March 2022
April 2023- March 2024	1.59	1.52
April 2024- March 2025	4.77	1.57
April 2025- March 2026	5.46	4.65
April 2026- March 2027	9.45	5.22
April 2027- March 2028	4.42	8.90
April 2028 onwards	43.74	35.52

(j) The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 15.89 years (31 March 2022: 16.39 years)

(k) The Company's best estimate of expense for the next annual reporting period is Rs. 1.59 million (31 March 2022: Rs 1.52 million)

(l) The discount rate is based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities.

(m) The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

(n) Description of Risk Exposures: Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such the Company is exposed to various risks as follows :

- (i) Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- (ii) Investment Risk – If the employee benefit plan is funded then assets liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
- (iii) Discount Rate- Reduction in discount rate in subsequent valuations can increase the plan's liability.
- (iv) Mortality and disability – Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- (v) Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

### 27. Reconciliation of equity

	As at 31 March 2022	As at 1 April 2021
<b>Equity under previous Indian GAAP</b>	1,077.51	917.00
Depreciation on right of use assets (Ind AS 116)	(9.84)	-
Finance cost on lease liability (Ind AS 116)	(3.82)	-
Reversal of actual rent (Ind AS 116)	9.19	-
Interest income on security deposit (Ind AS 109)	1.16	-
Deferred tax on adjustments made (Ind AS 12)	0.83	-
<b>Equity as per Ind AS</b>	<b>1,075.03</b>	<b>917.00</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023

(All amounts are in Indian Rupees Millions, unless otherwise stated)

Reconciliation of equity as at 1 April 2021 (date of transition to Ind AS)

	Footnotes	Local GAAP	Adjustments	Ind AS
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment (net)	i	303.45	(24.00)	279.45
Capital work in progress		9.63	-	9.63
Right-of-use assets	i & ii	-	52.20	52.20
Intangible assets (net)		1.60	-	1.60
<b>Financial assets</b>				
(i) Other financial assets	iii	25.96	(7.32)	18.64
Income tax assets (net)		25.40	-	25.40
Deferred tax assets (net)		41.23	-	41.23
Other non-current assets		79.55	-	79.55
		<b>486.82</b>	<b>20.88</b>	<b>507.70</b>
<b>Current assets</b>				
Inventories		297.12	-	297.12
<b>Financial assets</b>				
(i) Trade receivables		1,039.47	-	1,039.47
(ii) Cash and cash equivalents		50.64	-	50.64
(iii) Other financial assets		15.44	-	15.44
Other current assets	iii	25.39	7.32	32.71
		<b>1,428.06</b>	<b>7.32</b>	<b>1,435.38</b>
<b>Assets held for sale</b>	i	-	20.28	20.28
<b>Total assets</b>		<b>1,914.88</b>	<b>48.48</b>	<b>1,963.36</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
Equity share capital		60.48	-	60.48
Other equity		856.52	-	856.52
<b>Total equity</b>		<b>917.00</b>	<b>-</b>	<b>917.00</b>
	<b>Footnotes</b>	<b>Local GAAP</b>	<b>Adjustments</b>	<b>Ind AS</b>
<b>Non-Current liabilities</b>				
<b>Financial liabilities</b>				
(i) Lease liabilities	ii	-	45.04	45.04
(ii) Borrowings	ii	3.36	(3.36)	-
Provisions	iv	35.07	1.18	36.25
		<b>38.43</b>	<b>42.86</b>	<b>81.29</b>
<b>Current liabilities</b>				
<b>Financial liabilities</b>				
(i) Borrowings		125.98	-	125.98
(ii) Lease liabilities	ii	-	7.66	7.66
(iii) Trade payables				
Total outstanding dues of micro and small enterprises		101.91	-	101.91
Total outstanding dues of creditors other than micro and small enterprises		613.41	-	613.41

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023

(All amounts are in Indian Rupees Millions, unless otherwise stated)

(iv) Other financial liabilities	ii	65.19	(0.86)	64.33
Provisions	iv	45.55	(1.18)	44.37
Other current liabilities		7.41	-	7.41
		<b>959.45</b>	<b>5.62</b>	<b>965.07</b>
<b>Total liabilities</b>		<b>997.88</b>	<b>48.48</b>	<b>1,046.36</b>
<b>Total equity and liabilities</b>		<b>1,914.88</b>	<b>48.48</b>	<b>1,963.36</b>

### Reconciliation of equity as at 31 March 2022

		Local GAAP	Adjustments	Ind AS
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment (net)	i	361.33	(27.02)	334.31
Capital work in progress		8.86	-	8.86
Right-of-use assets	ii	-	45.25	45.25
Intangible assets (net)		2.07	-	2.07
<b>Financial assets</b>				
(i) Other financial assets	iii	25.96	(6.17)	19.79
Income tax assets (net)		11.89	1.31	13.20
Deferred tax assets (net)	v	39.32	0.83	40.15
Other non-current assets		117.98	(1.32)	116.66
		<b>567.41</b>	<b>12.88</b>	<b>580.29</b>
<b>Current assets</b>				
Inventories		326.42	-	326.42
<b>Financial assets</b>				
(i) Trade receivables		1,090.53	-	1,090.53
(ii) Cash and cash equivalents		14.06	-	14.06
(iii) Other financial assets		4.54	-	4.54
Other current assets	iii	49.13	5.94	55.07
		<b>1,484.68</b>	<b>5.94</b>	<b>1,490.62</b>
<b>Assets held for sale</b>	i	-	20.28	20.28
<b>Total assets</b>		<b>2,052.09</b>	<b>39.10</b>	<b>2,091.19</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
Equity share capital		60.48	-	60.48
Other equity		1,017.03	(2.48)	1,014.55
<b>Total equity</b>		<b>1,077.51</b>	<b>(2.48)</b>	<b>1,075.03</b>
<b>Non-Current liabilities</b>				
<b>Financial liabilities</b>				
(i) Lease liabilities	ii	-	38.38	38.38
(ii) Borrowings	ii	4.52	(4.52)	-
Provisions	iv	33.47	1.54	35.01
		<b>37.99</b>	<b>35.40</b>	<b>73.39</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023

(All amounts are in Indian Rupees Millions, unless otherwise stated)

### Current liabilities

#### Financial liabilities

(i) Borrowings		152.32	-	152.32
(ii) Lease liabilities	ii	-	10.54	10.54
(iii) Trade payables				
Total outstanding dues of micro and small enterprises		71.62	-	71.62
Total outstanding dues of creditors other than micro and small enterprises		593.21	-	593.21
(iv) Other financial liabilities	ii	71.78	(2.72)	69.06
Provisions	iv	29.69	(1.53)	28.16
Other current liabilities		17.86	-	17.86
		<b>936.48</b>	<b>6.29</b>	<b>942.77</b>
<b>Total liabilities</b>		<b>974.47</b>	<b>41.68</b>	<b>1,016.16</b>
<b>Total equity and liabilities</b>		<b>2,051.98</b>	<b>39.20</b>	<b>2,091.18</b>

### Reconciliation of profit or loss for the year ended 31 March 2022

	Footnotes	Local GAAP	Adjustments	Ind AS
Revenue from operations		3,671.55	-	3,671.55
Other income		2.40	1.16	3.56
<b>Total income</b>		<b>3,673.95</b>	<b>1.16</b>	<b>3,675.11</b>

### Expenses

Cost of raw material and components consumed		2,643.89	-	2,643.89
Purchase of traded goods		9.07	-	9.07
Increase in inventories of finished goods, work-in-progress and traded goods		(14.58)	-	(14.58)
Employee benefits expense	iv	301.14	0.77	301.91
Depreciation and amortisation expense	i & ii	57.04	9.84	66.88
Finance costs		14.29	3.82	18.11
Other expenses	ii	445.64	(9.20)	436.44
<b>Total expenses</b>		<b>3,456.49</b>	<b>5.23</b>	<b>3,461.72</b>

<b>Profit before tax</b>		<b>217.46</b>	<b>(4.07)</b>	<b>213.39</b>
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### Tax expense

Current tax		53.74	-	53.74
Adjustment of tax relating to earlier periods		1.31	-	1.31
Deferred tax charge/ (credit)	v	1.91	(1.03)	0.89
<b>Income tax expense</b>		<b>56.96</b>	<b>(1.03)</b>	<b>55.94</b>

<b>Profit for the year</b>		<b>160.50</b>	<b>(3.04)</b>	<b>157.45</b>
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### Other comprehensive income

Other comprehensive income not to be reclassified to profit or loss in subsequent periods

Re-measurement gain/(loss) on defined benefit plans	iv	-	0.77	0.77
Income tax effect	iv	-	(0.19)	(0.19)
Total other comprehensive income, net of tax		-	<b>0.58</b>	<b>0.58</b>

<b>Total comprehensive profit/(loss) for the year, net of tax</b>		<b>160.50</b>	<b>(2.46)</b>	<b>158.03</b>
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## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023

(All amounts are in Indian Rupees Millions, unless otherwise stated)

Footnotes to the reconciliation of equity as at 1 April 2021 and 31 March 2022 and profit or loss for the year ended 31 March 2022

### i. Property, Plant & Equipment (PPE)

Under previous GAAP, all the vehicles on lease is classified under property, plant & equipment. IND AS 116 requires leased vehicle to assess as per lease definition of Ind AS 116 and accordingly accounted. As per the given criteria of IND AS 116, the company has reclassified net carrying value of leased vehicle from property plant, equipment in books as on 01 April 2021. The Company has also separately disclosed the property, plant and equipment held for sale as on 01 April 2021 which were shown in Property, plant & equipment under the previous GAAP.

### ii. Ind AS 116 implementation

At the date of transition, the Company recognises 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. The Company has recognised right-of-use asset and a corresponding lease liability for leasehold buildings as on 1 April 2021. In respect of leasehold vehicles, the Company has transferred lease liability as on 01 April 2021 to lease liability which were shown as borrowings and other current liabilities in the previous GAAP.

### iii. Financial assets at amortised cost

Under previous GAAP all the security deposits given to the lessor are recorded at transaction value. IND AS 109 requires financial assets which are classified as amortised cost to be initially measured at fair value and subsequently at amortized cost using the effective interest method (EIR).

Accordingly, Security deposits are discounted to be recognised at amortised cost. The excess of the principal amount of the deposit over its fair value is accounted for as prepaid lease expense (income) and amortized over the lease term on a straight line basis. Interest on the deposit, meanwhile, is accounted for using the effective interest rate (EIR) method.

### iv. Remeasurement of post employment benefits obligation

Under previous GAAP, the Company accounted for actuarial gain/loss on gratuity as part of employee benefits expense. Under Ind AS, the same has been reclassified to other comprehensive income. The tax impact of the same has also been adjusted accordingly from the Statement of Profit and Loss to Other Comprehensive Income.

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans and tax thereon. The concept of other comprehensive income does not exist under previous GAAP.

### v. Deferred Tax

Previous GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base.

In addition, the various transitional adjustments lead to temporary differences. Deferred tax adjustments are recognised in correlation to the underlying transaction in retained earnings.

## 28 Related party disclosures

### Names of related parties where control exists irrespective of whether transactions have occurred or not

Ultimate holding company : Schneider Electric SE, France

Holding company : Schneider Electric South East Asia (HQ) Pte Limited, Singapore

### Names of other related parties with whom transactions have taken place during the year.

Fellow subsidiaries : American Power Conversion Corporation (A.P.C) B.V, Philippines

: Sarel Appareillage Electrique SAS, France

: Schneider Electric (Australia) Pty Limited, Australia

: Schneider Electric Asia Pte. Ltd, Singapore

: Schneider Electric Alpes, France

: Schneider Electric DC MEA FZCO, U.A.E.

: Schneider Electric Egypt S.A.E., Egypt



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023

(All amounts are in Indian Rupees Millions, unless otherwise stated)

- : Schneider Electric Espana SAU, Spain
- : Schneider Electric France SAS, France
- : Schneider Electric India Private Limited, India
- : Schneider Electric Industries SAS, France
- : Schneider Electric Infrastructure Limited, India
- : Schneider Electric IT Australia Pty Limited, Australia
- : Schneider Electric IT Business India Private Limited, India
- : Schneider Electric IT Corporation, USA
- : Schneider Electric Mexico, Mexico
- : Schneider Electric IT France, France
- : Schneider Electric France
- : Schneider Electric IT Logistics Asia Pacific Pte Limited, Singapore
- : Schneider Electric IT Logistics Europe Ltd, Netherlands
- : Schneider Electric Limited, U.K.
- : Schneider Electric Manufacturing The Netherlands B.V., Netherlands
- : Schneider Electric Private Limited, India
- : Schneider Electric Singapore Pte Ltd, Singapore
- : Schneider (Suzhou) Drives Company Limited, China
- : Uniflair SPA, Italy
- : Veris Industries LLC, USA
- : Schneider Electric India Foundation (SEIF)
- Key managerial personnel (KMP)** : Subhrendu Sarkar, Non-Executive Director (w.e.f 01 January 2023)
- : Chitra Sukumar, Non-Executive Director (w.e.f 01 January 2023)
- : Arnab Roy, Non-Executive Director (w.e.f 01 April 2022)
- : Shivaprasad Srinivas, Wholetime Director (w.e.f. 08 March 2022)
- : Sachin Bhalla, Non-Executive Director (w.e.f 01 August 2021)
- : Ranjan Pant, Non-Executive, Independent Director and Chairman
- : RR Nair, Independent Director
- : Mohamed Adil Mohamed Aslam Sattar, Wholetime Director (upto 08 March, 2022)
- : Sapna Bhatia, Company Secretary

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023

(All amounts are in Indian Rupees Millions, unless otherwise stated)

### Related party disclosures

(a) The Company has entered into the following transactions with related parties:

Name of the related party	Year ended	Sale of goods	Purchase of services	Information Technologies Licence Fees	Management fees	Reimbursement to the Company	Reimbursement from the Company	Purchase of goods	Purchase of property, plant and equipment	Corporate Social Responsibility expense	Trade receivables and other current assets	Trade payables
<b>Ultimate Holding Company</b>												
Schneider Electric SE, France	31 March 2023	-	-	-	-	-	-	-	-	-	-	-
	31 March 2022	-	-	-	-	-	-	-	-	-	-	-
	1 April 2021	-	-	-	-	-	-	-	-	-	-	-
<b>Holding Company</b>												
Schneider Electric South East Asia (HQ) Pte Limited, Singapore	31 March 2023	-	-	-	-	30.11	-	-	-	-	2.23	-
	31 March 2022	-	-	-	-	-	-	-	-	-	4.54	-
	1 April 2021	-	-	-	-	-	-	-	-	-	15.44	-
<b>Fellow subsidiaries</b>												
Schneider Electric IT Business India Private Limited, India	31 March 2023	67.41	5.40	-	-	0.53	20.26	73.81	0.95	-	18.60	25.67
	31 March 2022	66.32	19.58	-	-	0.26	-	43.92	7.80	-	21.49	10.56
	1 April 2021	-	-	-	-	-	-	-	-	-	14.36	5.02
Schneider Electric India Private Limited, India	31 March 2023	32.56	2.59	-	-	0.13	-	97.85	0.14	-	7.58	15.81
	31 March 2022	12.79	4.31	-	-	-	-	50.38	3.96	-	3.71	18.69
	1 April 2021	-	-	-	-	-	-	-	-	-	0.77	21.98
Schneider Electric IT Australia Pty Ltd, Australia	31 March 2023	18.69	-	-	-	-	-	-	-	-	-	-
	31 March 2022	-	-	-	-	-	-	-	-	-	-	-
	1 April 2021	-	-	-	-	-	-	-	-	-	-	-
Uniflair SPA, Italy	31 March 2023	-	-	-	-	-	-	-	-	-	-	-
	31 March 2022	-	-	-	-	-	-	-	-	-	-	-
	1 April 2021	-	-	-	-	-	-	-	-	-	-	1.35

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023

(All amounts are in Indian Rupees Millions, unless otherwise stated)

Name of the related party	Year ended	Sale of goods	Purchase of services	Information Technologies Licence Fees	Management fees	Reimbursement to the Company	Reimbursement from the Company	Purchase of goods	Purchase of property, plant and equipment	Corporate Social Responsibility expense	Trade receivables and other current assets	Trade payables
Sarel Appareillage Electrique SAS, France	31 March 2023	12.57	-	-	-	-	-	-	-	-	4.30	-
	31 March 2022	33.20	-	-	-	-	-	-	-	-	8.52	-
	1 April 2021	-	-	-	-	-	-	-	-	-	4.82	-
Schneider Electric Industries SAS, France	31 March 2023	-	60.43	57.70	46.21	3.31	20.40	-	-	-	-	80.25
	31 March 2022	-	0.62	26.84	30.26	-	6.38	-	-	-	-	73.42
	1 April 2021	-	-	-	-	-	-	-	-	-	-	70.58
Schneider Electric Alpes, France	31 March 2023	46.02	-	-	-	-	-	-	-	-	18.67	-
	31 March 2022	74.66	-	-	-	-	-	-	-	-	24.37	-
	1 April 2021	-	-	-	-	-	-	-	-	-	14.22	-
Schneider Electric Asia Pte. Ltd, Singapore	31 March 2023	307.68	-	-	3.32	-	2.27	-	-	-	93.04	4.84
	31 March 2022	352.52	-	-	2.29	-	2.01	-	-	-	-	4.91
	1 April 2021	-	-	-	-	-	-	-	-	-	41.54	7.21
Schneider Electric Private Limited, India	31 March 2023	0.75	33.39	-	-	5.12	0.15	-	-	-	3.61	8.25
	31 March 2022	0.12	25.95	-	-	0.13	-	-	-	-	0.62	0.61
	1 April 2021	-	-	-	-	-	-	-	-	-	3.09	2.12
Veris Industries LLC, USA	31 March 2023	-	-	-	-	-	33.59	-	-	-	-	12.70
	31 March 2022	-	-	-	-	-	6.94	-	-	-	-	1.54
	1 April 2021	-	-	-	-	-	-	-	-	-	-	2.10
Schneider Electric France SAS, France	31 March 2023	44.27	-	-	-	-	-	-	-	-	3.79	-
	31 March 2022	97.61	-	-	-	-	-	-	-	-	27.14	-
	1 April 2021	-	-	-	-	-	-	-	-	-	34.92	-
Schneider Electric Infrastructure Limited, India	31 March 2023	-	-	-	-	-	0.26	-	0.90	-	1.68	-
	31 March 2022	-	-	-	-	-	-	-	3.69	-	1.68	-
	1 April 2021	-	-	-	-	-	-	-	-	-	1.68	-
Schneider Electric IT Corporation, USA	31 March 2023	20.47	-	-	-	-	-	-	-	-	7.24	0.83
	31 March 2022	18.09	-	-	-	1.20	-	-	-	-	2.59	2.45
	1 April 2021	-	-	-	-	-	-	-	-	-	0.97	0.33

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023

(All amounts are in Indian Rupees Millions, unless otherwise stated)

Name of the related party	Year ended	Sale of goods	Purchase of services	Information Technologies Licence Fees	Management fees	Reimbursement to the Company	Reimbursement from the Company	Purchase of goods of plant and equipment	Purchase of property, plant and equipment	Corporate Social Responsibility expense	Trade receivables and other current assets	Trade payables
Schneider Electric IT Logistic Asia Pacific Pte. Ltd., Singapore	31 March 2023	64.62	-	-	-	-	-	-	-	-	14.77	0.49
	31 March 2022	52.05	-	-	-	14.26	-	-	-	-	92.90	0.45
	1 April 2021	-	-	-	-	-	-	-	-	-	0.27	0.43
Schneider Electric Singapore Pte Limited	31 March 2023	103.27	-	-	-	-	-	-	-	-	0.43	-
	31 March 2022	55.33	-	-	-	-	-	-	-	-	24.68	-
Schneider Electric Mexico Sa, Mexico	1 April 2021	-	-	-	-	-	-	-	-	-	6.92	-
	31 March 2023	20.12	-	-	-	-	-	-	-	-	20.10	-
Schneider Electric Espana SAU, Spain	31 March 2023	-	-	-	-	-	-	2.52	-	-	-	4.01
	31 March 2022	-	-	-	-	-	-	-	-	-	-	-
	1 April 2021	-	-	-	-	-	-	-	-	-	-	-
Schneider Electric (Australia) Pty Limited, Australia	31 March 2023	-	-	-	-	-	-	0.64	-	-	-	0.06
	31 March 2022	-	-	-	-	-	-	-	-	-	-	-
	1 April 2021	-	-	-	-	-	-	-	-	-	-	-
Schneider Electric IT Logistics Europe Ltd, Netherlands	31 March 2023	-	-	-	-	-	-	-	-	-	-	0.27
	31 March 2022	-	-	-	-	-	-	-	-	-	-	-
	1 April 2021	-	-	-	-	-	-	-	-	-	-	-
Schneider Electric India Foundation	31 March 2023	-	-	-	-	-	-	-	-	3.20	-	-
	31 March 2022	-	-	-	-	-	-	-	-	3.07	-	-
	1 April 2021	-	-	-	-	-	-	-	-	-	-	-
Others	31 March 2023	5.79	-	-	-	-	-	-	-	-	1.26	-
	31 March 2022	29.39	-	-	-	-	-	16.25	-	-	19.86	18.82
	1 April 2021	-	-	-	-	-	-	-	-	-	1.10	4.44
<b>Total</b>	<b>31 March 2023</b>	<b>744.22</b>	<b>101.81</b>	<b>57.70</b>	<b>49.53</b>	<b>35.89</b>	<b>23.72</b>	<b>231.34</b>	<b>1.99</b>	<b>3.20</b>	<b>197.30</b>	<b>153.18</b>
	<b>31 March 2022</b>	<b>792.08</b>	<b>50.46</b>	<b>26.84</b>	<b>32.55</b>	<b>15.85</b>	<b>-</b>	<b>125.88</b>	<b>15.45</b>	<b>3.07</b>	<b>232.10</b>	<b>131.45</b>
	<b>1 April 2021</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>140.10</b>	<b>115.56</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023

(All amounts are in Indian Rupees Millions, unless otherwise stated)

**(b) Interest expense on loan**

	Year ended 31 March 2023	Year ended 31 March 2022
Schneider Electric India Private Limited, India	4.90	6.72
	<b>4.90</b>	<b>6.72</b>

(c) The Company has an arrangement with Schneider Electric India Private Limited, India (SEIPL), a fellow subsidiary, for a cash lending limit up to Rs. 350.00 million (31 March, 2022 Rs. 350.00 million, 1 April 2021 Rs. 350.00 million). Basis such arrangement, the Company's banker automatically transfers funds from SEIPL to the Company's bank account in case of requirement of fund at the end of each day up to the approved limits. The maximum balance outstanding during the year basis such arrangement is as below.

	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
Maximum balance outstanding during the year	289.77	350.00	300.75
Loan taken during the year (net)	-	26.66	125.27
Repayment of loan during the year (net)	151.93	-	-
Closing balance of loan as at year end	-	151.93	125.27

**(d) Remuneration to key managerial personnel**

	Year ended 31 March 2023	Year ended 31 March 2022
Mohamed Adil Mohamed Aslam Sattar	-	3.72
Sapna Bhatia	2.10	1.56
Shivaprasad Srinivas	6.54	0.43
	<b>8.64</b>	<b>5.71</b>

**Managerial remuneration**

**Salaries and allowances**

Salaries and allowances	8.14	5.13
Contribution to provident fund	0.34	0.23
Perquisites	0.16	0.35
	<b>8.64</b>	<b>5.71</b>

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

**29. Commitments and contingencies**

**A. Capital and other commitments**



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023

(All amounts are in Indian Rupees Millions, unless otherwise stated)

Particulars	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
Estimated amount of contracts remaining to be executed on Capital Account (net of advances)	24.16	23.32	21.01
<b>B. Contingent liabilities</b>			
Particulars	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
(a) Claims against the Company not acknowledged as debts (refer note i below)	-	1.45	3.74
(b) Customs, Excise & GST matters	6.18	6.21	3.74
(c) Sales Tax matters – Non collection of 'C' and 'I' forms	-	21.81	41.59
(d) Outstanding bank guarantees	395.63	351.27	375.86
	<b>401.81</b>	<b>380.74</b>	<b>424.93</b>

**Note:**

(i) The Company reconciles its outstanding vendor balances by obtaining confirmations/account statements received from such vendors. Basis such reconciliations, the Company did not acknowledge vendor (other than related party) claims amounting to Rs. NIL (31 March 2022: Rs 1.45 million and 1 April 2021 Rs. 3.74 million) in absence of adequate documentation evidencing the proof of delivery of the materials to be received from the vendors. Further the management confirms that the materials are yet to be received by the Company.

**30. Segment information**

The Chief Operating Decision Maker "CODM" reviews the operations of the Company as a whole, i.e. single primary business segment viz. product and systems for electricity distribution, hence, there are no reportable segments as per Ind AS 108 "Operating Segments".

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

### 31 Leases

(All amounts are in Indian Rupees Millions, unless otherwise stated)

The Company has lease contracts for buildings and vehicles. The leases for building generally have lease terms of 6 years and for vehicles 4 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and sub-leasing the leased assets. There are several lease contracts that include extension and termination options and variable lease payments. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for its leases.

a) The following are the carrying amount of right of use assets recognised and movement during the year :-

Particulars	Buildings	Vehicles	Total
<b>Gross Block</b>			
As at 1 April 2021	48.46	6.20	54.66
Additions	-	4.56	4.56
Deletions	-	(0.96)	(0.96)
<b>As at 31 March 2022</b>	<b>48.46</b>	<b>9.80</b>	<b>58.26</b>
Additions	-	1.89	1.89
Deletions	-	(3.83)	(3.83)
<b>As at 31 March 2023</b>	<b>48.46</b>	<b>7.86</b>	<b>56.32</b>
<b>Accumulated amortisation</b>			
As at 1 April 2021	-	2.46	2.46
Charge for the year	9.84	1.65	11.49
Deletions	-	(0.94)	(0.94)
<b>As at 31 March 2022</b>	<b>9.84</b>	<b>3.17</b>	<b>13.01</b>
Charge for the year	9.23	2.67	11.90
Deletions	-	(2.18)	(2.18)
<b>As at 31 March 2023</b>	<b>19.07</b>	<b>3.66</b>	<b>22.73</b>
<b>Net block as at 01 April 2021</b>	<b>48.46</b>	<b>3.74</b>	<b>52.20</b>
<b>Net block as at 31 March 2022</b>	<b>38.62</b>	<b>6.63</b>	<b>45.25</b>
<b>Net block as at 31 March 2023</b>	<b>29.39</b>	<b>4.20</b>	<b>33.59</b>

b) The following are the carrying amount of lease liabilities and movement during the year :

Particulars	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
<b>Opening Balance</b>	<b>48.92</b>	<b>52.70</b>	-
Recognised on adoption of Ind AS 116 as at 1 April 2021	-	-	52.70
Additions during the year	1.89	4.56	-
Accretion of interest	5.03	5.52	-
Payments	(14.75)	(13.68)	-
Deletions	(2.96)	(0.18)	-
<b>Closing Balance</b>	<b>38.13</b>	<b>48.92</b>	<b>52.70</b>
Current	10.40	10.54	7.66
Non Current	27.73	38.38	45.04
<b>Total</b>	<b>38.13</b>	<b>48.92</b>	<b>52.70</b>

Note: The effective interest rate for lease liabilities is 8.75% and 7.33% for buildings and vehicles respectively with maturity between 2019-2027.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

(All amounts are in Indian Rupees Millions, unless otherwise stated)

c) The following are the amounts recognised in the statement of profit or loss:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Amortisation expense of right of use assets	11.90	11.49
Interest expense on lease liabilities	5.03	5.52
Expense relating to short-term leases and low value leases (included in other expenses)	-	-
<b>Total Amount</b>	<b>16.93</b>	<b>16.01</b>

d) The maturity analysis of lease liabilities as at year end on an undiscounted basis are shown below:

Particulars	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
i) Not later than one year	11.08	11.37	8.62
ii) Later than one year but not later than five years	28.44	39.77	47.26
iii) Later than five years	-	-	-

- e) The Company had cash outflows for leases of Rs. 14.75 million (31 March 2022: Rs. 13.68 million). The Company had Rs. Nil (31 March 2022, Rs. Nil) non-cash additions to right-of-use assets and lease liabilities.
- f) The Company has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

(All amounts are in Indian Rupees Millions, unless otherwise stated)

### 32 Fair value measurements

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

#### Financial instruments by category

Financial assets at amortised cost	Carrying Value			Fair value		
	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
Other financial assets (non-current)	22.74	19.79	18.64	22.74	19.79	18.64
Trade receivables (current)	657.84	1,090.53	1,039.47	657.84	1,090.53	1,039.47
Cash and cash equivalents	481.78	14.06	50.64	481.78	14.06	50.64
Other financial assets (current)	7.92	4.54	15.44	7.92	4.54	15.44
	<b>1,170.28</b>	<b>1,128.92</b>	<b>1,124.19</b>	<b>1,170.28</b>	<b>1,128.92</b>	<b>1,124.19</b>
<b>Financial Liabilities at amortised cost</b>						
Lease Liabilities (non-current)	27.73	38.38	45.04	27.73	38.38	45.04
Borrowings (current)	-	152.32	125.98	-	152.32	125.98
Lease liabilities (current)	10.40	10.54	7.66	10.40	10.54	7.66
Trade Payable	521.42	664.83	715.32	521.42	664.83	715.32
Other financial liabilities (current)	86.56	69.06	64.33	86.56	69.06	64.33
	<b>646.11</b>	<b>935.13</b>	<b>958.33</b>	<b>646.11</b>	<b>935.13</b>	<b>958.33</b>

The management assessed that cash and cash equivalents, trade receivables, trade payables, and other current financial assets/liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- The fair values of the interest-bearing borrowings and loans are determined by using Discounted Cash Flow method using discount rate that reflects the Company's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31 March 2023 was assessed to be insignificant.
- Long-term receivables/payables are evaluated by the Company based on parameters such as interest rates, risk factors, individual creditworthiness of the counterparty and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31 March 2023, are as shown below in note 33

### 33 Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

**Level 1:** quoted (unadjusted) prices in active markets for identical assets or liabilities

**Level 2:** other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly

**Level 3:** techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

#### Quantitative disclosures of fair value measurement hierarchy for assets as on 31 March 2023

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

(All amounts are in Indian Rupees Millions, unless otherwise stated)

	Carrying Value	Fair Value		
	As at 31 March 2023	Level 1	Level 2	Level 3
<b>Assets carried at amortised cost for which fair value are disclosed</b>				
Other financial assets (non-current)	22.74	-	-	22.74
Trade receivables (current)	657.84	-	-	657.84
Cash and cash equivalents	481.78	-	-	481.78
Other financial assets (current)	7.92	-	-	7.92
	<b>1,170.28</b>	-	-	<b>1,170.28</b>
<b>Liabilities carried at amortised cost for which fair value are disclosed</b>				
Lease Liabilities (non-current)	27.73	-	-	27.73
Lease liabilities (current)	10.40	-	-	10.40
Trade Payable	521.42	-	-	521.42
Other financial liabilities (current)	86.56	-	-	86.56
	<b>646.11</b>	-	-	<b>646.11</b>

### Quantitative disclosures of fair value measurement hierarchy for assets as on 31 March 2022

	Carrying Value	Fair Value		
	As at 31 March 2022	Level 1	Level 2	Level 3
<b>Assets carried at amortised cost for which fair value are disclosed</b>				
Other financial assets (non-current)	19.79	-	-	19.79
Trade receivables (current)	1,090.53	-	-	1,090.53
Cash and cash equivalents	14.06	-	-	14.06
Other financial assets (current)	4.54	-	-	4.54
	<b>1,128.92</b>	-	-	<b>1,128.92</b>
<b>Liabilities carried at amortised cost for which fair value are disclosed</b>				
Lease Liabilities (non-current)	38.38	-	-	38.38
Borrowings (current)	152.32	-	-	152.32
Lease liabilities (current)	10.54	-	-	10.54
Trade Payable	664.83	-	-	664.83
Other financial liabilities (current)	69.06	-	-	69.06
	<b>935.13</b>	-	-	<b>935.13</b>

### Quantitative disclosures of fair value measurement hierarchy for assets as on 1 April 2021

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

(All amounts are in Indian Rupees Millions, unless otherwise stated)

	Carrying Value		Fair Value	
	As at 1 April 2021	Level 1	Level 2	Level 3
<b>Assets carried at amortised cost for which fair value are disclosed</b>				
Other financial assets (non-current)	18.64	-	-	18.64
Trade receivables (current)	1,039.47	-	-	1,039.47
Cash and cash equivalents	50.64	-	-	50.64
Other financial assets (current)	15.44	-	-	15.44
	<b>1,124.19</b>	-	-	<b>1,124.19</b>
<b>Liabilities carried at amortised cost for which fair value are disclosed</b>				
Lease Liabilities (non-current)	45.04	-	-	45.04
Borrowings (current)	125.98	-	-	125.98
Lease liabilities (current)	7.66	-	-	7.66
Trade Payable	715.32	-	-	715.32
Other financial liabilities (current)	64.33	-	-	64.33
	<b>958.33</b>	-	-	<b>958.33</b>

### 34 Financial risk management objectives and policies

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

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks and also ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors review and agree policies for managing each of these risks which are summarized as below:

#### (a) 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 prices comprises three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risks include loans, deposits, investments and foreign currency receivables and payables. The sensitivity analyses in the following sections relate to the position as at 31 March 2023, 31 March 2022 and 1 April 2021. The sensitivity of the relevant profit and loss items is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of 31 March 2023, 31 March 2022 and 1 April 2021.

#### (i) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in foreign currency). Foreign currency exchange rate exposure on sales is partly balanced by purchasing of goods from the respective countries. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

#### Foreign currency risk sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD, EUR, and JPY exchange rates, with all other variables held constant. The impact on the Company profit before tax is due to changes in the fair value of monetary assets and liabilities. Foreign currency exposures recognised by the Company that have not been hedged by a derivative instrument or otherwise are as under:

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

(All amounts are in Indian Rupees Millions, unless otherwise stated)

	As at 31 March 2023			Gain/ (loss) Impact on profit before tax and equity	
	Currency	Foreign Currency	Amount	1% Increase	1% Decrease
Trade payables	USD	1.17	95.38	(0.95)	0.95
	EUR	0.10	8.73	(0.09)	0.09
Trade receivables (gross of provision)	USD	2.50	202.90	2.03	(2.03)
	EUR	0.30	26.42	0.26	(0.26)
Other assets	USD	0.03	2.07	0.02	(0.02)
	EUR	0.01	0.47	(-*)	(-*)
Other financial assets	USD	0.03	2.23	0.02	(0.02)
Balance in Exchange Earner's Foreign Currency (EEFC) account	USD	0.42	34.11	0.34	(0.34)
	EUR	0.02	1.45	0.01	(0.01)
Advance from customer	USD	(-*)	(0.26)	(-*)	(-*)
* Nil due to rounding off to million					
	As at 31 March 2022			Gain/ (loss) Impact on profit before tax and equity	
	Currency	Foreign Currency	Amount	1% Increase	1% Decrease
Trade payables	USD	1.28	97.33	(0.97)	0.97
	EUR	0.10	8.34	(0.08)	0.08
Trade receivables (gross of provision)	USD	2.89	218.71	2.19	(2.19)
	EUR	0.70	59.31	0.59	(0.59)
Other financial assets	USD	0.06	4.49	0.04	(0.04)
	EUR	0.01	0.52	0.01	(0.01)
	JPY	1.56	0.97	0.01	(0.01)
Balance in Exchange Earner's Foreign Currency (EEFC) account	USD	0.12	8.92	0.09	(0.09)
	EUR	0.06	5.14	0.05	(0.05)
	As at 1 April 2021			Gain/ (loss) Impact on profit before tax and equity	
	Currency	Foreign Currency	Amount	1% Increase	1% Decrease
Trade payables	USD	1.24	90.39	(0.90)	0.90
	EUR	0.11	9.83	(0.10)	0.10
Trade receivables (gross of provision)	USD	1.00	73.27	0.73	(0.73)
	EUR	0.64	54.58	0.55	(0.55)
Other assets	USD	0.21	15.44	0.15	(0.15)
Other financial assets	EUR	0.02	1.48	0.01	(0.01)
Balance in Exchange Earner's Foreign Currency (EEFC) account	USD	0.46	33.28	0.33	(0.33)
	EUR	0.18	15.86	0.16	(0.16)

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

(All amounts are in Indian Rupees Millions, unless otherwise stated)

### (ii) Interest Rate Risk

Interest rate 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 borrowings outstanding as at March 31, 2023, 31 March 2022 and 1 April 2021 comprise of fixed rate loans and accordingly, are not exposed to risk of fluctuation in market interest rate.

### (iii) Commodity Price Risk

The Company is affected by the price volatility of certain commodities. Its operating activities require the ongoing purchase and manufacture of electronic parts and therefore require a continuous supply of steel and copper. Due to the significantly increased volatility of the price of the steel and copper, the Company has entered into various purchase contracts for these material for which there is an active market. The Company maintains the level of these stock as per the requirement of business and market which are discussed by the management on regular basis. The Company operates in the way that saving / impact due to change in commodity prices in the active market are passed on to the customer and therefore impact on profit due to change in price of commodity is unascertainable.

### (b) Credit Risk

Credit Risk is the risk that the counter party will not meet its obligation 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, foreign exchange transactions and other financial instruments.

#### (i) Trade Receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. An impairment analysis is performed at each reporting date on trade receivables by lifetime expected credit loss method based on provision matrix. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 9 (i). 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.

#### (ii) Financial instruments

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made in loans/preference shares of fellow subsidiaries and risk free bank deposits. Balances with banks is subject to low credit risks due to good credit ratings. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counter party's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2023, 31 March 2022 and 1 April 2021 is the carrying amounts. Trade Receivables and other financial assets are written off when there is no reasonable expectation of recovery, such as debtor failing to engage in the repayment plan with the Company. The Company's maximum exposure relating to financial assets is noted in liquidity table below.

	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
<b>Financial assets for which allowance is measured using 12 months Expected Credit Loss Method (ECL)</b>			
Other financial assets (non-current)	22.74	19.79	18.64
Cash and cash equivalents	481.78	14.06	50.64
Other financial assets (current)	7.92	4.54	15.44
	<b>511.44</b>	<b>37.39</b>	<b>84.72</b>
<b>Financial assets for which allowance is measured using Life time Expected Credit Loss Method (ECL)</b>			
Trade receivables (current)	657.84	1,090.53	1,039.47
	<b>657.84</b>	<b>1,090.53</b>	<b>1,039.47</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

(All amounts are in Indian Rupees Millions, unless otherwise stated)

The following table summarizes the change in loss allowance measured using the life time expected credit loss model:

	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
At the beginning of year	41.00	79.41	90.07
Provision created/(reversed) during the year	(12.78)	21.52	(10.66)
Less: Bad debts written off during the year	-	59.93	-
<b>At the end of year</b>	<b>28.22</b>	<b>41.00</b>	<b>79.41</b>

### (c) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Company manages liquidity risk by maintaining adequate banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

#### Maturity profile of financial liabilities

The table below provides the details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

As at 31 March 2023	< 1 year	1 to 3 years	> 3 years	Total
Lease Liabilities (non-current)	-	25.70	2.03	27.73
Borrowings (current)	-	-	-	-
Lease liabilities (current)	10.40	-	-	10.40
Trade Payable	521.42	-	-	521.42
Other financial liabilities (current)	86.56	-	-	86.56
	<b>618.38</b>	<b>25.70</b>	<b>2.03</b>	<b>646.11</b>

As at 31 March 2022	< 1 year	1 to 3 years	> 3 years	Total
Lease Liabilities (non-current)	-	27.84	10.54	38.38
Borrowings (current)	152.32	-	-	152.32
Lease liabilities (current)	10.54	-	-	10.54
Trade Payable	664.83	-	-	664.83
Other financial liabilities (current)	69.06	-	-	69.06
	<b>896.75</b>	<b>27.84</b>	<b>10.54</b>	<b>935.13</b>

As at 1 April 2021	< 1 year	1 to 3 years	> 3 years	Total
Lease Liabilities (non-current)	-	25.67	19.37	45.04
Borrowings (current)	125.98	-	-	125.98
Lease liabilities (current)	7.66	-	-	7.66
Trade Payable	715.32	-	-	715.32
Other financial liabilities (current)	64.33	-	-	64.33
	<b>913.29</b>	<b>25.67</b>	<b>19.37</b>	<b>958.33</b>

### 35 Capital Management

For the purposes of Company's capital management, Capital includes equity attributable to the equity holders of the Company and all other equity reserves. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and maximize shareholder value. 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 is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2023, 31 March 2022 and 1 April 2021.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

(All amounts are in Indian Rupees Millions, unless otherwise stated)

The Company monitors capital using gearing ratio, which is net debt divided by total capital plus net debt. As at 31 March 2023, the Company has sufficient cash, cash equivalents and financial assets which are liquid to meet the debts as below.

Particulars	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
Borrowings (including lease liabilities)	38.13	201.24	178.68
Cash and Cash Equivalents	(481.78)	(14.06)	(50.64)
<b>Net Debt</b>	<b>(443.65)</b>	<b>187.18</b>	<b>128.04</b>
Equity	1,230.67	1,075.03	917.00
<b>Total Capital</b>	<b>1,230.67</b>	<b>1,075.03</b>	<b>917.00</b>
Capital and net debt	787.02	1,262.20	1,044.04
Gearing ratio (Net debt/Capital and Net Debt)	-56%	15%	12%

### 36 Corporate social responsibility

As per provisions of section 135 of the Companies Act, 2013, the Company has to incur at least 2% of average net profits of the preceding three financial years towards Corporate Social Responsibility ("CSR"). Accordingly, a CSR committee has been formed for carrying out CSR activities as per the Schedule VII of the Companies Act, 2013. The Company has contributed and paid a sum of Rs. 3.20 million (refer note 23) (31 March 2022: Rs. 3.07 million) towards this cause and debited the same to the Statement of Profit and Loss. The funds are primarily allocated to Schneider Electric India foundation (SEIF), a society registered under section 12A of the Income Tax Act, 1961 for promoting social integration and vocational training of disadvantaged youths and electrification of remote villages with limited resources.

	Year ended 31 March 2023	Year ended 31 March 2022
a) Gross amount required to be spent by the Company during the year	3.20	3.07
b) Amount spent during the year (basis confirmation from SEIF)	3.20	3.07

### 37 Transfer pricing

As per the Transfer Pricing Rules of the Income Tax Act, 1961 every Company is required to get a transfer pricing study conducted to determine whether the transactions with associated enterprises were undertaken at an arm's length basis for each financial year end. Transfer pricing study for the transaction pertaining to the year ended 31 March 2023 is currently in progress and hence adjustments if any which may arise there from have not been taken into account in these financial statements for the year ended 31 March 2023 and will be effective in the financial statements for subsequent year. However, in the opinion of the Company's management, adjustments, if any, are not expected to be material.

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

SAT after considering the submissions made by the parties, disposed of the Appeal vide its order dated 26 November 2019 ("Order") and directed SEBI to consider the issues raised by the Appellants and pass a reasoned order within three (3) months from the date of Order. In furtherance to this, on 7 February 2020, SEBI filed a Review Application before SAT seeking review of its Order, which was dismissed by SAT on 21 February 2020 and passed an order remanding the matter to SEBI, to reconsider the complaint and pass a reasonable order.

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

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

(All amounts are in Indian Rupees Millions, unless otherwise stated)

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

The Company on advice of its law firm, representing before the Authorities, had filed a Writ Petition with Hon’ble Bombay High Court against the SEBI order dated 19 January 2021. The Hon’ble High Court by its order dated 15 February 2021 has directed the Company to approach the SAT in an Appeal, to review of the Order passed by the SEBI with an observation that the SAT shall not be influenced with its earlier order and dismissed the Writ petition. The Company has filed an appeal before the SAT in Appeal (L) No. 128 of 2021. The matter is sub-judice and is listed for hearing on 26 June 2023.

For detailed information, please refer “Status Report-Equity Shares of the Company” in the Board’s Report.

### 39 Revenue from contracts with customers - Ind AS 115

#### a) Disaggregated revenue information

Set out below is the disaggregation of the Company’s revenue from contracts with customers (including other operating income):

	Year ended 31 March 2023	Year ended 31 March 2022
<b>Type of goods or services</b>		
Racks/ enclosures, card frames, components and accessories	3207.75	3,585.25
Installation, maintenance and other after sales services	75.68	60.16
Scrap Sales	16.48	7.98
Export incentive	36.45	18.16
<b>Total revenue from operations</b>	<b>3,336.36</b>	<b>3,671.55</b>
India	2,541.38	2,959.33
Outside India	794.98	712.22
<b>Total revenue from operations</b>	<b>3,336.36</b>	<b>3,671.55</b>
<b>Timing of revenue recognition</b>		
Goods transferred at a point in time	3207.75	3,585.25
Services transferred over time	75.68	60.16
<b>Total revenue from contracts with customers</b>	<b>3,283.43</b>	<b>3,645.41</b>
Scrap Sales	16.48	7.98
Export incentive	36.45	18.16
<b>Total revenue from operations</b>	<b>3,336.36</b>	<b>3,671.55</b>

#### b) Contract balances

	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
Trade receivables	657.84	1,090.53	1,039.47
Contract liabilities			
Advance from customers	7.57	12.80	6.12

Trade receivables are non-interest bearing and are generally on terms of 45 to 90 days.

#### c) Performance obligations

Information about the Company’s performance obligations are summarised below:

##### Sale of goods

The performance obligation is satisfied upon delivery of the goods.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

(All amounts are in Indian Rupees Millions, unless otherwise stated)

### Services

The Performance obligation is satisfied at point of time upon completion of service and pro-rata over the period of contract as and when service is rendered.

### 40 Ratio Analysis and it's elements

Ratio	Numerator	Denominator	Year ended 31 March 2023	Year ended 31 March 2022	Variance	Reasons for variance
Current Ratio	Current Assets	Current Liabilities	2.31	1.58	46.04%	Debt paid during the year
Debt – Equity Ratio	Total debt <sup>1</sup>	Shareholder's Equity	0.03	0.19	-83.45%	Debt paid during the year
Debt Service Coverage Ratio	Earnings available for debt service <sup>2</sup>	Debt Service <sup>3</sup>	-	0.25	-100.00%	Higher repayment of loan in current year
Return on Equity Ratio	Net Profits after taxes	Average Shareholder's Equity	14.48%	15.81%	-8.42%	Not Applicable
Inventory Turnover ratio	Revenue from operations	Average Inventory	10.61	11.78	-9.92%	Not Applicable
Trade receivables turnover ratio	Revenue from operations	Average Trade Receivables	3.82	3.45	10.71%	Not Applicable
Trade payables turnover ratio	Purchase of raw materials, traded goods and other services	Average Trade Payables	3.85	3.82	0.75%	Not Applicable
Net capital turnover ratio	Revenue from operations	Working Capital = Current assets - Current liabilities	4.74	7.21	-34.23%	Decrease in sales in current year
Net Profit Ratio	Net Profit after tax	Revenue from operations	5.00%	4.29%	16.65%	Not Applicable
Return on capital employed	Earning before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	19.33%	18.14%	6.57%	Not Applicable
Return on investment	Earning before interest and taxes	Average total assets	12.09%	11.42%	5.84%	Not Applicable

1. Debt comprises of borrowings and lease liabilities

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

3. Debt service = Interest & lease payments + principal repayments

### 41 Other Information

- (i) **Details of Benami Property:** The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- (ii) **Utilisation of borrowed funds and share premium:** The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

(All amounts are in Indian Rupees Millions, unless otherwise stated)

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

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

- a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
  - (iii) **Struck off companies details:** The Company does not have any transactions with companies struck off.
  - (iv) **Details of Charges:** The Company does not have any charges or satisfaction which is yet to be registered with registrar beyond the statutory period.
  - (v) **Details of Crypto currency or Virtual currency:** The Company has not traded or invested in Crypto currency or Virtual currency during the financial year.
  - (vi) **Compliance with number of layers of companies:** The company has complied with the number of layers prescribed under Companies Act, 2013.
  - (vii) **Compliance with approved scheme(s) of arrangements:** The company has not entered into any scheme of arrangement which has an accounting impact on current or previous year financial year.
  - (viii) **Undisclosed income:** The Company does not have any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
  - (ix) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
  - (x) **PP&E and intangible asset:** The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year, Further no charge exists on property, plant & equipment of the Company.

42 As per the MCA notification dated 5 August 2022, the Central Government has notified the Companies (Accounts) Fourth Amendment Rules, 2022. As per the amended rules, the Companies are required to maintain back-up of the books of account and other relevant books and papers in electronic mode that should be accessible in India at all the time. Also, the Companies are required to create backup of accounts on servers physically located in India on a daily basis. The books of account along with other relevant records and papers of the Company are maintained in electronic mode. These are readily accessible in India at all times and a backup is maintained in servers in United States. The Company and its officers have full access to the data in the servers located in United States.

43 The comparative figures have been regrouped/ rearranged wherever considered necessary to make them comparable with current year numbers.

44 The figures have been rounded off to the nearest millions of rupees up to two decimal places. The figure 0.00 wherever stated represents value less than Rs. 10,000/-.

As per our report of even date attached.  
For S.N. Dhawan & Co LLP

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

Chartered Accountants  
Firm Registration Number: 000050N/N500045

Pankaj Walia  
Partner  
Membership Number: 509590

Sachin Bhalla  
Director  
DIN :07325708

Subhrendu Sarkar  
Director  
DIN: 09813992

Sapna Bhatia  
Company Secretary  
ACS: 32349

Place: Bengaluru  
Date: June 20, 2023

Place : Gurugram  
Date: June 20, 2023

Place : Gurugram  
Date: June 20, 2023

Place : Bengaluru  
Date: June 20, 2023

Life Is On



**Schneider**  
Electric

