

Registered Office :

1202, 12th Floor, Esperanza Building,
Next to Bank of Baroda, 198, Linking Road,
Bandra (W), Mumbai - 400 050. India
Tel. : 9819001811 www.sparcelectrex.com
Email : info@sparcelectrex.com / sparcelectrex@gmail.com
CIN:L31100MH1989PLC053467 GST NO.:27AAECS2631Q1ZY



Date: 29/09/2022

To,
The Bombay Stock Exchange Ltd
Corporate Relationship Dept,
1st Floor, New Trading Ring,
Rotunda Building, P. J. Towers,
Dalal Street, Fort, Mumbai – 400001.

BSE Scrip Code: 531370

Sub: Submission of Adopted 33rd Annual Report for F.Y. 2021-22

Dear Sir,

Please find enclosed the copy of 33rd Annual Report for F.Y. 2021-22 of the Company, adopted by the members at the 33rd Annual General Meeting of the Company held on Thursday, 29th September, 2022 at 02.00 p.m. in compliance with the provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

There is no change in the Annual report submitted to the Stock Exchange and in the Annual Report Adopted in the AGM.

We request your office to take this on record.

Thanking You
Yours Faithfully
For Sparc Electrex Limited
(Formerly Sparc Systems Ltd)

Shobith Ganesh Hegde
(Whole Time Director)
DIN: 02211021
Place: Mumbai

Encl: a/a

The logo for SPARC ELECTREX LIMITED is centered within a white oval with a grey border. The word "SPARC" is in red, "ELECTREX" is in green, and "LIMITED" is in black. A lightning bolt graphic is positioned to the right of the word "ELECTREX".

**SPARC ELECTREX
LIMITED**

(Formerly Known as Sparc Systems Limited)

**33rd Annual General Meeting
Annual Report 2021-22**

BOARD OF DIRECTORS

NAME	DESIGNATION
Mr. Shobith Ganesh Hegde	Whole Time Director and Chief Financial Officer
Mr. Ravikumar Byrapatna Channappa	Executive Director
Mr. Suresh Vishwanathan	Executive Director
Mr. Niraj Hareshbhai Variava	Independent Director
Mr. Ashok Chhaganbhai Patel	Independent Director
Mrs. Sushmita Swarup Lunkad	Independent Director
Ms. Tejashri Dattakumar Kulkarni	Company Secretary & Compliance Officer

BANKERS

Union Bank of India
ICICI Bank

Phone No +91 22 28207203-05/ 2827641
Fax +91 22 282070207
Email: info@unisecon.in
Website: www.unisecon.in

STATUTORY AUDITORS

M/s. Motilal & Associates.
Chartered Accountants,
Mumbai

LISTING OF EQUITY SHARES

BOMBAY STOCK EXCHANGE

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001
Tel: 91-22-22721233/4, 91-22-66545695

INTERNAL AUDITORS

M/s. Manisha Chandak & Associates.
Chartered Accountants,
Mumbai

REGISTERED OFFICE

1202, 12th Floor, Esperanza Building,
198, Linking Road, Next to Bank of Baroda,
Bandra West, Mumbai- 400050
Phone No. +91 9819001811
Email id: sparcelectrex@gmail.com
Website: www.sparcelectrex.com

REGISTRAR & TRANSFER AGENT

Universal Capital Securities Pvt Ltd
21, Shakil Niwas, Mahakali Caves Road,
Andheri (East), Mumbai- 400093.

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NOTICE IS HEREBY GIVEN THAT THE 33RD ANNUAL GENERAL MEETING OF THE MEMBERS OF SPARC ELECTREX LIMITED (FORMERLY KNOWN AS SPARC SYSTEMS LIMITED) WILL BE HELD ON THURSDAY, 29TH SEPTEMBER, 2022 AT 02:00 P.M. (IST) VIA TWO-WAY VIDEO CONFERENCING (“VC”) FACILITY/OTHER AUDIO-VISUAL MEANS (“OAVM”) TO TRANSACT FOLLOWING BUSINESSES (DEEMED VENUE IS REGISTERED OFFICE).

ORDINARY BUSINESSES

Item No. 1: Adoption of Audited Standalone Financial Statements

To receive, consider and adopt the Audited Standalone Financial Statements of the Company consisting of the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement for the financial year ended March 31, 2022 together with the Reports of the Board of Directors and Auditors thereon.

Item No. 2: Appointment of Mr. Shobith Ganesh Hegde (DIN 02211021) as Director, liable to retire by rotation

To appoint a Director in place of **Mr. Shobith Ganesh Hegde (DIN: 02211021)** who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment- **Ordinary Resolution.**

“RESOLVED THAT Mr. Shobith Ganesh Hegde (DIN: 02211021), who retires by rotation at this 33rd Annual General Meeting and being eligible, offered himself for re-appointment, be and is hereby appointed as a Director of the Company.”

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

For and on behalf of the Board

Sd/-

Shobith Ganesh Hegde
Whole Time Director & CFO
DIN: 02211021
Mumbai, August 12, 2022

IMPORTANT COMMUNICATION TO MEMBERS – GREEN INITIATIVE IN CORPORATE GOVERNANCE

The Ministry of Corporate Affairs (MCA) has taken a Green Initiative in Corporate Governance by allowing paperless compliances by the Companies and has issued a Circular stating that service of all documents including Annual Reports can be sent by e-mail to its Members. Your Company believes that this is a remarkable and environment friendly initiative by MCA and requests all Members to support in this noble cause. The Company has already embarked on this initiative and proposes to send documents including Annual Reports in electronic form to the Members on the email addresses provided by them to the R&T Agent/the Depositories. The Members who hold shares in physical form are requested to intimate/update their email addresses with the Company/R&T Agent while Members holding shares in Demat form can intimate/update their email addresses with their respective Depository Participants. Members are requested to further note that they are entitled to receive, free of cost, a printed copy of the Annual Report of the Company and all other documents.

Notes:

- 1 The additional details of Director retiring by rotation, pursuant to Regulation 36(3) of the Securities and Exchange Board of India (“SEBI”) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the SEBI Listing Regulations”) and the Secretarial Standards issued by the Institute of Company Secretaries of India, is annexed as Annexure I and forms part of this Notice.
- 2 Pursuant to the amendments made to Section 139 of the Companies Act, 2013 by the Companies (Amendment) Act, 2017, which came into effect from 7th May 2018, the requirement of seeking ratification of the Members for the appointment of the Statutory Auditor has been withdrawn from the Statute. Accordingly, no resolution is proposed for ratification of appointment of M/s. Motilal & Associates., Chartered Accountants, (FRN 106584W), Statutory Auditors, who were appointed in the Annual General Meeting held on September 27, 2020.
- 3 Pursuant to General Circular Nos. 14/2020, 17/2020, 20/2020, 02/2021 and 02/2022 dated 8th April, 2020, 13th April, 2020, 5th May, 2020, 13th January, 2021 and 5th May, 2022 respectively issued by the Ministry of Corporate Affairs (“MCA”) (collectively referred to as “MCA Circulars”) read with Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79, SEBI/HO/CFD/CMD2/CIR/P/2021/11 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 12th May, 2020, 15th January, 2021 and 13th May, 2022 respectively issued by the Securities and Exchange Board of India (collectively referred to as “SEBI Circulars”) companies are allowed to hold Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC / OAVM.
- 4 Pursuant to the provisions of the Companies Act, 2013 (“the Act”), a Member, entitled to attend and vote at the Meeting 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 this Meeting will be held through VC/OAVM, in accordance with the MCA 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 Meeting and hence the Proxy Form, Attendance Slip and route map of the AGM are not annexed to this Notice.

- 5 Corporate Members intending to authorize their representatives to participate and vote at the meeting, pursuant to Section 113 of the Act, are requested to email a certified copy of the Board resolution/ authorization letter to the Company at sparcelectrex@gmail.com or shall upload the same on the VC portal/ e-voting portal.
- 6 The Register of Beneficial Owners, Register of Members and Share Transfer Books of the Company will remain closed from Friday, September 23, 2022 to Thursday, September 29, 2022 (both days inclusive).
- 7 Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020, May 05, 2020 and May 05, 2022, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM/AGM will be provided by CDSL.
- 8 The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis. The detailed instructions for joining the Meeting through VC/OAVM forms part of this notes.
- 9 The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
- 10 In line with aforementioned MCA and SEBI Circulars, the Annual Report for the financial year 2021-22 along with the Notice of 33rd Annual General Meeting inter alia indicating the process and manner of e-voting is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Registrar & Share Transfer Agent (RTA) /Depositories/Depository Participants as at the end of the day on Thursday, 22nd September, 2022. Members, who have not registered their email address so far, are requested to register their email IDs for receiving all communications including Annual Report, Notices, etc., from the Company electronically. The Notice calling the AGM along with the Annual Report 2021-22 has been uploaded on the website of the Company at www.sparcelectrex.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. www.evotingindia.com.
- 11 The SEBI has mandated submission of Permanent Account Number ("PAN") by every participant in securities market. Accordingly, Members holding shares in electronic form are requested to submit their PAN to their respective Depository Participants.
- 12 Members holding shares in electronic form are required to contact their Depository Participants to register/change their nomination.
- 13 The Members holding shares in physical form are informed that as per SEBI circular SEBI/HO/MIRSD/MIRSD RTAMB/P/ CIR/2021/655 and SEBI/HO/MIRSD/MIRSD RTAMB/P/ CIR/2021/687 dated 13th November, 2021 and 14th December, 2021 respectively, SEBI has notified simplified norms for processing investor's service request by RTA and mandatory furnishing of PAN, KYC details and Nomination by holders of physical securities. In this regard, it is mandatory for all the physical shareholders to furnish the following documents/ details with the Company/ RTA and the non updation of the same on or before 1st April, 2023 shall result into freezing of folios:
 - a. Form ISR-1 (Request for registering PAN, KYC details)
 - b. Form ISR-2 (Confirmation of Signature of securities holder by the Banker)
 - c. Either,
 - SH-13 (Nomination Form); or
 - Form ISR-3 (Declaration to opt-out Nomination)

The physical shareholders are requested to furnish the above documents on or before 31st March, 2023 so as to avoid freezing of folios. The shareholders can download the relevant forms from the website of the company at Miscellaneous> Common and Simplified Norms for processing investors service request by RTAs> Forms.

- 14 As per Regulation 40 of the SEBI Listing Regulations, as amended from time to time, the securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019 and transmission or transposition can be done only in dematerialized form with effect from January 24, 2022. In view of this and to eliminate all risks associated with physical shares, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company/Registrar and Share Transfer Agent, for any assistance in this regard.

- 15 Members seeking any information or clarifications on the Annual Report are requested to send their queries to the Company on Companies e-mail id i.e sparcelectrex@gmail.com, in at least 7 days prior to the Meeting, to enable the Company to compile the information and provide replies at the Meeting.
- 16 Speaker Registration/Questions for the Meeting: Members, who would like to express their views/have questions are requested to send registrations along with the questions in advance mentioning their name, demat account number/folio number, email id, mobile number at sparcelectrex@gmail.com, on or before September 22, 2022. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the Meeting. The Company reserves the right to restrict the number of questions/speakers depending on the availability of time for the Meeting.
- 17 The remote e-voting facility will be available during the following voting period:
Commencement of remote E-voting: From 09.00 a.m. (IST) on Monday, September 26, 2022
End of remote e-voting: Upto 05.00 p.m. (IST) on Wednesday, September 28, 2022.
- 18 The facility for remote e-voting shall be provided at the Meeting. Members attending the Meeting who have not cast their vote earlier by remote e-voting shall be entitled to vote at the Meeting. A Member can participate in the Meeting even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the Meeting.
- 19 Mr. Pankaj Trivedi, Practicing Company Secretary (Certificate of Practice No. 15301), Proprietor of M/s. Pankaj Trivedi & Co., has been appointed as the Scrutinizer to scrutinize the voting process in a fair and transparent manner.
- 20 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 i.e. Thursday, 22nd September, 2022 ("Cut-off date") only shall be entitled to avail the facility of remote e-voting or voting at the Meeting, as the case may be, in proportion to the shares held by them as on the Cut-off date.
- 21 Any person who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at www.evotingindia.com. However, if he/she is already registered user for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.
- 22 In case all the joint holders are attending the Meeting, the Member whose name appears as first holder in the order of names as per Register of Members of the Company will be entitled to vote at the Meeting.
- 23 The facility of voting will be provided at the Meeting for the Members attending the Meeting and who have not cast their vote earlier by remote e-voting.
- 24 Once the Member has casted his/her vote on the resolution(s), he/she will not be allowed to modify his/her vote or to cast the vote again.
- 25 During the AGM remote e-voting module will be enabled for e-voting and the same will be open for 15 minutes after conclusion of the meeting.
- 26 The Scrutinizer shall, after the conclusion of voting at the Meeting, first count the votes cast at the Meeting and thereafter unblock the votes cast through remote e-voting and shall submit, not later than forty-eight hours of the conclusion of the Annual General Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or any other person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- 27 The Results shall be declared by the Chairman or any other person authorized by him in writing within forty-eight hours from the conclusion of the Meeting. The results declared shall along with the consolidated Report of the Scrutinizer be placed on the website of the Company i.e. www.sparcelectrex.com and on the website of CDSL at www.evotingindia.com immediately after the declaration of results. The results shall simultaneously be forwarded to the BSE Limited, Mumbai.
- 28 The resolutions proposed will be deemed to have been passed on the date of the AGM subject to receipt of the requisite number of votes in favour of the resolutions.
- 29 Instructions for e-voting and attending the Annual General Meeting is annexed and forms part of this Notice.
- 30 Considering the Meeting would be held through VC/ OAVM, the proxy form, attendance slip and route map for the venue is not annexed to the Notice. The deemed venue for the AGM shall be the Registered Office of the Company.
- 31 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. Periodic statement of holdings should be obtained from the concerned DPs and holdings should be verified from time to time.

INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM/EGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on Monday, 26th September, 2022 (09.00 a.m. IST) and ends on Wednesday, 28th September, 2022 (05.00 p.m. IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Thursday, 22nd September, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that participation by the public non-institutional shareholders/retail shareholders is at negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, 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.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1) Users of who have opted for CDSL's Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URLs for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the e-voting 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 & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi / Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be 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.
Individual Shareholders holding securities in demat mode	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDEAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDEAS' section. A new screen

with NSDL Depository	<p>will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>2) If the user is not registered for IDEAS e-Services, option to register is available at https://eservices.nSDL.com. Select “Register Online for IDEAS “Portal or click at https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nSDL.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	<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. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & 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. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cDSLindia.com or contact at toll free no. 1800225533.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nSDL.co.in or call at toll free no.: 18001020990 and 1800224430

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for e-voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

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

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ol style="list-style-type: none"> i. Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Company Details	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.

OR Date of Birth (DOB)	i. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.
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- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in Demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the Demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN **220906068** for the relevant <SPARC ELECTREX LTD> on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a Demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) **Additional Facility for Non- Individual Shareholders and Custodians- For Remote Voting only.**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI, etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
 - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; sparcelectrex@gmail.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.

5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at sparcelectrex@gmail.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at sparcelectrex@gmail.com. These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

**On and behalf of Board of
Sparc Electrex Limited**

Sd/-
Shobith Hegde
(Whole Time Director)
DIN: 02211021
Mumbai, 12th August, 2022

DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING (IN PURSUANCE OF REGULATION 36(3) OF THE LODR REGULATION, 2015)

Name of the Director	Mr. Shobith Ganesh Hegde
DIN	02211021
Nationality	Indian
Date of Birth	20/07/1982
Age	40 years
Academic Qualifications	Commerce Graduate from St. Andrews College in Mumbai, MBA from University of Kingston (UK) & BBA from University of Greenwich (UK).
Experience and Expertise	<p>Mr. Shobith Hegde carries experience in various Engineering Industries & Trade. He has worked in Punj Lloyd Limited, a diversified international conglomerate in Engineering, Infrastructure, Pipelines, EPC as Senior Manager in-charge of New Projects from October 2015 till 2019.</p> <p><u>Apart from above Mr. Shobith possesses following work experience with government bodies:</u></p> <ul style="list-style-type: none"> ➤ Senior Manager in the Defense Manufacturing business. ➤ Part of a 4 member team overseeing up-gradation of weapons. ➤ Project Manager for the up gradation of 428 no's of ZU-23 Air Defense Guns for the Ministry of Defense, Govt. of India. ➤ Project Manager for Homeland Security Business - 160 Crore project for the installation of X-Ray based Full Body Truck Scanners (FBTS). ➤ Program Manager for the up-gradation of the 130mm gun. ➤ Program Manager for the development of the MAST Giraffe radar system for SAAB (Sweden). ➤ Responsible for working on government vendor registrations such as HAL, OFB, BHEL etc. ➤ Responsible for working on client proposals, presentations, commercials and bid management. <p><u>Electrex International Private Limited March 2011 - August 2015:</u></p> <p>Worked as the head of Marketing, and supported the wider sales team. Oversaw strategic account planning, business development, sales forecasting, marketing and pricing. Performed consumer research and facilitated new-product introduction process. Managed the development of packaging and product manuals. Managed all aspects of new product launches to dealers.</p> <p>Travelled to China and Taiwan for factory visits to initiate development of new products. Implemented procurement strategies and policies, and forecasted procurement needs. Sourced local and foreign suppliers for various products/spare parts. Managed supplier and buyer relations.</p> <p>Mr. Shobith Hegde was appointed as Whole Time Director of the Company by shareholders on November 29, 2021. Since his appointment, Mr. Hegde has played an instrumental role in the growth of the Company. Under his stewardship, the Company has implemented robust processes and practices to support the future growth plans.</p>
Skills and capabilities required for the role and the manner in which the proposed person meets such requirements	His technical expertise in Design, Operation & Management, Process Engineering, Project Management, Innovation, Cost saving and Business turnaround plans, would immensely add in improving technical areas and will contribute in technical discussions.
Date of first appointment on the Board	19.10.2021
Directorship in other companies	1) Electrex International Pvt Ltd 2) Electrex Power Tools Pvt Ltd 3) Anshoit Engineers Pvt Ltd 4) Mount Abu Holdings Pvt Limited
No. of Membership(s)/ Chairmanship(s) of Board Committees in other companies	Nil
Listed entities from which he/she has resigned in the past three years	Nil
No. of Shares held in the Company	Nil
Relation with other Directors or Key Managerial Personnel	Son of Mrs. Shobha Anant Hegde (Promoter)
Number of Board Meeting attended during the financial year	2

Remuneration and other terms & conditions of appointment/re-appointment	Rs. 50,000/- per month or such other amount as may be decided and recommended by the Board. Other terms and conditions of his appointment as Whole Time Director of the Company, remains the same as approved by the resolution passed by the members through Postal Ballot as on 29 th November, 2021.
Remuneration paid/payable for the Financial Year 2021-22	Nil

DIRECTOR'S REPORT

To,
The Members
Sparc Electrex Limited

The Directors are pleased to present the 33rd Annual Report of the Company along with the Audited Financial Statements for the financial year ended March 31, 2022.

FINANCIAL PERFORMANCE:

Summary of the Company's financial performance for F.Y. 2021-2022 as compared with previous financial year is given below:

Particulars	F.Y. 2021-22	F.Y. 2020-21
Revenue from Operation	13,14,71,785	-
Revenue from other Income	1,92,59,983	4,90,520
Total Revenue	15,07,31,768	4,90,520
Profit before Dep. & Int.	2,22,08,147	(2,00,65,598)
Depreciation	4,841	14,135
Interest	-	-
Profit after Depreciation & Interest and before Tax	2,22,03,306	(2,00,79,733)
Provision for Taxation	7,92,000	-
Provision for Tax (deferred)	2,35,790	(53,444)
Provision for Taxation for earlier year	-	-
Profit/Loss after Tax	2,11,75,516	(2,00,26,289)

REVIEW OF OPERATIONS:

During the year under review, your Company recorded a total income of Rs. 1507.32 lakhs as compared to Rs. 4.91 lakhs in the previous financial year, higher by Rs. 1502.41 Lakhs. The total income includes the revenue generated from business operations and revenue from other income. Last year the total income was solely generated from interest income from the loans and advances made by the Company. There was no income from main business activity of the Company. But during the year, the Company generated Rs. 1314.72 lakhs from its business operations and Rs. 192.60 lakhs amounted to income from other sources. The Profit for the same period stands at Rs. 211.76 Lakhs as against loss of Rs. 200.26 lakhs in the previous financial year. In overall F.Y. 2021-22 was very fortunate year for the Company.

The management of the Company is very optimistic regarding performance of the Company in future and are taking every step and making every effort to turn the Company in to a more profitable organization.

DIVIDEND:

In order to conserve the profits for future growth of the Company, the Board of Directors has not recommended payment of any dividend for the year on the equity share capital of the company.

AMOUNT TO BE TRANSFERRED TO RESERVES:

The Board of Directors of the Company has decided not to transfer any amount to the General Reserves for the F.Y. 2021- 22.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

The Company was not required to transfer any amount to unclaimed dividend account or to Investor Education and Protection Fund.

DEPOSITS:

The Company has not invited/accepted any deposits from the public during the year ended March 31, 2022. There were no unclaimed or unpaid deposits as on March 31, 2022.

BOARD OF DIRECTORS AND KMPS:

The Composition of the Board during the year was as per the provisions of Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the Companies Act, 2013.

As on 31st March, 2022, the Company's Board of Directors comprises of five directors of which Mr. Shobith Hegde is the Whole Time Director and Chief Financial Officer, Mr. Suresh Vishwanathan is the Executive Director while Mr. Ravikumar Channappa Mrs. Kajal Jain and Mr Niraj Variava are the Non- Executive and Independent Directors.

Pursuant to Section 152 of the Companies Act, 2013 Mr. Shobith Hegde, Whole-time Director and Chief Financial Officer, retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. The Board has recommended his re-appointment.

During the year under review Ms. Punit Neb has resigned from the post of Chief Financial Officer of the Company w.e.f. 31st May, 2021 and on her place based on recommendation of N&R and Audit Committee, the Board has appointed Ms. Kajal Sampat as Chief Financial Officer of the Company w.e.f. 08th June, 2021. Further Ms. Punit Neb has also stepped down from the position of Whole Time Director w.e.f. May 31, 2021 and continued to serve the Company as the Non-Executive Non Independent Director till November 20, 2021

Further during the year Mr. Jude D'Souza has resigned from the designation of Managing Director of the Company w.e.f. November 20, 2021 and the Board based on the recommendation of N&R Committee has appointed Mr. Shobith G. Hegde as Whole Time Director of the Company w.e.f. October 19, 2021.

Ms. Kajal Sampat has resigned from the post of Chief Financial Officer of the Company w.e.f. December 21, 2021 and based on recommendation of N&R and Audit Committee, the Board has deputed Mr. Shobith G. Hegde also as a Chief Financial Officer of the Company w.e.f. January 20, 2022.

Based on the recommendation of N&R Committee, the Board has appointed Mr. Niraj H. Variava as an Independent Director of the Company w.e.f. June 8, 2021 and Ms. Sushmita Swarup Lunkad and Mr. Ashok Chhaganbhai Patel as an Independent Directors of the Company w.e.f. April 22, 2022.

The appointment Mr. Niraj H. Variava has been confirmed and regularised by the members at 32nd Annual General Meeting of the Company held on September 28, 2021 and the appointments of Ms. Sushmita Swarup Lunkad and Mr. Ashok Chhaganbhai Patel has been confirmed and regularised by the members through postal ballot on 28th May, 2022.

During the year the Board has appointed Mr. Suresh Vishwanathan based on the recommendation of N&R Committee as Executive Director of the Company w.e.f. November 30, 2021 and his appointment was confirmed and regularised by the shareholders through Postal ballot on January 07, 2022.

The Board re-designated the position of Mr. Ravikumar Channappa, as an Executive Director of the Company w.e.f. April 22, 2022, who has been serving the Company as an Independent Director of the Company since June 27, 2020 till 21st April, 2022 and approval for the same has been taken from the members through postal ballot on May 28, 2022.

The Board has appointed Ms. Tejashri Kulkarni as a Company Secretary and Compliance Officer of the Company w.e.f. 22nd April, 2022 upon resignation of Ms. Pallavi Lakdawala, who has resigned w.e.f. January 14, 2022. Ms. Pallavi Lakdawala had been appointed as a Company Secretary and Compliance Officer of the Company w.e.f. July 23, 2021 in place of previous Company Secretary Mr. Deep Shah who had resigned from his post w.e.f. July 14, 2021.

The Independent Directors of the Company have given their respective declarations that they continue to meet the criteria of Independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations.

None of the Directors are disqualified for appointment/ re-appointment under Section 164 of the Act. As required by law, this position is also reflected in the Auditors' Report.

As required under Regulation 36(3) of the listing Regulations with the stock exchanges, the information on the particulars of Directors proposed for appointment/re-appointment has been given in the notice of annual general meeting.

The number of directorship and Committee Chairmanship/Memberships held by the Directors in other Public companies as on March, 2022 are given below:

Sr. No.	Name of Director(s)	Designation	No. of Other Directorship including this Co.	No. of equity shares held in Co.	Member/ Chairperson of the committee	
					Member	Chairman
1	Mr. Shobith Hegde *	WTD & CFO	1	Nil	-	-
2	Mr. Suresh Vishwanathan @	Executive Director	0	Nil	-	-
3	Mr. Ravikumar Channappa	Independent Director	2	Nil	2	-
4	Mr Niraj Variava \$	Independent Director	0	Nil	2	-
5	Mrs. Kajal Jain	Independent Director	0	Nil	2	2

Note: * Appt w.e.f. 19.10.2021 | @ Appt w.e.f. 30.11.2021 | \$ Appt w.e.f. 08.06.2021

None of the Directors hold directorships in more than twenty Companies of which Directorship in Public Companies does not exceed ten in line with the provisions of Section 165 of the Act.

None of the Directors hold membership of more than ten Committees of Board, nor, is a Chairman of more than five Committees across Board of all listed entities.

None of the Independent Director holds the position of the Independent Director in more than seven listed companies as required under the Listing Regulations.

None of the Director has been appointed as an Alternate Director for Independent Director.

The information provided above pertains to the following committees in accordance with the provisions of Regulation 26(1) (b) of the Listing Regulations: (i) Audit Committee; and (ii) Stakeholders Relationship Committee.

The Committee Membership and Chairmanship above excludes Membership and Chairmanship in Private Companies, Foreign Companies and Section 8 Companies.

None of the Independent Directors are related with each other.

None of the Non-Executive Independent Directors has any material pecuniary relationship or transactions with the Company, other than the commission and sitting fees received by them for attending the meetings of the Board and its Committee(s) and professional fees received by the firm in which a Director is a partner.

DIRECTORS' RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134 (3) (c) of the Companies Act, 2013, and based on the information provided by management, your Directors' state that:

- a. In the preparation of the annual accounts for the financial year ended 31st March, 2022 the applicable accounting standards have been followed along with proper explanation relating to material departures.
- b. Accounting policies selected were applied consistently. Reasonable and prudent judgments and estimates were made so as to give a true and fair view of the state of affairs of the Company as at the end of March 31, 2022 and of the profit of the Company for the year ended on that date.
- c. Proper and sufficient care to the best of their knowledge and ability 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. The Annual Accounts of the Company have been prepared on the on-going concern basis.
- e. That they have laid down internal financial controls commensurate with the size of the Company and that such financial controls were adequate and were operating effectively.
- f. That they have devised proper system to ensure compliance with the provisions of all applicable laws was in place and that such system are adequate and operating effectively.

DECLARATION OF INDEPENDENCE BY DIRECTORS:

The Independent Non-executive Directors of the Company have affirmed that they continue to meet all the requirements specified under Regulation 16(1)(b) of the LODR Regulation, 2015 and Section 149(6) of the Companies Act, 2013 in respect of their position as an "Independent Director" of Sparc Electrex Limited.

In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and that they hold the highest standards of integrity.

The Independent Directors of the Company have confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs ('IICA') in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, as amended.

Details of Familiarisation Programme for the Independent Directors are provided separately in the Corporate Governance Report <https://sparcelectrex.com/corporate-governance/>.

CHANGE IN THE NAME OF THE COMPANY:

Consequent to change in the business activities and accordingly, in order to keep the name of the Company in consonance with the new business activities, the Company has changed its name from "Sparc Systems Limited" to "Sparc Electrex Limited". The said change of name has been approved by shareholders through Postal ballot on November 29, 2021. The change of name of the Company has also been approved by the Registrar of Companies vide a fresh certificate of incorporation dated January 13, 2022. In connection with the same necessary approval has been sought and filing has been completed by the Company with necessary authorities in prescribed time.

CHANGE IN THE NATURE OF BUSINESS:

During the year under review, the Company has changed its line of business from dealing in Software and Hardware Electronic Security Solutions i.e. office automation tools to Manufacturing and Trading in Power Tools, Electricals, Metals and Metal Products. The said change in the nature of business has been approved by the shareholders through Postal ballot on November 29, 2021. In connection with the same necessary approval has been sought and filing has been completed by the Company with necessary authorities in prescribed time.

CHANGE IN THE SHARE CAPITAL OF THE COMPANY:

During the year under review, in order to support the growth plans of the Company and to maintain the regulatory solvency margin and to avoid any delay in raising fund in the near future and during any unforeseen exigencies on account of breach of Authorised Capital limit, the Company raised the limit of Authorised Share Capital from Rs. 6,00,00,000/- (Rupees Six Crores

only) divided into 60,00,000 (Sixty Lakhs) Equity Shares of Rs. 10/- (Rupees Ten) each to Rs. 20,00,00,000/- (Rupees Twenty Crores only) divided into 2,00,00,000 (Two Crores) Equity Shares of Rs. 10/- (Rupees Ten) each. The increase in authorised capital of the Company has been approved by the shareholders through Postal ballot dated November 29, 2021. In connection with the same necessary approval has been sought and filing has been completed by the Company with necessary authorities in prescribed time.

CHANGE IN THE REGISTERED OFFICE OF THE COMPANY:

During the year under review, in order to carry on the business of the Company more economically and efficiently and with better operational convenience, the Company's registered office was shifted from Plot No. 11 Survey No 118/1-2, Village Pundhe at Post Athgaon, Thane - 421301, Maharashtra, India to 1202, 12th Floor, Esperanza Building, Next to Bank of Baroda, Linking Road, Bandra (West), Mumbai – 400050, Maharashtra, India outside local limit of same city. The members have approved said shifting through Postal ballot on November 29, 2021. In connection with the same necessary approval has been sought and filing has been completed by the Company with necessary authorities in prescribed time.

OPEN OFFER:

Open Offer was made by Mrs. Shobha Anant Hegde, M/s. Electrex International Pvt Ltd and M/s. Electrex Power Tools Pvt Ltd (hereinafter collectively referred to as "Acquirers") to the shareholders of Sparc Systems Limited (Sparc) to Acquire from them upto 12,71,140 Equity Shares of Rs.10/- each representing 26% of the equity and voting Share Capital of Sparc At Rs.4/- per fully paid-up Equity share and the Acquirers have entered into a Share Purchase Agreement dated May 31, 2021, with the present Promoters of the Target Company for acquisition of 7,23,083 Equity Shares constituting 14.79% of the total equity and voting share capital of the Target Company and Public Announcement on behalf of the Acquirers was made on 31st May, 2021 by M/s. CapitalSquare Advisors Private Limited ("Manager to the Offer") for and on behalf of the Acquirers to the equity shareholders of the Target Company under Regulation 3 (1) and 4 read with Regulation 15(1) of the Securities And Exchange Board Of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.

The newspaper publication was made on 5th June, 2021 in Financial Express (English Daily – All India Edition) and Jansatta (Hindi Daily – All India Edition) and Mumbai Lakshadweep (Marathi Daily – Mumbai Edition) pertaining to Detailed Public Statement and Draft Letter of Offer was sent to Board (SEBI) for perusal and approval on 10th June, 2021 with tentative schedule of activities relating to the Offer and other necessary details and disclosures.

The Final Letter of Offer was dispatched to the public shareholders whose name appears on the register of members on the Identified Date i.e. July 15, 2021 on or before 23rd July, 2021 and the Final Letter of Offer was dispatched to the Board on July 16, 2021 for perusal and final approval from the Board.

The Committee of the Independent Directors of the Company was held on July 27, 2021; the committee reviewed the Offer Price and recommended to the Public Shareholders of the Target Company for this Offer at Rs.4/- i.e. justified / fair and reasonable price identified in terms of Regulation 8(2) Securities And Exchange Board Of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended and in connection with the same the newspaper publication was made on July 28, 2021.

The Manager to the Offer has made newspaper publication on behalf of Acquirers on July 29, 2021 towards Pre-offer Advertisement cum corrigendum to the Detailed Public Statement in conjunction with the Public Announcement made on May 31, 2021 and Detailed Public Statement dated June 4th, 2021, published on June 5th, 2021.

The offer tendering period was kept open during July 30, 2021 to August 12, 2021 with the final date of August 30, 2021 towards completion of payment consideration for tendered shares.

The Post Offer Public Announcement ("Post Offer PA") was made by the Manager to the offer M/s. CapitalSquare Advisors Private Limited on behalf of Acquirers, in connection with an Open Offer made in Compliance with the provisions of Regulation 18(12) and other applicable provisions under SEBI (SAST) Regulations, 2011 on 17th August, 2021. The offer got completed in the month of October, 2021.

MATERIAL CHANGES BETWEEN THE DATE OF THE BOARD REPORT AND END OF FINANCIAL YEAR:

There has been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

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

MEETING OF INDEPENDENT DIRECTORS:

In accordance with the provisions of Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and Regulation 25 of the SEBI (LODR) Regulations, 2015 and as per Clause VII of Schedule IV of the Companies Act, 2013, Regulation 25(3) and

(4) of the SEBI (LODR) Regulations, 2015 and as per guidance note on Board Evaluation, a separate meeting of the Independent Directors of the Company was held on 29th March 2022 without the attendance of non-independent directors and members of the management to inter alia:

- Review the performance of Non-Independent Directors and the Board as a whole.
- Assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

EVALUATION OF BOARD OF DIRECTORS:

The evaluation framework for assessing the performance of the Company's Directors comprises of various parameters like Board Composition & Quality, Board Meetings and Procedures, adherence to the Code of Conduct, contributions at meetings and strategic perspective or inputs regarding the growth and performance of the Company etc. The NRC Committee and the Board have laid down the manner in which formal annual evaluation of the performance of the Board, its Committees and individual Directors are to be made. The process broadly comprises:

Board and Committee Evaluation:

Evaluation of the Board as a whole and the Committees is done by individual Directors. These are collated for submission to the NRC Committee and feedback to the Board.

Independent/Non-Executive Directors Evaluation

Evaluation done by Board members, excluding the Director who is being evaluated, is submitted to the Whole Time Director of the Company and individual feedback is provided to each Director. The evaluation of the Executive Director as done by the individual Directors is submitted to the Chairman of the NRC Committee and subsequently to the Board. The evaluation framework focuses on various aspects of the Board and Committees such as review, timely information from management and others. Performance of individual Directors are categorised into Executive, Non-Executive and Independent Directors and based on parameters such as contribution, attendance, decision-making, action-oriented, external knowledge etc.

MANNER IN WHICH FORMAL ANNUAL EVALUATION HAS BEEN MADE BY THE BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS:

The Board has carried out the annual evaluation of its own performance, of each of its Committee and of all individual Directors, as required under the provisions of Section 134(3)(p) of the Companies Act, 2013 and the applicable provisions of Listing Regulations. The manner in which such performance evaluation exercise was carried out is given below:

The Nomination and Remuneration Committee (NRC) carries out the evaluation process at initial stage, followed by evaluation by Board. The performance evaluation framework is in place to seek the response of each Director on the evaluation of the entire Board and Individual Directors, on defined parameters.

The criteria of evaluation of Board as well as that of its each Committee; and individual Directors, including the Chairman of the Board; as defined by NRC in this regard, includes attendance and contribution of each Director at the meetings or otherwise, independent judgment, adherence to code of conduct and business ethics, monitoring of regulatory compliance, risk management and review of internal control system, etc.

The performance of the Board and Individual Directors was also evaluated by the Board seeking inputs from all Directors on aforesaid parameters.

The performance of Committees was evaluated by the Board seeking inputs from concerned Committee Members. A separate meeting of the Independent Directors was also held to review the performance of Non-independent Directors; performance of the Board as a whole and performance of the Chairman of the Company, taking into account the views of Executive as well as Non-executive Directors. The Board of Directors expressed their satisfaction with the evaluation process.

Details of program for familiarization of Independent directors of the company are accessible on your company website at <https://sparcelectrex.com/corporate-governance/>.

POLICIES ON DIRECTORS' APPOINTMENT AND REMUNERATION:

The policies of the Company on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of Section 178 of the Act is available on the website on this link: <https://sparcelectrex.com/policies/>

STATUTORY AUDITOR:

M/s Motilal & Associates (FRN 106584W), Chartered Accountants, have been appointed by the members as the Statutory Auditors of the Company for a period of five years in 32nd AGM to hold office till the conclusion of 36th AGM without seeking any ratification from members. As per the requirement of the Act, M/s Motilal & Associates, Chartered Accountants, have confirmed that the appointment is within the limits specified under Section 141(3) (g) of the Act and that they are not disqualified to be appointed as Statutory Auditor in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of

the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014. The Ministry of Corporate Affairs vide notification dated May 7, 2018, has taken away the requirement of seeking ratification of appointment of statutory auditors by members at each AGM. Accordingly, no such item will be form a part of notice of the 33rd AGM.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS IN THEIR REPORT:

There were no qualifications, reservations or adverse remarks made by the Auditors in their report.

SECRETARIAL AUDITORS:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Rules made thereunder, **M/s. Pankaj Trivedi & Co.**, Practicing Company Secretary (CP. No.: 15301), Mumbai, has been appointed to conduct a Secretarial Audit of the Company's secretarial and related records for the year ended March 31, 2022. The practicing Company Secretary has submitted his report on the Secretarial Audit conducted by him which is annexed to this report.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE SECRETARIAL AUDITOR IN THEIR REPORT:

M/s. Pankaj Trivedi & Co., Practicing, Company Secretary, in his independent Audit Report for Financial year 2021-22 have drawn the attention of the management on some matters in connection with the same management herewith give the explanation for the same as follows:

The delay in submission of declarations for non-encumbrance of shares on promoters holding Regulation 31(4) of SEBI (SAST), Regulations, 2011 and that Company is not a Large Corporate pursuant to SEBI Circular No SEBI/HO/DDHS/CIR/P/2018/144 dated November 26, 2018 was mainly due to challenges posed by COVID pandemic. The delay in such submissions does not have any bearing in performance of the Company and does not carry any penalty. The management will ensure no such further delay in future submissions.

The Company has optimum blend of Board as required under Regulation 17 of the SEBI (LODR), Regulations, 2015 as amended with atleast 50% Board comprising of Independent Directors including Women Director. The 50% of the Board is eligible to retire by rotation.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

During the year under review, the Company has not advanced any loans, nor given any guarantees nor made any investments.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

The particulars of contract or arrangements with related parties referred to in Section 188(1), as prescribed in Form AOC-2 are appended as **Annexure-II**.

EMPLOYEES' REMUNERATION

Details of the remuneration as required under Section 197(12) of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are attached as **Annexure -III** to this Report.

PARTICULARS OF EMPLOYEES AND THEIR REMUNERATION:

None of the employee has received remuneration exceeding the limit as stated in rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

ADEQUACY OF INTERNAL CONTROLS:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The Internal Auditors monitor and evaluate the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company.

RISK MANAGEMENT POLICY:

Pursuant to section 134(3) (n) of the Companies Act, 2013 and as per provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, the Company has adhered to the principles of sound risk management and already has a Risk Management Policy in place. An on-going exercise is being carried out to identify, evaluate, manage and for monitoring of both business and no business risk. The Board periodically reviews the risks and suggests steps to be taken to control and mitigate the same through a properly defined framework.

LISTING OF SHARES:

The equity shares of the Company continue to be listed and traded on the BSE Limited. The Annual Listing fee for the year 2022-23 has been paid to the Stock Exchange. There was no suspension on shares of the Company during the year.

SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES:

The Company does not have any Subsidiary, Joint Venture or Associate Companies as on March 31, 2022.

NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR:

There were no such Companies which have become or ceased to be Subsidiaries, Joint Ventures or Associate Companies during the year.

COPY OF ANNUAL RETURN:

The Annual Return as required under Section 92(3) and Section 134 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is available on the Company's website under Investors Section - Annual Return tab. Link for the same is <https://sparcelectrex.com/annual-returns/>

NUMBER OF MEETINGS OF THE BOARD:

The Board met 7 (Seven) times during the financial year on 24.05.2021, 08.06.2021, 23.07.2021, 26.08.2021, 19.10.2021, 30.11.2021 and 20.01.2022. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013.

CORPORATE SOCIAL RESPONSIBILITY:

The Company does not fulfil any of the criteria i.e. net worth, turnover or net profit, as prescribed in section 135 of the Companies Act, 2013 for applicability of Corporate Social Responsibility (CSR) provisions. Accordingly, the Company is not required to constitute CSR Committee and comply with the provisions of Section 135 of the Companies Act, 2013.

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

The prescribed particulars of conservation of energy, technology absorption and foreign exchange earnings and outgo, in terms of the Section 134 (3) (m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is attached as "Annexure IV & V" which forms part of the Board's report.

RELATED PARTY TRANSACTIONS & MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS:

All transactions entered into with related parties as defined under the Companies Act, 2013 during the financial year, were in the ordinary course of business and on an arm's length basis and in connection with approval of Audit Committee, Board and members has been taken wherever required.. There were no materially significant transactions with the related parties during the financial year, which were in conflict with the interest of the Company. The requisite details under Form AOC-2 in Annexure III have been provided elsewhere in this Report. Suitable disclosure as required by the Accounting Standard (Ind-AS 24) has been made in the notes to the Financial Statements.

All Related Party Transactions are placed before the Audit Committee for approval. Omnibus approval was obtained on a yearly basis for transactions which are of repetitive nature. The details of all Related Party Transactions are placed before the Audit Committee and the Board for review and approval on a quarterly basis.

The Policy on materiality of and dealing with Related Party Transactions as approved by the Board is uploaded on the website of the Company and is accessible at the website of the Company. None of the Directors has any pecuniary relationship or transactions vis-à-vis the Company except remuneration and sitting fees.

CODE OF CONDUCT:

The Board of Directors of the Company has laid down required Code of Conduct. It has also adopted Code for Independent Directors as per Schedule IV of the Companies Act, 2013. All Board members including Independent Directors and Senior Management Personnel have affirmed compliance with the respective Code of Conduct for the year under review. The Code of Conduct is available on the Company's website www.sparcelectrex.com.

CORPORATE GOVERNANCE REPORT:

Since the Company is falling within the criteria of Regulation 15 (2) of SEBI (Listing Obligation & Disclosure) Regulations, 2015. Therefore, Corporate Governance requirement prescribed under SEBI (Listing Obligation & Disclosure) Regulations, 2015 are not applicable to the Company as on March 31, 2022.

MANAGEMENT DISCUSSION AND ANALYSIS:

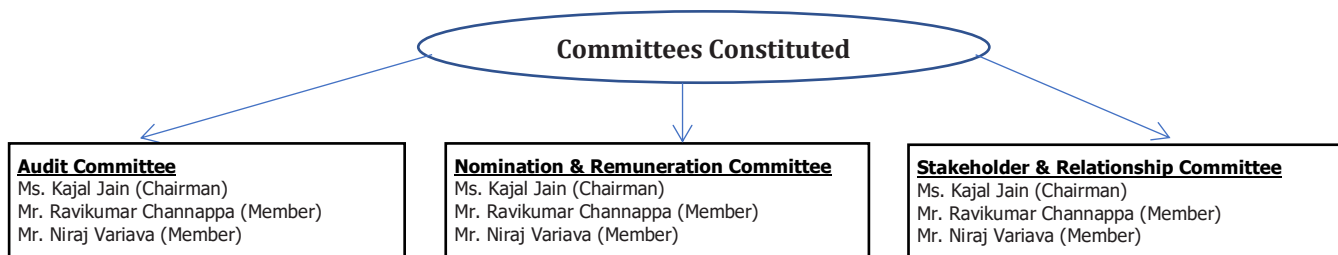
Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the Management Discussion and Analysis is presented in a separate section forming part of this Annual Report. As required under the provisions of the Listing Regulations, the Audit Committee of the Company has reviewed the Management Discussion and Analysis report of the Company for the year ended 31st March, 2022.

COMMITTEES OF THE BOARD:

In terms of the Companies Act 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors have constituted Board Committees to deal with specific areas and activities which concern the Company and requires a closer review. The Board Committees are formed with approval of the Board and function under their respective Charters. These Committees play an important role in the overall Management of day-to-day affairs and governance of the Company. The Board Committees meet at regular intervals and take necessary steps to perform its duties entrusted by the Board. The Minutes of the Committee Meetings are placed before the Board for noting.

The Company has three Board Level Committees:

As on year ended the Company has following Committees of Board of the Board with the given composition.



AUDIT COMMITTEE AT GLANCE:

The terms of reference:

The terms of reference / role of the Committee are aligned with the terms of reference provided under Section 177 of the Companies Act, 2013 and Part C of Schedule II of the Listing Regulations. Viz:

- a) Overseeing the Company’s financial reporting process and disclosure of financial information to ensure that the financial Statements are correct, sufficient and credible;
- b) Recommending the appointment, reappointment and removal of the external Auditors, fixation of Audit fee and approval for payment of any other services;
- c) Reviewing with management the Annual financial Statements before submission to the Board;
- d) Reviewing with the management and external Auditors, the adequacy of internal control systems;
- e) Reviewing the adequacy of Cost Audit function;
- f) Discussing with Cost Auditors any significant findings and follow up on such issues; vii. discussing with the external Auditors before the Audit commences on the nature and scope of Audit, as well as having post Audit discussion to ascertain the area of concern, if any;
- g) Reviewing the Company’s financial and risk management policies; and
- h) Examining reasons for substantial default in the payment to Shareholders (in case of non-payment of declared dividends) and creditors, if any
- i) To review the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- j) Review the internal audit reports relating to internal control weaknesses;
- k) Scrutinize inter-corporate loans and investments;
- l) Review the functioning of the Whistle blower mechanism
- m) Look after the risk assessment including fraud risk and risk guidelines governing the risk management process;
- n) Review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 with reference to events which were regarded as UPSI, whether such UPSI were shared in the manner expected, instances of leaks, if any, instance of breaches of the Code, efficiency of sensitization process, etc. at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.

In fulfilling the above role, the Audit Committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice.

The Audit Committee of the Board, pursuant to Section 177(2) of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014, consists of 3 (Three) Directors. All members of the Audit Committee are Independent Directors.

The Audit Committee of the Board of Directors met 6 (Six) times in respect of which proper notices were given and the proceedings were properly recorded and signed. The Audit Committee Meetings were held on 24.05.2021, 08.06.2021, 23.07.2021, 26.08.2021, 19.10.2021 and 20.01.2022. The details of composition of the Audit Committee Meeting and the Directors who attended the meetings are given below:

Composition:

Name of the Directors	No. of Meetings held	Entitlement to attend	No. of Meetings attended
Ms. Kajal Jain	6	6	6
Mr. Ravikumar Channappa	6	6	6
Ms. Punit Neb @sss	6	5	5
Mr. Niraj Variava @	6	1	1

The Committee has been reconstituted w.e.f. 30.11.2021 upon resignation of Ms. Punit Neb and Mr. Niraj Variava has been designated as a member of Committee in her place.

NOMINATION AND REMUNERATION COMMITTEE AND ITS POLICY AT GLANCE:

The Nomination and Remuneration Committee is constituted by the Board of Directors pursuant to Section 178 of the Companies Act, 2013. The committee is responsible to identify persons who are qualified to become directors or senior management employees and recommend to the Board their appointment / removal, oversee and administer executive compensation etc. The Company has formulated the remuneration policy. The details of this policy are available on the Company's website <https://sparcelectrex.com/policies/>

The composition of this Committee is in compliance with the requirements of Section 178 of the Companies Act, 2013 Part D of Schedule II and Regulation 19 of the Listing Regulations. (However regulation 19 is not applicable to the Company)

- To formulate criteria for evaluation and evaluate the performance of every director, including the Independent Directors;
- To identify and recommend to the Board, in accordance with the criteria as laid down, appointment/reappointment/removal of the Executive /Non- Executive Directors and the senior management of the Company;
- Recommend to the board appointment of key managerial personnel ("KMP" as defined by the Act) and executive team members of the Company (as defined by this committee).
- Carry out evaluation of every director's performance and support the board and independent directors in evaluation of the performance of the board, its committees and individual directors.
- This shall include "formulation of criteria for evaluation of independent directors and the Board"
- On an annual basis, recommend to the board the remuneration payable to the directors and oversee the remuneration to executive team or key managerial personnel of the Company.
- To monitor and handle any other matter relating to framing/administration of SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines, 1999 or any amendments thereof;
- Any other function as may be mandated by the Board or stipulated by the Companies Act, 2013, SEBI, Stock Exchanges or any other regulatory authorities from time to time.
- Performing such other duties and responsibilities as may be consistent with the provisions of the committee charter.
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria lay down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

Total 5 (Five) meetings were held during the year under review. The Nomination and Remuneration Committee Meetings were held on 08.06.2021, 23.07.2021, 19.10.2021, 30.11.2021 and 20.01.2022. The necessary quorum was present at the meeting.

Composition:

Name of the Directors	No. of Meetings held	Entitlement to attend	No. of Meetings attended
Ms. Kajal Jain	5	5	5
Mr. Ravikumar Channappa	5	5	5
Ms. Punit Neb @	5	1	1
Mr. Niraj Variava @	5	4	4

The Committee has been reconstituted w.e.f. 23.07.2021 upon resignation of Ms. Punit Neb and Mr. Niraj Variava has been designated as a member of Committee in her place.

STAKEHOLDERS RELATIONSHIP COMMITTEE:

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (LODR) Regulations, 2015, the Board has constituted Stakeholders Relationship Committee to specifically look into the mechanism of redressal of grievances of shareholders and other security holders.

Terms of the Committee

- To consider and resolve the grievances of security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
- To consider and approve demat/ remat of shares / split / consolidation / sub-division of share / debenture certificates;
- To consider and approve issue of share certificates (including issue of renewed or duplicate share certificates), transposition of names, deletion of names transfer and transmission of securities, etc.;

- To review adherence to the standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- To review of the measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
- To deal with Shareholders' and Investors' complaints on matters relating to transfer of shares, non-receipt of annual report, non-receipt of dividends and matters related thereto.
- To exercise all power conferred on the Board of Directors under Articles of Association.
- Attending to complaints of Investor routed by SEBI / Stock Exchanges / RBI.

Details of Pending Investor Grievances:

There were no investor grievances pending for redressal at the end of the financial year and all the queries from the stakeholders were attended to promptly. Further there were no pending transfers for the year under review.

Opening Balance	Received during the year	Resolved during the year	Closing Balance
0	0	0	0

Details of the Compliance Officer designated for handling of the investor grievances:

Name: Ms. Tejashri Kulkarni
 Address: 1202, 12th Floor, Esperanza Building, 198, Linking Road, Next to Bank of Baroda, Bandra West, Mumbai- 400050.
 Email id: sparcelectrex@gmail.com

Total 4 (Four) meetings were held during the year under review. The Stakeholders Relationship Committee Meetings were held on 24.05.2021, 26.08.2021, 19.10.2021 and 20.01.2022. The necessary quorum was present at the meeting.

Composition:

Name of the Directors	No. of Meetings held	Entitlement to attend	No. of Meetings attended
Ms. Kajal Jain	4	4	4
Mr. Ravikumar Channappa	4	4	4
Ms. Punit Neb *	4	3	3
Mr. Niraj Variava @	4	1	1

The Committee has been reconstituted w.e.f. 30.11.2021 upon resignation of Ms. Punit Neb and Mr. Niraj Variava has been designated as a member of Committee in her place.

VIGIL MECHANISM/WHISTLE BLOWER POLICY:

The Company has formulated and implemented the Whistle Blower Policy / Vigil Mechanism to deal with instances of fraud and mismanagement, if any. The policy provides for adequate safeguards against victimization of persons who use such mechanism and makes provision for employees of the Company and other persons dealing with the Company for direct access to the chairperson of the Audit Committee for any instance of unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct. The aforesaid policy has also been uploaded on the Company's website <https://sparcelectrex.com/policies/>.

During the financial year 2021-2022, no cases or complaints under this mechanism were reported in the Company.

POLICY FOR PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:

The Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace Act, 2013 provides for protection against sexual harassment of women at workplace and for the prevention and redressal of complaints of sexual harassment and for matters connected therewith or incidental thereto. The Company has framed a Policy on Prevention of Sexual Harassment at Workplace as per the provisions of this Act. During the year under review, no cases were reported under the said policy during the financial year 2021-2022.

DETAILS OF COMPLIANCE WITH MANDATORY REQUIREMENTS AND ADOPTION OF THE NON-MANDATORY REQUIREMENT UNDER THIS CLAUSE:

The Company is in Compliance with all mandatory requirements of Listing Regulations. In addition Company has also adopted the following Non-mandatory requirements voluntarily to the extent mentioned below:

Certificate as required under Part C of Schedule V of Listing Regulations, have been received from M/s. Pankaj Trivedi & Co., Practicing Company Secretary, that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority.

RECONCILIATION OF SHARE CAPITAL AUDIT REPORT (FORMERLY KNOWN AS SECRETARIAL AUDIT REPORT) AND CERTIFICATE OF COMPLIANCE WITH REGULATION 40(9) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:

The SEBI vide Circular No. CIR/MRD/DP/30/2010 dated 6th September, 2010 has modified the terminology of Secretarial Audit, as Reconciliation of Share Capital Audit. A qualified Practicing Company Secretary has carried out secretarial audit to reconcile the total admitted capital with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) and total issued and listed capital. The Reconciliation of Share Capital Audit (formerly known as Secretarial Audit Report) confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of Dematerialized shares held with NSDL and CDSL. The audit was carried out by M/s. Pankaj Trivedi & Co., Practicing Company Secretary every quarter and report thereon is submitted to the Stock Exchanges along with yearly Compliance Certificate as per Regulation 40(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and placed before the Board of Directors.

DETAILS OF NON-COMPLIANCE BY THE COMPANY, PENALTIES AND STRICTURES IMPOSED ON THE COMPANY BY STOCK EXCHANGES OR SEBI, OR ANY STATUTORY AUTHORITIES, ON ANY MATTER RELATED TO CAPITAL MARKETS DURING LAST THREE YEARS:

During the year under review, the Company has complied with the requirements of regulatory authorities. No penalties / strictures were imposed on the Company by Stock Exchanges / SEBI or any other statutory authority on any matter related to capital market.

DETAILS OF UTILISATION OF FUND:

During the year, the Company has not raised any funds through preferential allotment, right issue or qualified institutions placement as specified under Regulation 32(7A) of the Listing Regulations.

CREDIT RATINGS:

During the year under review, the Company has not borrowed any money and has not raised any funds. Hence, disclosure pertaining to utilization of funds and Credit Rating is not applicable.

INTERNAL CONTROLS AND GOVERNANCE PROCESSES:

The Company continuously invests in strengthening its internal control and processes. The Audit Committee along with the CFO formulates a detailed plan to the Internal Auditors for the year, which is reviewed at the Audit Committee. The Internal Auditors attend the meetings of Audit Committee at regular intervals and submit their recommendations to the Audit Committee and provide a road map for the future.

MANAGEMENT DISCLOSURES:

The Senior Management personnel have made disclosures to the Board relating to all material financial and commercial transactions, if any, where they may have personal interest that may have a potential conflict with the interest of the Company at large. Based on the disclosures received, none of the Senior Management personnel has entered into any such transactions during the year.

DETAILS OF COMPLIANCE WITH MANDATORY REQUIREMENTS AND ADOPTION OF THE NON-MANDATORY REQUIREMENT UNDER THIS CLAUSE:

The Company is in Compliance with all mandatory requirements of Listing Regulations. In addition Company has also adopted the following Non-mandatory requirements to the extent mentioned below:

Certificate as required under Part C of Schedule V of Listing Regulations, have been received from M/s. Pankaj Trivedi & Co., Practicing Company Secretaries, that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority.

DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT (UNCLAIMED SHARES): Nil

MANAGING DIRECTORS DECLARATION ON CODE OF CONDUCT AND ETHICS:

The Board of Directors of the Company has laid down Code of Conduct and Ethics (The Code) for the Company's Directors and Senior Executives. All the Directors and the Senior Executives covered by the code have affirmed compliance with the code on an annual basis.

PREVENTION OF INSIDER TRADING:

The Company has adopted an Insider Trading Policy to regulate, monitor and report trading by insiders under the SEBI (Prevention of Insider Trading) Regulation, 2015 and the same is available on the Company's website. This policy also includes practices and procedures for fair disclosures of unpublished price-sensitive information, initial and continual disclosures.

DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT (UNCLAIMED SHARES): NIL

MANAGING DIRECTORS DECLARATION ON CODE OF CONDUCT AND ETHICS:

The Board of Directors of the Company has laid down Code of Conduct and Ethics (The Code) for the Company's Directors and Senior Executives. All the Directors and the Senior Executives covered by the code have affirmed compliance with the code on an annual basis.

GENERAL BODY MEETING:

(a) Location, date and time of the Annual General Meetings held during the last three years are given below:

F.Y.	Type of Meeting	Location	Meeting Date & Time
2020-2021	32 nd AGM	Through Video Conferencing/Other Audio Visual Means (Deemed Venue : Registered Office)	28 th Sept,2021 at 03.00 p.m.
2019-2020	31 st AGM	Through Video Conferencing/Other Audio Visual Means (Deemed Venue : Registered Office)	27 th Sept,2020 at 11.00 a.m.
2018-2019	30 th AGM	Plot No.11, Survey No. 118- 1 & 2, Village, Pundhe, Taluka Shapur, At post- Athgon, District-Thane- 421601	30 th Sept, 2019 at 10:00 a.m.

(ii) No Extra Ordinary General Meeting was held during the year.

(iii) Postal Ballot: The Company has sought the approval of the members twice through Postal Ballot during the year under review, which was called and conducted 29th November, 2021 and 7th January, 2022. The summary of the resolutions passed through postal ballots are as below.

(a) Following resolutions were passed for Postal Ballot completed on 29th November, 2021:

1	Appointment of Mr. Shobith Ganesh Hegde (DIN: 02211021) as Whole Time Director of the Company and to fix remuneration - Ordinary Resolution
2	Payment of remuneration to Executive Directors - Special Resolution
3	To increase the Authorised Share Capital of the Company - Ordinary Resolution
4	To shift the registered office of the Company outside the limit of same city/town/village - Special Resolution
5	To adopt revised Articles of Association of the Company - Special Resolution
6	To Change the Name of the Company - Special Resolution
7	Change of Object Clause of the Memorandum of Association of the Company - Special Resolution
8	Adoption of Object clause of Memorandum of Association as per provisions of Cos. Act, 2013 - Special Resolution
9	Authorization under Section 186 of the Companies Act, 2013 - Special Resolution
10	Authorization under Section 180 of the Companies, Act, 2013 - Special Resolution
11	Approval for Related Party Transactions - Ordinary Resolution

Resolution No	No. of members voted	Total No. Shares voted	Votes In favour		Votes Against		Invalid Votes	
			Members	Votes	Members	Votes	Members	Votes
1	14	890227	12	889227	2	1002	-	-
2	14	890227	12	889227	2	1002	-	-
3	14	890227	13	889225	1	2	-	-
4	14	890227	13	889225	1	2	-	-
5	14	890227	13	889225	1	2	-	-
6	14	890227	13	889225	1	2	-	-
7	14	890227	13	889225	1	2	-	-
8	14	890227	13	889225	1	2	-	-
9	14	890227	13	889225	1	2	-	-
10	14	890227	13	889225	1	2	-	-
11	14	890227	13	889225	1	2	-	-

(b) Following resolutions were passed for Postal Ballot completed on 7th January, 2022:

1	Appointment of Mr. Suresh Vishwanathan (DIN: 02310679), as an Executive Director of the Company and to fix remuneration - Special Resolution
2	To approve the request for reclassification of a shareholder from the 'Promoter Group' to the 'Public' Category - Ordinary Resolution
3	Approval to deliver document through a particular mode as may be sought by the member - Special Resolution

Resolution No	No. of members voted	Total No. Shares voted	Votes In favour		Votes Against		Invalid Votes	
			Members	Votes	Members	Votes	Members	Votes
1	9	82487	9	82487	-	-	-	-
2	9	82487	9	82487	-	-	-	-
3	9	82487	9	82487	-	-	-	-

The Board has appointed Mr. Pankaj Trivedi (ICSI Mem No. ACS 15301), Practicing Company Secretary of Pankaj Trivedi & Co. in its meeting held on 19.10.2021 and 30.11.2021 for respective postal ballot for conducting aforesaid postal ballots in a fair and transparent manner.

In compliance provisions of Sections 108, 110 and other applicable provisions of the Act, read with (i) Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014, as amended; (ii) Regulation 44 of the Listing Regulations, as amended from time to time and read with (iii) General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020 and General Circular No. 10/2021 dated June 23, 2021 in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19", issued by the MCA, to the extent applicable (MCA Circulars), the Company provided only remote e-Voting facility to its Equity Shareholders to enable them to cast their votes electronically instead of submitting the Postal Ballot form.

The Company engaged the services of Central Depository Services (India) Limited (CDSL) for facilitating remote e-Voting to enable the Members to cast their votes electronically.

In terms of the MCA Circulars, the Company sent the Postal Ballot Notice in electronic form only to those Equity Shareholders whose names appeared in the Register of Members/ List of Beneficial Owners as received from NSDL and Central Depository Services (India) Limited (CDSL) and whose email addresses were available with the Company / Depositories / the Depository Participants / the Company's Registrar and Share Transfer Agent as on the cut-off date.

Voting rights were reckoned on the paid-up value of the shares registered in the names of the Members as on the respective cut-off dates i.e. 22nd October, 2021 and 3rd December, 2021. Members who desired to exercise their votes by electronic mode were requested to vote before close of business hours on the last date of e-Voting.

- (iv) Details of the meeting convened in pursuance of the order passed by the National Company Law Tribunal (NCLT): **Not applicable**

GENERAL INFORMATION FOR MEMBERS

A. 33rd Annual General Meeting

Day & Date	Time	Venue
Thursday, 29 th September, 2022	02.00 p.m.	Through Video Conferencing/Other Audio Visual Means (Deemed Venue : Registered Office)

B. Financial Calendar (2022-2023)

Particulars	Period
Financial Year	April 1, 2022 to March 31, 2023
For consideration of Unaudited/Audited Financial Results	
Results for quarter ending June 30, 2022	On or before August 14, 2022
Results for quarter ending September 30, 2022	On or before November 14, 2022
Results for quarter ending December 31, 2022	On or before February 14, 2023
Results for quarter ending March 31, 2023	On or before May 30, 2023
AGM for the year ending March 31, 2023	On or before September 30, 2023

C. Book Closure Date

The Company's Share Transfer Books and Register of Members of equity shares shall remain closed from the 23.09.2022 to 29.09.2022. (Both days inclusive)

D. Share Transfer System

Share transfers in physical form are processed by the Registrar and Transfer Agents, Universal Capital Securities Private Limited and are approved by the Stakeholders Relationship Committee of the Company or the authorized signatories of the Company. Share transfers are registered and returned within 15 days from the date of lodgement if documents are complete in all respects. The depository system handles share transfers in dematerialized form.

- E. Dividend Payment Date:** No Dividend has been recommended for the year under review and in last 7 years.

F. **Dividend History:** The Company has not paid any Dividend during last 10 years.

G. **Unclaimed Dividend / Share Certificates:**

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, if the dividend transferred to the Unpaid Dividend Account of the Company remains unpaid or unclaimed for a period of seven years from the date of such transfer then such unclaimed or unpaid dividend shall be transferred by the company along with interest accrued, if any to the Investor Education and Protection Fund ('the IEPF'), a fund established under sub-section (1) of section 125.

Mandatory Transfer of Shares to Demat Account of Investors Education and Protection Fund Authority (IEPFA) in case of unpaid/ unclaimed dividend on shares for a consecutive period of seven years.

In terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) (IEPF Rules) shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more shall be credited to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) within a period of thirty days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also be credited to such Demat Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares. Shares which are transferred to the Demat Account of IEPFA can be claimed back by the shareholders from IEPF by following the procedure prescribed under the IEPF Rules.

Details of Unclaimed Dividend and Due Dates for transfer are as follows as on March 31, 2022:

Year of Declaration of Dividend	Date of Declaration of Dividend	Unclaimed Amount	Due Date for transfer to IEPF Account
None	None	None	None

Further, as required to be disclosed under Regulation 34(3) read with Schedule V of Listing Regulations, Nil Shares are lying at the beginning or at the close of financial year in the Suspense Account. Further the Company did not moved in/out any Equity Share in said Suspense Account during the current financial year.

H. a. Listing of Equity Shares: Bombay Stock Exchange
b. Listing fee for F.Y. 2022-23 has been paid to the BSE Ltd.

I. a. BSE Script Code: 531370
b. Demat ISIN Numbers is INE960B01015

J. **Dematerialization of Shares**

The Company's shares are compulsorily traded in dematerialized form and are available for trading on both the depositories, viz, National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). Percentages of Shares held in physical and dematerialized form as on 31st March, 2022 are as follows:

Mode	No. of Shares	% Shares
Physical Form	8,76,631	17.39%
With NSDL	30,22,269	59.97%
With CDSL	9,90,100	19.64%
Total	48,89,000	97.00%

Note: The 1,51,000 equity shares had been forfeited by the company in F.Y. 2000-01. Those shares have not been re-issued or cancelled by company till date.

K. **Market Price Data:**

The monthly 'high' and 'low' closing prices of the shares traded during the year 2021-22 on BSE are given below:

Month	High Price	Low Price	Close Price	No. of Shares
Apr-21	4.23	3.66	4.04	40,098
May-21	4.71	3.71	4.33	29,029
Jun-21	9.04	4.54	9.04	48,432
Jul-21	10.36	9.22	10.36	1,08,254
Aug-21	10.36	10.36	10.36	20,086
Sep-21	10.87	10.36	10.87	11,239
Oct-21	10.87	10.87	10.87	27,925
Nov-21	11.41	10.87	11.41	5,105
Dec-21	11.41	11.41	11.41	12,742
Jan-22	11.98	11.41	11.98	12,091
Feb-22	12.57	12.57	12.57	5,802
Mar-22	12.57	12.57	12.57	10,200

L. Shareholding Pattern Of The Company As On 31st March, 2022

Category	No. of Shares held	% of Shareholding
A. Promoter's Holding		
1. Promoters		
- Indian Promoters	13,25,738	27.12%
- Foreign Promoters	0	0.00%
2. Persons acting in concert	0	0.00%
Sub - Total	13,25,738	27.12%
B. Non-Promoter's Holding		
1. Institutional Investors	0	0.00%
a) Mutual Funds and UTI	40,400	0.83%
b) Banks, Financial Institutions, Insurance Cos.	0	0.00%
c) Central/State Govt. Institutions / Non-Government Institutions)	0	0.00%
C. FI's	0	0.00%
Sub - Total	40,400	0.83%
2. Other Cl. Member	0	0.00%
a) Private Corporate Bodies	8,10,813	16.58%
b) HUF	68,935	1.41%
c) Indian Public	24,00,414	49.10%
d) NRI's	2,42,700	4.96%
Sub-Total	35,22,862	72.06%
Grand Total	48,89,000	100.00%

M. Distribution of shareholding as on 31st March, 2022

No. of Shares held	No. of Shareholders	% to total Shareholders	In Rs.	% to total Shares
Up to 500	1426	62.85%	3,88,098	7.94%
501 - 1000	564	24.86%	5,14,244	10.52%
1001-2000	143	6.30%	2,31,564	4.74%
2001-3000	39	1.72%	1,02,674	2.10%
3001-4000	14	0.62%	49,226	1.01%
4001-5000	19	0.84%	90,212	1.85%
5001-10000	19	0.84%	1,45,763	2.98%
10,000 and above	45	1.98%	33,67,219	68.87%
TOTAL	2,269	100%	4,88,90,000	100%

CONSOLIDATION OF FOLIOS AND AVOIDANCE OF MULTIPLE MAILING:

In order to enable the Company to reduce costs and duplicity of efforts for providing services to investors, members who have more than one folio in the same order of names are requested to consolidate their holdings under one folio.

Members may write to the Registrars and Transfer Agents indicating the folio numbers to be consolidated along with the original shares certificates to be consolidated.

Important Points

Investors should hold securities in dematerialised form, as transfer / transmission / transposition of shares in physical form is no longer permissible. As mandated by SEBI, w.e.f. April 1, 2019, January 24, 2022 respectively request for effecting transfer of securities shall not be processed unless the securities are held in dematerialised form with a depository except for transmission and transposition of securities. Members are advised to dematerialise securities in the Company to facilitate transfer of securities.

Holding securities in dematerialized form is beneficial to the investors in the following manner:

- ✓ A safe and convenient way to hold securities;
- ✓ Elimination of risk(s) associated with physical certificates such as bad delivery, fake securities, delays, thefts, etc.;
- ✓ Immediate transfer of securities;
- ✓ No stamp duty on electronic transfer of securities;
- ✓ Reduction in transaction cost;
- ✓ Reduction in paperwork involved in transfer of securities;
- ✓ No odd lot problem, even one share can be traded;
- ✓ Availability of nomination facility;
- ✓ Ease in effecting change of address / bank account details as change with Depository Participants (DPs) gets registered with all companies in which investor holds securities electronically;
- ✓ Easier transmission of securities as the same is done by DPs for all securities in demat account;
- ✓ Automatic credit in to demat account of shares, arising out of bonus / split / consolidation / merger / etc.;
- ✓ Convenient method of consolidation of folios/accounts;

- ✓ Holding investments in Equity, Debt Instruments, Government securities, Mutual Fund Units etc. in a single account;
- ✓ Ease of pledging of securities; and
- ✓ Ease in monitoring of portfolio.

Members holding Shares in Physical mode are :

- a) Required to submit their Permanent Account Number (PAN) and bank account details to the Company / RTA, if not registered with the Company as mandated by SEBI.
- b) Advised to register the nomination in respect of their shareholding in the Company. Nomination Form SH-13 ([Pursuant to section 72 of the Companies Act, 2013 and rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014] can be obtained from the Company's Registrar and Share Transfer Agent. It is also available on Public domain.
- c) Requested to register / update their e-mail address with the Company / RTA for receiving all communications from the Company electronically. Members holding Shares in Electronic mode:
- d) Requested to submit their PAN and bank account details to their respective DPs with whom they are maintaining their demat accounts.
- e) Advised to contact their respective DPs for registering the nomination.
- f) Requested to register / update their e-mail address with their respective DPs for receiving all communications from the Company electronically.

Register for SMS alert facility:

Investor should register with Depository Participants for the SMS alert facility. Both Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) alert investors through SMS of the debits and credits in their demat account.

Intimate Mobile Number

Shareholders are requested to intimate their mobile number and changes therein, if any, to Company's RTA viz. Universal Capital Securities Private Limited to their dedicated e-mail id i.e., info@unisec.in if shares are held in physical form or to their DP if the holding is in electronic form, to receive communications on corporate actions and other information of the Company.

DISCLOSURES

The Company has adopted the Code of Ethics and Business principles for the members of Board and senior management personnel. The Company has adopted a Code of Conduct for Prevention of Insider Trading ("the Code") in accordance with the requirements of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and its subsequent amendment. The code expressly lays down the guidelines and the procedure to be followed and disclosures to be made, while dealing with shares of the Company and cautioning them on the consequences of non-compliance thereof. Further, it is affirmed that no personnel have been denied access to the Audit Committee. Employees can report to the Management concerned regarding unethical behaviour, act or suspected fraud or violation of the Company's Code of Conduct Policy.

The Company has ensured that the person who is being appointed as an Independent Director has the requisite qualifications and experience which would be of use to the Company and which in the opinion of the Company would enable him to contribute effectively to the Company in his capacity as an Independent Director.

MEANS OF COMMUNICATION:

The quarterly, half-yearly and annual Financial Results of the Company are forwarded to BSE Limited immediately upon its approval by the Board of Directors and are simultaneously published in national and regional newspapers. In accordance with the Listing Agreement requirements, data pertaining to Shareholding Pattern, Quarterly Financial Results and other details are forwarded to the Stock Exchange. During the year under review, no presentation was made to the institutional investors or analysts.

Intimation to Stock Exchange - Your Company believes that all the stakeholders should have access to adequate information about the Company. All information, which could have a material bearing on the share prices, is released at the earliest to the BSE in accordance with the requirements of listing agreement.

Newspapers Publications - The Financial Results and other Communications of the Company were normally published in English and Marathi daily widely circulated in the state of Maharashtra.

Company's Website - The Financial Results was also displayed on the Company's website www.sparcelectrex.com. The Company also keeps on updating its website with other relevant information, as and when required. The company did not make any official news releases nor made any presentations to the institutional investors or analysts, during the period under review.

Annual Report- Annual Report containing, inter alia, the Standalone Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to members of the Company prior to the AGM. The Report on Management Discussion and Analysis forms part of the Annual Report. The Annual Report of the Company is also available on the website of the Company in a user friendly and downloadable format.

CAUTIONARY STATEMENT

Statements in the Management Discussion & Analysis describing the Company's objectives, projections and expectations maybe "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make difference to the Company's operations include economic conditions affecting demand / supply & price conditions in the markets in which the Company operates, changes in Government regulations, tax laws, litigation, exchange rate fluctuations, interest, other cost and certain presumptions on which estimates are based and other incidental factors.

ACKNOWLEDGEMENT:

The Directors acknowledge with gratitude the co-operation and assistance extended to the Company by Shareholders, Employees, Customers, Bankers, Auditors, Company Secretaries, Registrar & Share Transfer Agents and Vendors.

**For and on behalf of the Board
Of Sparc Electrex Limited**

Sd/-
Shobith Hegde
(WTD & CFO)
DIN: 02211021
Mumbai, August 12, 2022

Sd/-
Suresh Vishwanathan
(Director)
DIN: 02310679

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

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

To
The Members,
M/s. Sparc Electrex Limited
Mumbai

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by M/s. Sparc Electrex Limited (Formerly Known as Sparc Systems Limited) (hereinafter called "the Company"). The 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 my verification of the Company's books, papers, minute books, forms and return is filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022, has 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:

I have examined the books, papers; minutes' books, forms and returns filed and other records maintained by Company for the financial year ended on 31st March, 2022 according to the provisions of:

1. The Companies Act, 2013 ('the Act') and the Rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 and the Rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:
 - (i) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (ii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (iii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
 - (iv) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. (Not applicable to the Company during the Audit Period);
 - (v) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - (Not applicable to the Company during the Audit Period);
 - (vi) 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; (Not applicable to the Company during the Audit period);
 - (vii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. (Not applicable to the Company during the Audit period);
 - (viii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the Audit Period);

We have been informed by the management of the Company that the Company meticulously follows the provisions of other applicable laws pertaining to the industry to which the Company relates and has devised requisite systems for their desired compliance.

- i. Maharashtra state Tax on Professions, Trades, Callings and Employments Act 1975;
- ii. Shop and Establishment Act, 1948

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

- (i) Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India; and
- (ii) The Securities and Exchange Board of India (LODR) Regulations, 2015 (As amended).

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to following observations:

1. According to Regulation 31(4) of SEBI (SAST), Regulations, 2011; the Company needs to submit declaration of non-encumbrance of shares on promoters holding as on year end seven working days from the end of each financial year. However the same has been submitted on 14th May, 2021.
2. According to SEBI Circular No SEBI/HO/DDHS/CIR/P/2018/144 dated November 26, 2018; the company needs to submit declaration to the effect that Company is not a Large Corporate on or within thirty working days from the beginning of the financial year. However the same has been submitted on 14th May, 2021.
3. In terms of Section 179(3) of the Companies' Act, 2013 the Company was required to file MGT-14 in connection with Board meeting held on 26.08.2021 towards appointment of Internal Auditor and approval of Directors Report within 30 days of Board Meeting. However the Form MGT-14 is filed beyond the period of 30 days and within 60 days of Board Meeting.
4. In terms of Section 152(6) of the Companies Act, 2013 as amended, the Company is required to constitute the Board with not less than two-thirds of the total number of Directors liable to retire by rotation.

I further report that:

- (i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes made 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.
- (ii) Adequate notice is given to all directors to schedule the Board and Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- (iii) Decisions at the Board Meetings, as represented by the management and recorded in minutes, were taken unanimously.
- (iv) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
- (v) 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.

I further report that during the audit period followings were the major specific events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

- Change in name of the Company in connection with the same necessary approvals of the members and authorities has been taken and necessary filing and reporting has been made by the Company.
- Change in Object of the Company in connection with the same necessary approvals of the members and authorities has been taken and necessary filing and reporting has been made by the Company.
- Appointment of Mr. Shobith G, Hegde as Whole Time Director and Chief Financial Officer of the Company and in connection with the same necessary approvals of the members and authorities has been taken and necessary filing and reporting has been made by the Company.
- Takeover of the Company and reclassification of Promoters. The Company has appointed M/s. Capital Square Advisors Pvt Ltd as a Merchant Banker for completion of Take Over and Open Offer proceedings. The Company has made a Reclassification application for ex-promoters under Regulation 31A of Listing Regulations, 2015 as amended and the application is pending with the exchange for approval.

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

For Pankaj Trivedi & Co.,
(Company Secretary in Practice)
UDIN: A030512D000766093
PRN: S2016MH374500

Sd/-
Pankaj Trivedi
(Proprietor)
CP No. 15301
Place: Mumbai
Dated: 12/08/2022

ANNEXURE I
TO THE SECRETARIAL AUDIT REPORT

To
The Members,
M/s. Sparc Electrex Limited
Mumbai

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

Management's Responsibility

- 1) It is the Responsibility of Management of the Company to maintain Secretarial records, device proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

- 2) I 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 test basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.
- 3) I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
- 4) Where ever required, I have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.
- 5) The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

Disclaimer

- 6) The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Pankaj Trivedi & Co.,
(Company Secretary in Practice)
UDIN: A030512D000766093
PRN: S2016MH374500

Sd/-
Pankaj Trivedi
(Proprietor)
CP No. 15301
Place: Mumbai
Dated: 12/08/2022

FORM - AOC-2

RELATED PARTY TRANSACTION:

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

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

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

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

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

Sr. No.	Name (s) of the related party & nature of relationship	Nature of contracts/ arrangements / transaction	Duration of the contracts/ arrangements / transaction	Salient terms of the contracts or arrangements or transaction including	Date of approval by the Board	Amount paid as advances, if any
1	Electrex International Pvt Limited – (Promoter Group)	Expense paid on behalf of the Company, Service revenue received by the Company and Borrowing & repayment of Loan	2021-22	Expenses Paid on behalf of Sparc of '3.08 lacs during the year. Service Charge Income received by Sparc of '40 lacs during the year. Unsecured loan received by the Company of '219.05 lacs and repayment made of '2.99 lacs during the year.	19.10.21	-
2	J. T. D'Souza (Ex-MD and promoter of the Company)	Expense paid on behalf of the Company	2021-22	Expenses Paid on behalf of Sparc of '0.76 lacs during the year.	24.05.21	-
3	Punit Neb (Ex-WTD and promoter of the Company)	Expense paid on behalf of the Company	2021-22	Expenses Paid on behalf of Sparc of '0.03 lacs during the year.	24.05.21	-
4	Deep Shah	Remuneration to Company Secretary	2021-22	Remuneration paid of '0.63 lacs for April-July, 2021	24.05.21	-
5	Pallavi Lakdawala	Remuneration to Company Secretary	2021-22	Remuneration paid of '0.79 lacs for August 21 to January 2022	24.05.21	-

For and on behalf of the Board
Of Sparc Electrex Limited

Sd/-
Shobith Hegde
(WTD & CFO)
DIN: 02211021
Mumbai, August 12, 2022

Sd/-
Suresh Vishwanathan
(Director)
DIN: 02310679

Details of the Remuneration as required under Section 197(12) of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014:

In terms of provision of Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the disclosures as required i.e the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2021-2022, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-2022 and the comparison of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of the Directors/KMPs	Remuneration Received	% Increase in the year ended 2021-2022	Ratio of remuneration of each Director to median remuneration of employees
1	Mr. Jude Terrence D'souza @ (Chairman and Managing Director)	-	Nil	Nil
2	Ms. Punit Neb # (Whole-time Director and CFO)	-	Nil	Nil
3	Mrs. Kajal Sampat ! (CFO)	-	Nil	Nil
4	Mr. Suresh Vishwanathan \$ (Executive Director)	-	Nil	Nil
5	Mr. Shobith Hegde ^ (Whole-time Director and CFO)	-	Nil	Nil
6	Mrs. Kajal Jain * (Independent Director)	-	Nil	Nil
7	Mr. Niraj Hareshbhai Variava ^^ (Independent Director)	-	Nil	Nil
8	Mr. Ravikumar Channappa (Executive Director)	-	Nil	Nil
9	Mr. Deep Shah ** (Cs & Compliance Officer)	62,500	Nil	0.42
10	Ms. Pallavi Pravin Lakdawala > (Cs & Compliance Officer)	78,500	Nil	0.53

Notes: @ Resigned w.e.f. 20.11.2021, # 20.11.2021, \$ 30.11.2021 ! 21.12.2021, * 21.04.2022, ** 14.07.2021, > 14.01.2022 \$ Appointed w.e.f. 19.10.2021, ^ 19.10.2021, ^^ 08.06.2021

- The Company has total 9 employees during the year under review.
- The median remuneration of employees of the Company during the financial year 2021-22 was Rs. 1,50,000.
- In the financial year 2021-22, there was an increase of NIL% in the median remuneration of employees.
- As on March 31, 2022, there were no permanent employees who were on the roll of the Company except KMPs and Directors.
- The total remuneration did not increase for any Directors of KMPs in 2021-22; whereas Profit after Tax was 211.76 Lakhs as against loss of Rs. 200.26 lakhs in the previous financial year.
- Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company: The total remuneration of the Key Managerial Personnel(s) did not increase in 2021-22; whereas Profit/loss After Tax was 211.76 Lakhs as against loss of Rs. 200.26 lakhs in the previous financial year.

None of the employee has received remuneration exceeding the limit as stated in rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. In terms of the provisions of Section 197(12) of the Act, there are no employees of the Company drawing remuneration in excess of the limits set out in the said provision.

**For and on behalf of the Board
Of Sparc Electrex Limited**

Sd/-
Shobith Hegde
(WTD & CFO)
DIN: 02211021
Mumbai, August 12, 2022

Sd/-
Suresh Vishwanathan
(Director)
DIN: 02310679

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS & OUTGO:**A. Conversion of energy**

- i. The Steps taken or impact on conservation of energy: NIL
- ii. The Steps taken by the company for utilizing alternate source of energy: NIL
- iii. The Capital investment on energy conversation equipments: NIL
- iv. The Electronic Industry is a low power consumption industry. Therefore the cost of electricity purchased and generated through genset is very low and efforts are made to minimize the use of energy.

B. Technology absorption:

- i. The efforts made towards technology absorption: NIL
- ii. The benefits derived like product improvement, cost reduction, product development or import substitution: NIL
- iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): N.A.
- iv. The details of technology imported: N.A.
- v. The year of import: N.A.
- vi. Whether the technology has been fully absorbed: N.A.
- vii. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: N.A.
- viii. The expenditure incurred on Research and Development: NIL

C. Foreign exchange Earnings and Outgo:

- i. Foreign Exchange earns in terms of Actual inflows during the year: NIL
- ii. Foreign Exchange outgo in terms of Actual Outflows during the year: NIL

**For and on behalf of the Board
Of Sparc Electrex Limited**

Sd/-
Shobith Hegde
(WTD & CFO)
DIN: 02211021
Mumbai, August 12, 2022

Sd/-
Suresh Vishwanathan
(Director)
DIN: 02310679

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

To,
The Members
Sparc Electrex Limited

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s. Sparc Electrex Limited (Formerly Known as Sparc Systems Limited) having CIN L31100MH1989PLC053467 having registered office at 1202, 12th Floor, Esperanza Building, Next to Bank of Baroda, 198, Linking Road, Bandra (West), Mumbai- 400050, Maharashtra, India and (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to me by the Company & its officer, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	DIN	Name of Director(s)	Date of Appointment in Company
1	02211021	Shobith Ganesh Hegde	19/10/2021
2	02310679	Suresh Vishwanathan	30/11/2021
3	06595061	Ravikumar Byrapatna Channappa	27/06/2020
4	09197068	Niraj Hareshbhai Variava	08/06/2021
5	08129655	Kajal Ashok Jain	30/03/2019

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

For Pankaj Trivedi & Co.,
(Company Secretary in Practice)
UDIN: A030512D000766148
PRN: S2016MH374500

Sd/-
Pankaj Trivedi
(Proprietor)
CP No. 15301
Place: Mumbai
Dated: 12/08/2022

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis have been included in accordance with the Code of Corporate Governance as approved by The Securities and Exchange Board of India (SEBI). Investors are cautioned that these discussions contain certain forward-looking statements that involve risk and uncertainties including those risks which are inherent in the Company's growth and strategy. The company undertakes no obligation to publicly update or revise any of the opinions or forward-looking statements expressed in this report consequent to new information or developments, events or otherwise.

The management of the Company is presenting herein the overview, opportunities and threats, initiatives by the Company and overall strategy of the Company and its outlook for the future. This outlook is based on management's own assessment and it may vary due to future economic and other future developments in the country.

The operational performance and future outlook of the business has been presented by the management based on current resources and future development of the Company.

COMPANY OVERVIEW:

Sparc Systems Limited was engaged in the business of Software and Hardware Electronic Security Solutions. The Company was founded on September 14, 1989 and had its IPO in November, 1995.

During the year under review, the Company changed its line of business from dealing in Software and Hardware Electronic Security Solutions i.e. office automation tools to Manufacturing of electric motors, generators and transformers. The change in the nature of business has been approved by the shareholders through Postal ballot dated November 29, 2021.

Consequent to change in the business activities and accordingly, in order to keep the name of the Company in consonance with the new business activities, the Company changed its name from "Sparc Systems Limited" to "Sparc Electrex Limited". The said change of name has also been approved by shareholders through Postal ballot dated November 29, 2021. The change of name of the Company has been approved by the Registrar of Companies vide a fresh certificate of incorporation dated January 13, 2022. The Company is currently listed on Bombay Stock Exchange Ltd.

OUTLOOK ON OPPORTUNITIES:

The engineering sector is the largest of the industrial sectors in India. India's engineering sector has witnessed a remarkable growth over the last few years driven by increased investment in infrastructure and industrial production. The engineering sector, being closely associated with the manufacturing and infrastructure sectors, is of strategic importance to India's economy. India, on its quest to become a global superpower, has made significant stride towards developing its engineering sector. The Government has appointed Engineering Export Promotion Council (EEPC) as the apex body in charge of promotion of engineering goods, products, and services from India. India exports transport equipment, capital goods, other machinery/equipment, and light engineering products such as castings, forgings, and fasteners to various countries of the world.

The Company has very good opportunities because of the long-term business relationship with valued customers. The Company continues its drive for sustainable growth in this growing domestic and international engineering industry. Considering the good distribution network, Company has poised for good growth.

OUTLOOK ON THREATS, RISKS AND CONCERNS:

The opening of the Indian market and removal of trade barriers, manufacturing activities are under tremendous pressure from cheaper finished goods imported into the country. This is particularly so in the electronic industry. Due to constant downward pressure on prices and rapid change in technology the Company must keep its inventories at near zero levels. The Company will need to upgrade its technology continuously. Further technology and development-oriented skills are in acute short supply, with a concomitant rise in manpower costs. Many of the Company's competitors have significantly greater financial resources and low-cost Chinese manufacturing bases. The Company must ensure cost effective operations to compete successfully with them. The arrival of major international brands in India has made the market ever more competitive. Important segments of the Company's client base are facing pressure, resulting in several projects being postponed. This has adversely affected revenue of the Company and is a cause for concern if these segments do not revive.

INTERNAL CONTROL SYSTEMS AND ADEQUACY:

The Company has an Internal Control System commensurate with the size, scale and complexity of its operations. The scope of the Internal Audit is decided by the Audit Committee and the Board. To maintain its objectivity and independence, the Board has appointed an Internal Auditor, which reports to the Audit Committee of the Board on a periodic basis.

The Internal Auditor monitors and evaluates the efficacy and adequacy of Internal control Systems in the Company, its compliance with operating systems, accounting procedures and policies for various functions of the Company. Based on the report of Internal Auditor, management undertakes corrective action wherever required and thereby strengthens the control further.

The Company has policies and procedures in place for ensuring proper and efficient conduct of its business, safeguarding of assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records and timely preparation of reliable financial information.

SEGMENT-WISE PERFORMANCE:

The Company operates in two segments which comprises of Manufacturing of Electrical Tools & Service and Trading. During the year, the revenue from operations amounted Rs. 508.66 Lakhs.

FINANCIAL PERFORMANCE:

The Company recorded a total income of Rs. 1507.32 lakhs as compared to Rs. 4.91 lakhs in the previous financial year, higher by Rs. 1502.41 Lakhs. The total income includes the revenue generated from business operations and revenue from other income. Last year the total income was solely generated from interest income from the loans and advances made by the Company. There was no income from main business activity of the Company. But during the year, the Company generated Rs. 1314.72 lakhs from its business operations and Rs. 192.60 lakhs amounted to income from other sources.

The Profit for the same period stands at Rs. 211.76 Lakhs as against loss of Rs. 200.26 lakhs in the previous financial year.

The management of the Company is very optimistic regarding performance of the Company in future and are taking every step and making every effort to turn the Company in to a more profitable organization.

PERFORMANCE OF THE BOARD AND COMMITTEES:

During the year under review, the performance of the Board & Committees and Individual Director(s) based on the below parameters was satisfactory:

- a) Most of the Directors attended the Board meeting;
- b) The remunerations if payable to executive Directors are strictly as per the company and industry policy.
- c) The Independent Directors are entitle to receive sitting fees. However no sitting fees were paid during the year.
- d) The Independent Directors contributed in the Board and committee deliberation and business and operation of the company.
- e) Risk Management Policy was implemented at all critical levels and monitored by the Internal Auditor, who reports to the Board and Audit committee.

HUMAN RESOURCES:

The Company regards its employees as a valuable asset and reviews and evolves policies and processes to provide a sustainable and stable working environment. Salaries and packages are commensurate with that of the industry for personnel of similar calibre and experience.

KEY FINANCIAL RATIOS:

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, the Company is required to give details of significant changes (changes of 25% or more as compared to immediately previous financial year) in financial ratios are as follows:

Sr. No.	Ratios	F.Y. 2021-22	F.Y. 2020-21	% Change	Numerator	Denominator
1	Current Ratio	1.11	9.10	-87.74%	Sum of Current Assets	Sum of Current Liabilities
2	Debt-Equity Ratio	0.61	0.05	1158.85%	Sum of Borrowings	Sum of Shareholders Fund
3	Debt Service Coverage Ratio	NA	NA	NA	Profit after tax but before Depreciation and interest	Sum of Interest & repayment of Debt as per Cash Flow
4	Return on Equity Ratio	4.26	(4.03)	-205.74%	Profit after tax	Sum of Shareholders Fund
5	Inventory Turnover Ratio	21.98	-	NA	Turnover	Sum of Inventory
6	Trade Receivables Turnover Ratio	7.75	-	NA	Turnover	Sum of Trade Receivables
7	Trade Payables Turnover Ratio	7.85	-	-	Purchase	Sum of Trade Payable
8	Net Capital Turnover Ratio	3.70	-	NA	Turnover	Sum of Shareholders Fund
9	Net Profit Ratio	0.16	NA	NA	Profit after tax	Turnover
10	Return on Capital Employed	0.39	(1.33)	-129.11%	EBIT	Sum of Shareholders Fund and Sum of Borrowings
11	Return on Investment	0.37	(1.33)	-127.81%	Profit after tax	Sum of Shareholders Fund and Sum of Long Term Borrowings

CAUTIONARY STATEMENT:

Statements in foregoing paragraphs of this report describing the current industry structure, outlook, opportunities, etc., may be construed as “forward looking statements”, based on certain assumptions of future events over which the Company exercises no control. Therefore, there can be no guarantee as to their accuracy. These statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those that may be implied by these forward looking statements.

**For and on behalf of the Board
Of Sparc Electrex Limited**

**Sd/-
Shobith Hegde
(WTD & CFO)
DIN: 02211021
Mumbai, August 12, 2022**

**Sd/-
Suresh Vishwanathan
(Director)
DIN: 02310679**

INDEPENDENT AUDITOR'S REPORT

To the Members of
Sparc Electrex Limited
(Formerly Known as Sparc Systems Limited)
Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Sparc Electrex Limited (Formerly Known as Spare Systems Limited) ("the Company")**, which comprise the balance sheet as at 31 11March 2022, the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and profit, 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 Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

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Description of each key audit matter in accordance with SA 701:

The Key Audit Matter	How the matter was addressed in our Audit
<p>The Company had advanced an amount of Rs.195.55 Lakhs to Manorama Textiles ("Seller") towards purchase of Industrial Land and Factory Premises, Which was consider bad by the Management in F.Y. 2020-21 as well as reported under Key Audit Matters by us in the Independent Auditors Report for FY 2020-21.</p> <p>However, during the financial year 2021-22, AI Power Tools Private Limited has shown its interest in acquiring the resultant debt from the Company for a consideration of Rs.190.00 lakhs.</p> <p>This matter is material to picture presented by the financial statement and having a material impact on revenue of the Company.</p> <p>Hence. The amount is significant, the same has been considered by us as a key audit matter.</p> <ul style="list-style-type: none"> Whether the Seller agrees with the Company for the said reassignment to AI Power Tools Private Limited. 	<p>We have verified Memorandum of Understanding (MOU) between the Company, AI Power Tools Private Limited and Manorama Textiles i.e. all concerned parties related to Acquisition.</p> <p>According to such MOU, the Company has authorized AI Power Tools Private Limited to acquire debt from Manorama Textiles of Rs.195.55 lakhs at Rs.190.00 lakhs.</p> <p>In our view such matter has Significant impact on Financial Statement of the Company hence we consider same as Key Audit Matter.</p> <p>Our audit procedures included understanding and evaluating processes and controls designed and implemented by the management for assessment of said transaction and testing their operating effectiveness; obtaining the list of documents and communications, inspecting the supporting evidence, legal documents and confirmation reports submitted to us and assessing management's evaluation through discussions with management on the said transaction.</p>

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted

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

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

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

Auditor's Responsibilities for the Audit of the Financial Results

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

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

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

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.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended.
- (e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - 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.

**For Motilal & Associates LLP
(Formerly Known as Motilal & Associates)
Chartered Accountants
ICAI FRN: 106584W/W100751**

Sd/-
CA Rishabh M Jain
(Partner)
Mem No. 179547
Place: Mumbai
Date: 21st May, 2022
UDIN: 22179547AJ5VD04340

ANNEXURE A TO THE AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of SPARC ELECTREX LIMITED (Formerly Known as Sparc Systems Limited) of even date)

- i)
- a) (A) According to information and explanation given to us, the company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
 - (B) According to information and explanation given to us, the company is not having any intangible assets hence provisions of the clause 3(i)(a)(B) of the order is not applicable for the Company;
 - b) These Property, Plant and Equipment have been physically verified by the management at reasonable intervals; no material discrepancies were noticed during verification of PPE.
 - c) The title deeds of all the immovable property disclosed in the financial statements is held in the name of the company.
 - d) The company has not revalued its Property, Plant and Equipment during the year and, hence provisions of the clause 3(i)(d) of the order is not applicable for the Company;
 - e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder, hence provisions of the clause 3(i)(e) of the order is not applicable to the Company.

- ii)
- a) According to information and explanation given to us, physical verification of inventory has been conducted at reasonable intervals by the management and in our opinion the coverage and procedure of such verification by the management is appropriate and No discrepancies were noticed during such verification.
 - b) During the period no working capital limits had been sanctioned to the company in excess of 5 Crore rupees, in aggregate, from Bank and Financial institutions on the basis of security of current assets. Accordingly, the provisions of the Clause 3(ii)(b) of the Order are not applicable to the Company and hence not commented upon.

iii) During the year the company has provided short term loans to following entity: -

- a) During the year the company has provided short term loans to AVK ISPAT Private Limited, amount granted during the year and its outstanding balance at Balance Sheet date is as below;

Particulars	Short Term Loans
Aggregate amount of granted during the year	Rs.1,28,00,000/-
- Subsidiaries, Joint Ventures, Associates	-
- Others.	Rs.1,28,00,000/-
Balance outstanding as at balance sheet date	-
- Subsidiaries, Joint Ventures, Associates	-
- Others.	Rs.1,28,00,000/-

- b) According to information and explanation given to us, the terms and conditions of the grant of short-term loans provided are not prejudicial to the company's interest;
 - c) According to information and explanation given to us, in respect of short-term loans granted during the year No schedule of repayment of principal and payment of interest has been stipulated by the company;
 - d) As per the information given, no amount is overdue, hence the provision of the clause 3(iii)(d) of the Order are not applicable to the Company.
 - e) No Loan has fallen due during the year and No Loan has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties, hence the provision of the clause 3(iii)(e) of the Order are not applicable to the Company.
 - f) As per the information provided to us, the Company has granted Short term loans to AVK ISPAT Private Limited; which is either repayable on demand without specifying any terms or period of repayment, but such company does not fall within ambit of Section 2(76) of the Companies Act, 2013. Hence the provision of the clause 3(iii)(f) of the Order are not applicable to the Company.
- iv) In our opinion and according to information and explanations given to us, the Company has not advanced loans to Directors/Company in which the director is interested to which the provisions of Section 185 of the Companies Act, 2013 apply and hence not commented upon.

Also, in our opinion and according to the information and explanation given to us, the Company has not made investment and given guarantee/provided security which falls under the purview of section 186 of the Companies Act, 2013 and hence not commented upon.

- v) According to the information and explanations given to us, the Company has not accepted deposits during the year and does not have any unclaimed deposits as at 31st March, 2022 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company;
- vi) As per the information and explanation given to us, the maintenance of cost records specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is not applicable to the Company and hence not commented upon.
- vii)
 - a) According to the information and explanations given to us and on the basis of our examination of the records, the Company is regular in depositing undisputed statutory dues including provident fund, income tax, service tax, goods and service tax, cess and other material statutory dues with the appropriate authorities. As explained to us, the Company did not have any dues on account of sales tax, wealth tax, duty of customs, value added tax, employees' state insurance and duty of excise as at March 31st, 2022 for a period of more than six months from the date they became payable.
 - b) According to the information and explanation given to us, there is no dispute pending in respect of dues of provident fund/sales tax/wealth tax/service tax/custom duty/excise duty/ goods and service tax /cess/value added tax, were in arrears as at 31st March, 2022 for a period of more than six month from the date they became payable.
- viii) No transactions have been recorded in the books of account which has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961), Accordingly, paragraph 3(viii) of the order is not applicable to the company;
- ix) According to the information and explanations given to us, the Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.
- x)
 - a) According to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3(x)(a) of the Order is not applicable to the Company and hence, not commented upon.
 - b) According to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, paragraph 3(x)(b) of the Order is not applicable to the Company and hence, not commented upon.
- xi)
 - a) To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company has been noticed or reported during the year;
 - b) Since, no material fraud by Company or on the Company has been noticed or reported during the year, hence, no reporting under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
 - c) According to the information and explanations given to us, the Company has not received any whistle-blower complaints, hence, the provisions of the clause 3 (xi)(c) of the Order are not applicable to the Company;
- xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Consequently, provisions of clause 3(xii) of the Order are not applicable to the Company and hence, not commented upon.
- xiii) In our opinion and according to the information and explanations given to us, transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details of related party transactions have been disclosed in the Financial Statements, as required by the applicable Indian accounting standards.
- xiv)
 - a) According to the information and explanations given to us, the company has an appropriate internal audit system commensurate with the size and nature of its business;
 - b) The reports of the Internal Auditors of the Company were considered by the statutory auditor.
- xv) According to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

- xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(x)(a) of the Order is not applicable to the Company and hence not commented upon.
- xvii) The Company has not incurred cash losses in the financial year. However, the Company has incurred cash losses in the immediately preceding financial year of Rs. 5,10,598/-.
- xviii) There has been no resignation of the statutory auditors during the year; hence provisions of clause 3(xviii) of the Order are not applicable to the Company.
- xix) 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, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is 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.
- xx) Since the provisions of Corporate Social Responsibility under section 135 of the companies Act, 2013 is not applicable to the company, and hence there is no reporting requirement under clause 3(xx) of the order.
- xxi) Since the company does not have any group company and no consolidated financial statements are prepared. Accordingly, provisions of clause 3(xxi) of the Order are not applicable to the Company and hence, not commented upon.

**For Motilal & Associates LLP
(Formerly Known as Motilal & Associates)
Chartered Accountants
ICAI FRN: 106584W/W100751**

**Sd/-
CA Rishabh M Jain
(Partner)
Mem No. 179547
Place: Mumbai
Date: 21st May, 2022
UDIN: 22179547AJ5VD04340**

ANNEXURE B TO THE AUDITORS' REPORT

(Referred to in paragraph 2(f) under Report on Other Legal and Regulatory Requirements section of our report to the members of SPARC ELECTREX LIMITED (Formerly Known as Sparc System Limited) of even date)

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

We have audited the internal financial controls over financial reporting of SPARC ELECTREX LIMITED (Formerly Known as Sparc System Limited) ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanation given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Motilal & Associates LLP
(Formerly Known as Motilal & Associates)
Chartered Accountants
ICAI FRN: 106584W/W100751**

Sd/-
CA Rishabh M Jain
(Partner)
Mem No. 179547
Place: Mumbai
Date: 21st May, 2022
UDIN: 22179547AJ5VD04340

SPARC ELECTREX LIMITED

Balance Sheet as at March 31, 2022

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS			
A) Non-current assets			
a) Property, Plant and Equipment	2	1,09,69,958	3,52,299
b) Capital Work in-Progress		-	-
c) Financial Assets		-	-
d) Deferred Tax Assets (Net)	3	27,765	2,63,555
e) Other Non - current Asset	4	1,90,00,000	6,00,000
Total Non -current assets		2,99,97,723	12,15,854
B) Current assets			
a) Inventories	5	59,82,202	44,709
b) Financial Assets		-	-
i) Investment		-	-
ii) Trade receivables	6	1,69,56,463	-
iii) Cash and cash equivalents	7	78,18,129	73,424
iv) Other Bank Balances		-	-
v) Loan	8	1,28,00,000	57,43,020
vi) Others Financial Assets	9	24,515	24,515
c) Current Tax Assets (net)	10	7,89,493	35,921
d) Other current assets	11	8,91,818	78,60,271
Total Current assets		4,52,62,620	1,37,81,859
Non-Current Assets Classified as Held for Sale	2(a)	8,88,438	8,88,438
Total Assets		7,61,48,781	1,58,86,151
EQUITY AND LIABILITIES			
EQUITY			
a) Equity Share Capital	12	4,96,85,000	4,96,85,000
b) Other Equity	13	(1,41,38,477)	(3,53,13,993)
Total Equity		3,55,46,523	1,43,71,007
LIABILITIES			
A) Non-current liabilities			
a) Financial Liabilities		-	-
b) Provisions		-	-
c) Deferred Tax Liabilities (Net)	3	-	-
d) Other non-current liabilities		-	-
Total Non-current liabilities		-	-
B) Current liabilities			
a) Financial Liabilities			
i) Borrowings	14	2,17,39,425	6,98,175
ii) Trade payables	15	1,67,13,232	-
iii) Other financial liabilities	16	21,16,607	7,24,505
b) Other Current Liabilities	17	32,994	92,464
Total Current liabilities		4,06,02,258	15,15,144
Total Equity and Liabilities		7,61,48,781	1,58,86,151

The accompanying notes 1 to 42 are an integral part of the Standalone Financial Statements

In terms of our report of even date
For Motilal & Associates LLP
(Formerly Motilal & Associates)
Chartered Accountants
FRN: 106584W/W100751

Sd/-
CA. Rishabh M Jain
(Partner)
Mem No. 179547
UDIN: 22179547AJ5VD04340
Place: Mumbai
Date: 21.05.2022

For and on behalf of the Board of Directors
Sparc Electrex Limited
(Formally Known as Sparc Systems Limited)

Sd/-
Shobhit G Hegde
(WTD & CFO)
DIN: 02211021

Sd/-
Suresh Vishwanathan
(Director)
DIN: 02310679

Sd/-
Tejashri Kulkarni
(Company Secretary)

SPARC ELECTREX LIMITED

Statement of Profit & Loss for the year ended March 31, 2022

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
Continuing Operations			
Income			
Revenue From Operations	18	13,14,71,785	-
Other Income and Other Gains/(Losses)	19	1,92,59,983	4,90,520
Total Revenue		15,07,31,768	4,90,520
Expenditure			
Cost of Material Consumed	20	(12,56,391)	-
Change in Inventory	21	(46,81,102)	-
Purchases for Trading Items		13,11,77,060	-
Employee benefits expenses	22	10,17,090	1,80,000
Finance costs		-	-
Depreciation and amortization expenses	23	4,841	14,135
Other expenses	24	22,66,964	2,03,76,118
Total expenses		12,85,28,462	2,05,70,253
Profit before tax		2,22,03,306	(2,00,79,733)
Tax expense:			
(1) Current tax		7,92,000	-
(2) Deferred tax	3	2,35,790	(53,444)
(3) MAT Credit Entitlement /(utilizations)			
(4) Short / (Excess) provision for tax of earlier years			
Total tax expenses		10,27,790	(53,444)
Profit / (Loss) for the year after tax		2,11,75,516	(2,00,26,289)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements of net defined benefit Plans (net of tax)		-	-
Items that will be reclassified to profit or loss		-	-
Items that may be reclassified to profit or loss		-	-
Other Comprehensive Income for the Year		-	-
Total Comprehensive Income for the year		2,11,75,516	(2,00,26,289)
Earnings per equity share: (in Rs)			
Equity shares of Par value of Rs. 10 /-each			
Basic	25	4.33	(4.10)
Diluted	25	4.33	(4.10)

In terms of our report of even date
For Motilal & Associates LLP
(Formerly Motilal & Associates)
Chartered Accountants
FRN: 106584W/W100751

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(Director)
DIN: 02310679

Sd/-
Tejashri Kulkarni
(Company Secretary)

SPARC ELECTREX LIMITED**Statement of Cash flows for the year ended March 31, 2022**

Particulars	As at 31.03.2022	As at 31.03.2021
Operating activities		
Profit Before Tax	2,22,03,306	(2,00,79,733)
Adjustments to reconcile profit before tax to net cash inflow		
Depreciation and amortization	4,841	14,135
Interest income	(2,59,983)	(4,78,941)
Sundry Balance written Back	(1,90,00,000)	(8,864)
Provision for bad Advances	-	-
	29,48,164	(2,05,53,403)
Working capital adjustments :-		
(Increase) / Decrease in Trade and Other Receivables	(1,69,56,463)	-
(Increase) / Decrease in Inventories	(5,937,493)	(26,209)
(Increase) / Decrease in Loan	(70,56,980)	(3,38,020)
(Increase) / Decrease in Other Current Assets	69,68,453	(55,716)
(Increase) / Decrease in Other Non-Current Assets	6,00,000	1,95,00,000
Increase / (Decrease) in Trade and Other Payables	1,67,13,232	(12,352)
Increase / (Decrease) in Other Financial Liabilities	6,00,101	2,12,253
Increase / (Decrease) in Other Current Liabilities	(59,470)	1,01,328
Increase / (Decrease) in Current Tax Asset	(7,53,572)	9,079
Cash generated from operations	(29,34,028)	(11,63,040)
Direct taxes paid (Net off Refund)	-	-
Net cash flow from operating activities	(29,34,028)	(11,63,040)
Investing activities		
Purchase of Property, Plant and Equipment	(1,06,22,500)	-
Interest received	2,59,983	4,78,941
Net cash flow used in investing activities	(1,03,62,517)	4,78,941
Financing activities		
Proceeds from Borrowings (Net)	2,10,41,250	5,29,175
Interest paid	-	-
Net cash flow from financing activities	2,10,41,250	5,29,175
Increase in cash and cash equivalents	77,44,705	(1,54,925)
Cash and cash equivalents at the beginning of the year	73,424	2,28,349
Cash and cash equivalents at the end of the year	78,18,129	73,424

Particulars	As at 31.03.2022	As at 31.03.2021
Cash in Hand	19,95,777	10,085
Bank Balances		
- In Current Accounts	8,20,434	63,339
Other Bank Balances		
In Deposit Accounts	50,01,918	-
	78,18,129	73,424

In terms of our report of even date
For Motilal & Associates LLP
(Formerly Motilal & Associates)
Chartered Accountants
FRN: 106584W/W100751

Sd/-
CA. Rishabh M Jain
(Partner)
Mem No. 179547
UDIN: 22179547AJ5VD04340
Place: Mumbai
Date: 21.05.2022

For and on behalf of the Board of Directors
Sparc Electrex Limited
(Formally Known as Sparc Systems Limited)

Sd/-
Shobhit G Hegde
(WTD & CFO)
DIN: 02211021

Sd/-
Suresh Vishwanathan
(Director)
DIN: 02310679

Sd/-
Tejashri Kulkarni
(Company Secretary)

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**Note 1****A. CORPORATE INFORMATION:**

SPARC ELECTREX LIMITED (Formally Known as SPARC SYSTEMS LIMITED) ('the Company') is in business of Security System. The Company is a public limited company incorporated in India and has its registered office at Mumbai, Maharashtra, India. The Company has its primary listing in BSE Ltd.

B. SIGNIFICANT ACCOUNTING POLICIES:**1 Basis of preparation and presentation**

These financial statements have been prepared in accordance with Indian Accounting standards (hereinafter referred to as the 'Ind AS') notified by the Ministry of Corporate Affairs under section 133 of the Companies Act, 2013 ('Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and the relevant provisions of the Act.

Accordingly, the Company has prepared these Financial Statements which comprise the Balance Sheet as at 31 March, 2022, the Statement of Profit and Loss for the year ended 31 March 2022, the Statement of Cash Flows for the year ended 31 March 2022 and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as 'financial statements').

These Financial Statements were approved by the Board of Directors and authorised for issue on, May 2022.

The financial statements have been prepared on an accrual system, based on the principle of going concern and under the historical cost convention, unless otherwise stated.

The Financial Statements have been presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded off to the nearest rupee, unless otherwise stated.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

C. USE OF ESTIMATES:

The preparation of the financial statements, in conformity with the Ind AS, requires the management to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

(i) Estimates and assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

(ii) Deferred tax assets:

In assessing the realisability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will not recognize Deferred tax asset since it is not probable that taxable profit will be available in future against which the deductible temporary difference can be utilised.

(iii) Provisions

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash flow can be reliably estimated. The timing of recognition and quantification of the liability require application of judgement to the existing facts and circumstances which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing the facts and circumstances.

D. PROPERTY, PLANT AND EQUIPMENT:**(i) Tangible Assets**

Property, Plant and Equipment are stated at cost of acquisition including attributable interest and finance costs, if any, till the date of acquisition/ installation of the assets less accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure relating to Property, Plant and Equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Statement of Profit and Loss as incurred. The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognised in the Statement of Profit and Loss.

Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.

(ii) Intangible Assets

Intangible assets include software which are not integral part of the hardware are stated at cost less accumulated amortisation. Intangible assets under development represents expenditure incurred in respect of software's under development and are carried at cost.

Assets acquired but not ready for use are classified under Capital work-in-progress or intangible assets under development, as the case may be.

E. DEPRECIATION AND AMORTISATION:

The depreciation on Fixed Assets is provided on straight line method, in accordance with the Schedule II to the companies Act, 2013. The depreciation on Assets added during the year has been provided on pro-rata basis with reference to the date on which the assets were put to use. No depreciation has been provided on the fixed assets, which have not been put to use during the year end.

F. FINANCIAL INSTRUMENTS:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a) Financial Assets**Initial Recognition**

In the case of financial assets not recorded at fair value through profit or loss (FVPL), financial assets are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

Financial Assets at Amortised Cost (AC)

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

Financial Assets Measured at Fair Value

Financial assets are measured at fair value through OCI if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss.

Financial asset not measured at amortised cost or at fair value through OCI is carried at FVTPL.

G. IMPAIRMENT OF FINANCIAL ASSETS:

In accordance with Ind AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Statement of Profit and Loss.

H. DE-RECOGNITION OF FINANCIAL ASSETS:

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

b) Equity Instruments and Financial Liabilities

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

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

I. FINANCIAL LIABILITIES:**i) Initial Recognition**

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

ii) Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below

Financial liabilities at FVPL

Financial liabilities at FVPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation. Amortisation is recognised as finance income in the Statement of Profit and Loss.

Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

iii) De-recognition of Financial Liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

iv) Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.

J. IMPAIRMENT OF NON-FINANCIAL ASSETS:

As at each Balance Sheet date, the Company assesses whether there is an indication that a non-financial asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, the Company determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In case of an individual asset, at the higher of the assets' fair value less cost to sell and value in use; and
- In case of cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of cash generating unit's fair value less cost to sell and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specified to the asset. In determining fair value less cost to sell, recent market transaction is taken into account. If no such transaction can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the Statement of Profit and Loss, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation.

When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through the Statement of Profit and Loss.

K. TRADE RECEIVABLES:

A receivable is classified as a 'trade receivable' if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the EIR method, less provision for impairment.

L. TRADE PAYABLES:

A payable is classified as a 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms stated in the contract. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

M. EARNINGS PER SHARE:

Basic earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than

the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company and weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares).

N. CASH AND CASH EQUIVALENTS:

Cash and cash equivalents in the Balance Sheet comprise of cash at banks and on hand and short-term deposits with an original maturity of three month or less, which are subject to an insignificant risk of changes in value.

O. BORROWING COSTS:

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Also, the EIR amortisation is included in finance costs.

Borrowing costs relating to acquisition, construction or production of a qualifying asset which takes substantial period of time to get ready for its intended use are added to the cost of such asset to the extent they relate to the period till such assets are ready to be put to use. All other borrowing costs are expensed in the Statement of Profit and Loss in the period in which they occur.

P. REVENUE RECOGNITION:

- i) Revenue is recognized when all significant risks and rewards of ownership of the goods are passed on to the buyer and no significant uncertainty exists as to its realization or collection.
- ii) Revenue from sale of good is recognized on delivery of the products, when all significant contractual obligation have been satisfied, the property in the goods is transferred for a price, significant risks, reward and no effective control.
- iii) Interest Income is recognized on a time proportion basis by reference to the principal outstanding and at the interest rate applicable.

Q. FOREIGN CURRENCY TRANSACTIONS:

a. Initial Recognition

Foreign currency transactions are initially recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. However, for practical reasons, the Company uses a monthly average rate if the average rate approximate the actual rate at the date of the transactions.

b. Conversion

Monetary assets and liabilities denominated in foreign currencies are reported using the closing rate at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

c. Treatment of Exchange Difference

Exchange differences arising on settlement/ restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss except those arising from investment in non-Integral operations.

R. INVENTORIES:

Inventories are valued at cost or net realizable value whichever is lower. Cost of property under construction held as inventory includes cost of purchases, construction cost, and other cost incurred in bringing the properties to their present location and condition

S. PROVISIONS AND CONTINGENT LIABILITIES AND ASSETS:

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions (excluding gratuity and compensated absences) are determined based on management's estimate required to settle the obligation at the Balance Sheet date. In case the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent liability also arises, in rare cases, where a liability cannot be recognised because it cannot be measured reliably.

Contingent asset is not recognised unless it becomes virtually certain that an flow of economic benefits will arise.

T. EMPLOYEE BENEFITS:**i) Defined Contribution Plan**

Contributions to defined contribution schemes such as provident fund, employees' state insurance, labour welfare are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. The above benefits are classified as Defined Contribution Schemes as the Company has no further obligations beyond the monthly contributions.

ii) Defined Benefit Plan

The Company also provides for gratuity which is a defined benefit plan, the liabilities of which are determined based on valuations, as at the balance sheet date, made by an independent actuary using the projected unit credit method. Re-measurement, comprising of actuarial gains and losses, in respect of gratuity are recognised in the OCI, in the period in which they occur. Re-measurement recognised in OCI are not reclassified to the Statement of Profit and Loss in subsequent periods. Past service cost is recognised in the Statement of Profit and Loss in the year of plan amendment or curtailment. The classification of the Company's obligation into current and non-current is as per the actuarial valuation report.

iii) Leave entitlement and compensated absences

Accumulated leave which is expected to be utilised within next twelve months, is treated as short-term employee benefit. Leave entitlement, other than short term compensated absences, are provided based on an actuarial valuation, similar to that of gratuity benefit. Re-measurement, comprising of actuarial gains and losses, in respect of leave entitlement are recognised in the Statement of Profit and Loss in the period in which they occur.

iv) Short-term Benefits

Short-term employee benefits such as salaries, wages, performance incentives etc. are recognised as expenses at the undiscounted amounts in the Statement of Profit and Loss of the period in which the related service is rendered. Expenses on non-accumulating compensated absences are recognised in the period in which the absences occur.

v) Termination benefits

Termination benefits are recognised as an expense as and when incurred.

U. ACCOUNTING FOR TAXES OF INCOME:**i) Current Taxes**

Current income tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

ii) Deferred Taxes

Deferred tax is determined by applying the Balance Sheet approach. Deferred tax assets and liabilities are recognised for all deductible temporary differences between the financial statements' carrying amount of existing assets and liabilities and their respective tax base. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the Balance Sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the period that includes the enactment date. Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Such assets are reviewed at each Balance Sheet date to reassess realisation.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

iii) Minimum Alternative Tax

The Company has obtained the Section 115BAA as per Income Tax hence, MAT is not applicable. The company has also reversed all the MAT credit of Previous Years as Expenses / Income as obtained tax regime under Section 115BAA of Income Tax Act.

NOTES FORMING PART TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

Note 2: Property, Plant & Equipment						
Particulars	Factory Building	Plant & Machinery	Furniture & Fixtures	Dies and Molds	Computer	Total
Year Ended March 31, 2021						
Gross Carrying Amount						
Opening Gross Carrying Amount	-	67,31,071	5,31,629	9,67,558	43,548	82,73,806
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Transfers/ Reclassified	-	-	-	-	-	-
Closing Gross Carrying Amount	-	67,31,071	5,31,629	9,67,558	43,548	82,73,806
Accumulated Depreciation and Impairment						
Opening Accumulated Depreciation	-	64,17,558	5,05,048	9,62,371	22,395	79,07,373
Depreciation charge during the year	-	-	-	-	14135	14135
Disposals	-	-	-	-	-	-
Transfers/Reclassified	-	-	-	-	-	-
Closing Accumulated Depreciation and Impairment	-	64,17,558	5,05,048	9,62,371	36,530	79,21,508
Net Carrying Amount	-	3,13,513	26,581	5,187	7,018	3,52,299

Year Ended March 31, 2022						
Gross Carrying Amount						
Opening Gross Carrying Amount	-	67,31,071	5,31,629	9,67,558	43,548	82,73,806
Additions	1,06,22,500	-	-	-	-	1,06,22,500
Disposals	-	-	-	-	-	-
Transfers/Reclassified	-	-	-	-	-	-
Closing Gross Carrying Amount	1,06,22,500	67,31,071	5,31,629	9,67,558	43,548	1,88,96,306
Accumulated Depreciation and Impairment						
Opening Accumulated Depreciation	-	64,17,558	5,05,048	9,62,371	36,530	79,21,508
Depreciation charge during the year	-	-	-	-	4,841	4,841
Disposals	-	-	-	-	-	-
Transfers/Reclassified	-	-	-	-	-	-
Closing Accumulated Depreciation and Impairment	-	64,17,558	5,05,048	9,62,371	41,371	79,26,349
Net Carrying Amount	1,06,22,500	3,13,513	26,581	5,187	2,177	1,09,69,958

The WDV of the assets except for Computer have been reduced to 5% of the Cost, which is the estimated Scrap Value as per the Companies Act, 2013. Hence no depreciation is charged for financial year 2021-22 pertaining to those assets.

Note 2a: Non-Current Assets Held For Sale	As at 31st March 2022		As at 31st March 2021	
Particulars	Land	Buildings	Land	Buildings
Year Ended March 31, 2022				
Gross Carrying Amount				
Opening Gross Carrying Amount	50,850	8,37,588	50,850	8,37,588
Additions (Net Carrying Amount)	-	-	-	-
Disposals	-	-	-	-
Transfers/Reclassified	-	-	-	-
Closing Gross Carrying Amount	50,850	8,37,588	50,850	8,37,588
Accumulated Depreciation and Impairment				
Opening Accumulated Depreciation	-	-	-	-
Depreciation charge during the year	-	-	-	-
Disposals	-	-	-	-
Transfers/Reclassified	-	-	-	-
Closing Accumulated Depreciation and Impairment	-	-	-	-
Net Carrying Amount	50,850	8,37,588	50,850	8,37,588

The directors of Company decided to dispose of two properties i.e Land & Building. Both properties were actively marketed by the directors and sales are expected before the end of September 2022 (Earlier financial year was expected in Mar'22). Further, the management on its judgement and for the purpose of adequate disclosure has not provided for Depreciation on Building from the time the said asset was classified under held for sale.

Note 3: Deferred Tax Assets (Net)	As at March 31, 2022	As at March 31, 2021
MAT Credit Entitlement	-	2,10,111
Timing Difference due to differences in WDV of fixed assets	-	(2,05,553)
Deferred Tax Asset(on above differences)	27,765	53,444
Total Deferred Tax Assets	27,765	2,63,555

Note 4: Other Non-Current Assets	As at March 31, 2022	As at March 31, 2021
Capital Advances	3,85,00,000	2,01,00,000
Provision for Foreseeable Losses	(1,95,00,000)	(1,95,00,000)
Total	1,90,00,000	6,00,000

In FY 21-22, Management has Reassign the advances to other party of Rs.1.90 Crore and the amount will be received as per mutual agreed both the parties. (In FY 20-21, The Company has created a Provision for the above said amount of Rs. 1,95,55,000/- during the FY 20-21 as against the Advances provided by the Company which as per the Previous Management Judgement and Estimates may turn out to be bad)

Note 5: Inventories	As at March 31, 2022	As at March 31, 2021
Raw materials and consumable items	13,01,100	44,709
Finished Goods - Trading Item	46,81,102	-
Total	59,82,202	44,709

Note 6: Trade Receivables	As at March 31, 2022	As at March 31, 2021
Overdue for a period exceeding six months		
Unsecured Considered Good	16,20,000	-
Others		
Trade Receivables (Unsecured and Considered Good) #	1,53,36,463	-
Total	1,69,56,463	-

includes Rs. 43,20,000/- (Previous year Rs.Nil) to related party M/s Electrex International Private Limited

Ageing of Trade Receivables

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 years	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables-considered goods	1,53,36,463	16,20,000	-	-	-	1,69,56,463
Undisputed Trade Receivables-considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables-considered goods	-	-	-	-	-	-
Disputed Trade Receivables-considered doubtful	-	-	-	-	-	-

Note 7: Cash & Cash Equivalents	As at March 31, 2022	As at March 31, 2021
Balance with Banks - Current Accounts	8,20,434	63,339
Cash on Hand	19,95,777	10,085
Other Bank Balances - In Deposit Accounts	50,01,918	-
Total Cash & Cash Equivalents	78,18,129	73,424

Note 8: Loan	As at March 31, 2022	As at March 31, 2021
Unsecured considered good- Loan to other body Corporate	1,28,00,000	57,43,020
Total	1,28,00,000	57,43,020

Note 9: Other Current Financial Assets	As at March 31, 2022	As at March 31, 2021
Deposits	24,515	24,515
Total	24,515	24,515

Note 10: Current Tax Assets (Net)	As at March 31, 2022	As at March 31, 2021
Advance Tax & TDS (Net of Provisions)	7,89,493	35,921
Total	7,89,493	35,921

Note 11: Other Current Assets	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good		
Advances given	55,000	77,30,655
Provision for Foreseeable Losses	(55,000)	(55,000)
Balance with Government Authorities	3,06,014	1,82,916
Advances to Creditors	5,85,804	1,700
Total	8,91,818	78,60,271

Note 12: Equity Share Capital	As at March 31, 2022	As at March 31, 2021
Authorised Capital		
2,00,00,000 Eq. Shares of Rs 10/- each (P.Y. 60,00,000 Eq. Shares of Rs 10/- each)	20,00,00,000	6,00,00,000
Total	20,00,00,000	6,00,00,000
Issued & Subscribed Capital		
50,40,000 Equity Shares of Rs 10/- each fully paid up (P.Y. 50,40,000 Eq. Shares of Rs 10/- each)	5,04,00,000	5,04,00,000
	5,04,00,000	5,04,00,000
Paid Up Capital		
48,89,000 Equity Shares of Rs 10/- each fully paid up (P.Y. 48,89,000 Eq. Shares of Rs 10/- each)	4,88,90,000	4,88,90,000
Add: Forfeited Equity Shares	7,95,000	7,95,000
Total	4,96,85,000	4,96,85,000

a) Terms / rights attached to equity shares

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

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

b) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period:

Particulars	Equity Shares		Equity Shares	
	As on March 31, 2022		As on March 31, 2021	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the year	48,89,000	4,88,90,000	48,89,000	4,88,90,000
Shares Issued during the year				-
Shares bought back during the year				-
Shares outstanding at the end of the year	48,89,000	4,88,90,000	48,89,000	4,88,90,000

c) Details of Shareholders holding more than 5% shares in the company:

Name of the Shareholders	Equity Shares			
	As on March 31, 2022		As on March 31, 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Shobha Anant Hegde	11,75,738	24.05%	-	0.00%
Epson Finance & Inv Pvt Ltd	4,75,217	9.72%	7,19,600	14.72%
Stephanotis Finance Limited	3,04,649	6.23%	3,79,649	7.77%
Jude Terrence D'Souza	-	0.00%	4,49,400	9.19%
Prakash Shah	-	0.00%	2,82,886	5.79%

Note 13: Other Equity	As at March 31, 2022	As at March 31, 2021
Retained Earnings	(1,41,38,477)	(3,53,13,993)
Closing Balance	(1,41,38,477)	(3,53,13,993)
i) Retained Earnings		
Balance as at the beginning of the year	(3,53,13,993)	(1,52,87,704)
Add- Profit for the current year	2,11,75,516	(2,00,26,289)
Net surplus in the statement of profit and loss account	(1,41,38,477)	(3,53,13,993)

Nature and Purpose of Reserves:
Retained Earnings

Retained Earnings represents surplus/accumulated earnings of the Company and are available for distribution to shareholders

Note 14: Borrowing	As at March 31, 2022	As at March 31, 2021
Unsecured		
-Inter Corporate Loan	2,16,05,500	5,64,250
-Loan from Directors	1,33,925	1,33,925
Total	2,17,39,425	6,98,175

Note 15: Trade Payables	As at March 31, 2022	As at March 31, 2021
Due to Micro, Small & Medium enterprises (refer note no. 29)	1,58,30,474	-
Others	8,82,758	-
Total	1,67,13,232	-

Ageing of Trade Payables					
Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Particulars					
1) MSME	1,58,30,474	-	-	-	1,58,30,474
2) Others	8,82,758	-	-	-	8,82,758
3) Disputed dues- MSME	-	-	-	-	-
4) Disputed dues- Others	-	-	-	-	-
Total	1,67,13,232	-	-	-	1,67,13,232

* The Information regarding Micro enterprises and Small enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors. Interest paid during the year Rs. Nil (Previous year Rs. Nil)

Note 16: Other Financial Liabilities (Current)	As at March 31, 2022	As at March 31, 2021
Statutory Dues	2,16,528	23,075
Creditors for Expenses	11,08,080	7,01,430
Provision for Income Tax	7,92,000	-
Total	21,16,607	7,24,505

Note 17: Other Current Liabilities	As at March 31, 2022	As at March 31, 2021
Advance from Customers	32,994	92,464
Total	32,994	92,464

Note 18: Revenue from Operations	As at March 31, 2022	As at March 31, 2021
Trading for Steel Items	12,58,09,785	-
Service Charges for Consultancy	55,00,000	-
Manufacturing Turnover-Electronic Equipment's	1,62,000	-
Total Revenue from Operations	13,14,71,785	-

Note 19: Other Income and Other Gains/(Losses)	As at March 31, 2022	As at March 31, 2021
Interest Income on Deposits/Advances/ Loan	2,59,983	4,78,941
Interest on Income Tax Refund	-	2,700
Liabilities no longer required written back	-	8,864
Misc. Income	-	15
Provisions for Bad Advances (Write Back / Net)	1,90,00,000	-
Total	1,92,59,983	4,90,520

Note 20 : Cost of Material Consumed	As at March 31, 2022	As at March 31, 2021
Opening Stock - Raw Material	44,709	18,500
Add : Purchase of Electronic Equipment's	-	26,209
Closing Stock - Raw Material	13,01,100	44,709
Total	(12,56,391)	-

Note 21: Change in Inventory	As at March 31, 2022	As at March 31, 2021
Closing Stock		
- Finished Goods - Trading	46,81,102	-
Opening Stock		
- Finished Goods - Trading	-	-
Total	(46,81,102)	-

Note 22: Employee Benefit Expense	As at March 31, 2022	As at March 31, 2021
Salary & Stipend	9,87,000	1,80,000
Directors remuneration	-	-
Staff welfare	30,090	-
Workman Insurance Expenses	-	-
Total	10,17,090	1,80,000

Note 23: Depreciation and amortization expenses	As at March 31, 2022	As at March 31, 2021
Depreciation on Property, Plant and Equipment	4,841	14,135
Total Depreciation and amortization expenses	4,841	14,135

Note 24: Other Expenses	As at March 31, 2022	As at March 31, 2021
Advertisement	71,800	-
Auditors Remuneration-		
Statutory Audit Fees	1,00,000	1,02,000
Interest on Late Payment of Taxes	3,294	2,491
Internal Audit Fees	60,000	60,000
Provision for Bad Advances	-	1,95,55,000
Registrar and Transfer Fees	83,501	75,261
Bank Charges	758	532
Courier & Postage Charges	45,789	-
Electricity Charges	32,240	11,420
Listing & Custodian fees	3,51,000	3,41,000
Office & Misc. Expenses	27,792	-
Printing And Stationary	44,671	-
Professional Fees	3,35,000	1,50,000
Rates & Taxes	1,00,833	2,500
ROC Charges	4,595	7,800
Telephone Expenses	52,052	40,115
Travelling & Conveyance	2,98,898	-
Penalty / Late Filing Fees	1,000	28,000
Repair & Maintenance	32,751	-
Transportation Charges	6,20,989	-
Total	22,66,964	2,03,76,118

Details of Payment to Auditors	As at March 31, 2022	As at March 31, 2021
For Statutory Audit Fees	1,00,000	1,02,000
Total Payment to Auditors	1,00,000	1,02,000

Note 25: Earning Per Share	As at March 31, 2022	As at March 31, 2021
Weighted average number of shares outstanding during the period	48,89,000	48,89,000
Weighted average number of Potential Equity shares outstanding during the year	48,89,000	48,89,000
Total number of Potential Equity Share for calculating Diluted Earning Per share	48,89,000	48,89,000
Net Profit \ (Loss) after tax available for equity shareholders	2,11,75,516	(2,00,26,289)
Basic Earning per share (in Rs.)	4.33	(4.10)
Diluted Earnings per share (in Rs.)	4.33	(4.10)

Basics Earnings Per Share and Diluted Earnings Per Share are same as the Company has no Dilutive Potential Equity Shares.

Note 26: Disclosure regarding Related Party

Disclosure in accordance with Ind AS 24 – Related Party Disclosures during the year

i) Nature and Relationship of Related Parties

a) Directors, Key Management Personnel & Relatives of KMP

J. T .D'Souza (Resignation 20/11/2021)	Managing Director
Punit Neb (Resignation 20/11/2021)	Whole Time Director
Shobhit G Hegde (Appointed w.e.f. 19/10/2021)	Whole Time Director & CFO
Suresh Vishwanathan (Appointed w.e.f. 19/10/2021)	Director
Deep Shah (Resignation 14/07/2021)	Company Secretary
Pallavi Pravin Lakdawala (appointed w.e.f. 23/07/2021 & Resigned on 14/01/2022)	Company Secretary
Ravikumar Channappa (appointed w.e.f. 27/06/2020)	Director
Kajal Jain (Resignation 21/04/2022)	Independent Director
Niraj Hareshbhai Variava (appointed w.e.f. 08/06/2021)	Additional Director
Kajalben Kishorbhai Sapat (appointed w.e.f. 08/06/2021) & Resigned on 21/12/2021)	CFO(KMP)

b) Entities in which Directors & Relatives of Directors holding Control and / or Joint Control

Sr. No.	Director's Name	Entity's Name	Nature of Holdings
1	Shobhit Hegde	Electrex International Private Limited	33%
2	Shobhit Hegde	Electrex Power Tools Private Limited	50%
3	Shobhit Hegde	Anshoit Engineers Private Limited	50%
4	Shobhit Hegde	Mount Abu Holdings Private Limited	-
5	Suresh Vishwanathan	Ace Power Tools Private Limited	-

ii) Transactions with Related Parties during the year

Relationship			
Particulars	Nature of Transaction	March 31, 2022	March 31, 2021
a) Directors and Key Management Personnel			
Deep Shah	Remuneration	62,500	1,20,000
Pallavi Pravin Lakdawala	Remuneration	78,500	-
J. T .D'Souza	Loan taken from Director	-	14,925
J. T .D'Souza	Reimbursement of expenses	76,191	96,757
Punit Neb	Reimbursement of expenses repaid to director	7,500	52,500
Electrex International Pvt Ltd (Creditors)	Expenses Paid by the Company	3,08,214	-
Electrex International Pvt Ltd (Debtors)	Service Charge Income (Excluding GST)	40,00,000	-
Electrex International Pvt Ltd (Loan)	Loan Taken	2,19,04,500	-
Electrex International Pvt Ltd (Loan)	Loan Repaid	2,99,000	-

iii) Closing Outstanding Balances of Related Parties

Particulars	Nature	March 31, 2022	March 31, 2021
a) Directors and Key Management Personnel			
J. T .D'Souza	Remuneration Payable	2,18,031	2,18,031
Punit Neb	Remuneration Payable	7,500	7,500
J. T .D'Souza	Unsecured Loan payable	63,925	63,925
Punit Neb	Unsecured Loan payable	70,000	70,000
Electrex International Pvt Ltd	Unsecured Loan payable	2,16,05,500	-
Electrex International Pvt Ltd	Creditors for Expenses (Reimbursement)	3,61,170	-
Electrex International Pvt Ltd	Sundry Debtors	43,20,000	-
Punit Neb	Payable (Reimbursement of expenses)	30,689	30,689
J. T .D'Souza	Payable (Reimbursement of expenses)	2,02,696	1,26,505

Related Parties as disclosed by Management and relied upon by auditors.

Note 27: Financial instruments – Fair values and risk management
A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(Amount in Rs.)

31st March, 2022	Carrying amount				Fair value			
	Mandatorily at FVTPL	FVTOCI – designated as such	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Other Financial Assets	-	-	24,515	24,515	-	-	-	-
Trade receivables	-	-	1,69,56,463	1,69,56,463	-	-	-	-
Cash and cash equivalents	-	-	78,18,129	78,18,129	-	-	-	-
	-	-	2,47,99,107	2,47,99,107	-	-	-	-
Financial liabilities								
Borrowing	-	-	2,17,39,425	2,17,39,425	-	-	-	-
Trade Payables	-	-	1,67,13,232	1,67,13,232	-	-	-	-
Other Financial Liabilities	-	-	21,16,607	21,16,607	-	-	-	-
	-	-	4,05,69,264	4,05,69,264	-	-	-	-

31st March, 2021	Carrying amount				Fair value			
	Mandatorily at FVTPL	FVTOCI – designated as such	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Other Financial Assets	-	-	24,515	24,515	-	-	-	-
Trade receivables	-	-	-	-	-	-	-	-
Cash and cash equivalents	-	-	73,424	73,424	-	-	-	-
	-	-	97,939	97,939	-	-	-	-
Financial liabilities								
Borrowing	-	-	6,98,175	6,98,175	-	-	-	-
Trade Payables	-	-	-	-	-	-	-	-
Other Financial Liabilities	-	-	7,24,505	7,24,505	-	-	-	-
	-	-	14,22,680	14,22,680	-	-	-	-

B. Measurement of fair values

Valuation techniques and significant unobservable inputs.

The Fair Value of the Financial Assets & Liabilities are 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 tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, for financial instruments measured at fair value in the statement of financial position, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation Technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Mutual Funds	The fair values of investments in Mutual fund units is based on the net asset value ("NAV") as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors	Not applicable	Not applicable
Non-current financial assets and liabilities measured at amortized cost	Discounted cash flows: The valuation model considers the present value of expected receipt/payment discounted using appropriate discounting rates.	Not applicable	Not applicable

I. Fair value hierarchy

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are

- (a) Recognised and measured at fair value and,
- (b) Measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the Indian accounting standard. An explanation of each level is as follows:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. For example, listed equity instruments that have quoted market price.

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

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

II. Valuation techniques used to determine fair value

Significant valuation techniques used to value financial instruments include:

- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.
- Use of quoted market price or dealer quotes for similar instruments
- Using discounted cash flow analysis.

The fair values computed above for assets measured at amortised cost are based on discounted cash flows using a current borrowing rate. They are classified as level 2 fair values in the fair value hierarchy due to the use of unobservable inputs.

C. Financial Risk Management

C.i. Risk management framework

A wide range of risks may affect the Company's business and operational / financial performance. The risks that could have significant influence on the Company are market risk, credit risk and liquidity risk. The Company's Board of Directors reviews and sets out policies for managing these risks and monitors suitable actions taken by management to minimise potential adverse effects of such risks on the company's operational and financial performance.

C.ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade and other receivables, cash and cash equivalents and other bank balances. To manage this, the Company periodically assesses financial reliability of customers, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of accounts receivable. The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

(a) Trade and other receivables from customers

Credit risk in respect of trade and other receivables is managed through credit approvals, establishing credit limits and monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

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

- i) Actual or expected significant adverse changes in business,
- ii) Actual or expected significant changes in the operating results of the counterparty
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligation
- iv) Significant changes in the value of the collateral supporting the obligation or in the quality of third party guarantees or credit enhancements

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

The Company measures the expected credit loss of trade receivables and loan from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivables is not material hence no additional provision considered.

Ageing of Accounts receivables:

Particulars	As at March 31, 2022	As at March 31, 2021
Neither Past due nor impaired	1,53,36,463	-
Past due but not impaired	-	-
Past due more than 180 days	16,20,000	-
Total	1,69,56,463	-

Financial Assets are considered to be of good quality and there is no significant increase in credit risk

(b) Cash and cash equivalents and Other Bank Balances

The Company held cash and cash equivalents and other bank balances of Rs. 78,18,129 at 31st March, 2022. (Rs. 73,424 at 31st March, 2021). The cash and cash equivalents are held with bank with good credit ratings and financial institution counterparties with good market standing. Also, Company invests its short term surplus funds in bank fixed deposit, which carry no / low mark to market risks for short duration therefore does not expose the Company to credit risk.

C.iii. 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 a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities – trade payables and borrowings.

Liquidity risk management

The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions. A material and sustained shortfall in our cash flow could undermine the Company's credit rating and impair investor confidence.

The Company maintained a cautious funding strategy, with a positive cash balance throughout the year ended 31st March, 2022 and 31st March, 2021. This was the result of cash delivery from the business. Cash flow from operating activities provides the funds to service the financing of financial liabilities on a day-to-day basis. The Company's treasury department regularly monitors the rolling forecasts to ensure it has sufficient cash on-going basis to meet operational needs. Any short term surplus cash generated by the operating entities, over and above the amount required for working capital management and other operational requirements, are retained as cash and cash equivalents (to the extent required).

Maturities of non – derivative financial liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	Less than 1 year	More than 1 year	Less than 1 year	More than 1 year
Financial Liabilities - Current				
i. Current Borrowings *	2,16,05,500	1,33,925	5,29,175	1,69,000
ii. Trade payables	1,67,13,232	-	-	-
Total	3,83,18,732	1,33,925	5,29,175	1,69,000

C.iv. Market risk

Market Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

C.iv.a Currency risk

The Company is exposed to currency risk on account of its operating and financing activities. The functional currency of the Company is Indian Rupee. Our exposure are mainly denominated in U.S. dollars. The USD exchange rate has changed substantially in recent periods and may continue to fluctuate substantially in the future. The Company's business model incorporates assumptions on currency risks and ensures any exposure is covered through the normal business operations. This intent has been achieved in all years presented. The Company has put in place a Financial Risk Management Policy to Identify the most effective and efficient ways of managing the currency risks.

C.iv.b Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk through the impact of rate changes on interest-bearing liabilities and assets. The Company manages its interest rate risk by monitoring the movements in the market interest rates closely.

Note 28: Ratios

Sr. No.	Ratios	F.Y. 2021-22	F.Y. 2020-21	% Change	Numerator	Denominator
1	Current Ratio	1.11	9.10	-87.74%	Sum of Current Assets	Sum of Current Liabilities
2	Debt-Equity Ratio	0.61	0.05	1158.85%	Sum of Borrowings	Sum of Shareholders Fund
3	Debt Service Coverage Ratio	NA	NA	NA	Profit after tax but before Depreciation and interest	Sum of Interest & repayment of Debt as per Cash Flow
4	Return on Equity Ratio	4.26	(4.03)	-205.74%	Profit after tax	Sum of Shareholders Fund
5	Inventory Turnover Ratio	21.98	-	NA	Turnover	Sum of Inventory
6	Trade Receivables Turnover Ratio	7.75	-	NA	Turnover	Sum of Trade Receivables
7	Trade Payables Turnover Ratio	7.85	-	-	Purchase	Sum of Trade Payable
8	Net Capital Turnover Ratio	3.70	-	NA	Turnover	Sum of Shareholders Fund
9	Net Profit Ratio	0.16	NA	NA	Profit after tax	Turnover
10	Return on Capital Employed	0.39	(1.33)	-129.11%	EBIT	Sum of Shareholders Fund and Sum of Borrowings
11	Return on Investment	0.37	(1.33)	-127.81%	Profit after tax	Sum of Shareholders Fund and Sum of Long Term Borrowings

Note 29: Segment Reporting

Sr No	Particulars	Year Ended 31.03.2022 Audited	Year Ended 31.03.2021 Audited
1	Segment revenue		
	(a) Manufacturing of Electrical Tools & Service	56,62,000	-
	(b) Trading	12,58,09,785	-
	Total Income	13,14,71,785	-
2	Segment results profit / (loss) before tax and interest		
	(a) Manufacturing of Electrical Tools & Service	56,26,711	-
	(b) Trading	(15,482)	-
	Total	56,11,228	-
	Less : Finance Cost	-	-
	Less : Other Un-allocable expenses	26,67,906	10,15,253
	Total	29,43,323	(10,15,253)
	Add: Other Un-allocable income	2,59,983	4,90,520
	Loss before exceptional items and tax	-	-
	Add/(less): Exceptional items- income/(expenses)	1,95,00,000	(1,95,55,000)
	Total profit/(loss) before tax	2,27,03,306	(2,00,79,733)
3	Segment Assets		
	(a) Manufacturing of Electrical Tools & Service	72,41,100	-
	(b) Trading	1,56,97,565	-
	Total Segment Assets	2,29,38,665	-
	Un-allocable Assets	5,32,10,116	1,58,86,151
	Total Assets	7,61,48,781	1,58,86,151

4	Segment Liabilities		
	(a) Manufacturing of Electrical Tools & Service	-	
	(b) Trading	1,58,30,474	-
	Total Segment Liability	1,58,30,474	-
	Un-allocable Liability	2,47,71,774	15,15,144
	Total Liability	4,06,02,248	15,15,144

Note: The Company operates in Two segment as defined by IND AS 108.

Note 30: Capital Management

The company's objectives when managing capital are to

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-today needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets.

The management monitors the return on capital as well as the level of dividends to shareholders. The Company will take appropriate steps in order to maintain, or if necessary, adjust, its capital structure.

Note 31: Contingent Liability- NIL

Note 32:

"In case where, no availability of information about the amount dues to small/micro undertaking, we are unable to comment that the interest if any is due to such undertaking or not."

Note 33:

Estimated Amount of contracts remaining to be executed on Capital Account and not provided for (Net of Advances) - NIL.

Note 34:

As certified by the Management there is no obligation in respect of gratuity and leave encashment during the year. The same is relied upon by the Director.

Note 35:

Un-hedged foreign currency exposure:

The company is dealing only local business during the year, hence, no foreign currency Receivable / Payable during the Year.

Note 36:

Balances are relied upon as per books of accounts wherever the confirmations from debtors /creditors /Loans /Advances are not available. Debtors and Creditors Balances are subject to Confirmation. Debtors & Creditors Balances are as per Management Representation and relied upon by the Auditors.

Note 37:

In the opinion of the management, the current assets, loans and advances have the values on realization in the ordinary course of business at least equal to the amounts at which they are stated in the balance sheet except the trade receivables and loans and advances which falls under management's policy for bad and doubtful debts as taken in the previous years.

Note 38:

The company done not full file the prescribed profit limit i.e. >5 Cr or turnover >1000 Cr or net worth >500 Cr., hence, the CSR is not applicable to the company. CSR expenses incurred by the company Nil.

Note 39:

Quarterly returns or statements of Current Assets filed by the company with banks are Not applicable as the company does not have any banking facility during the year.

Note 40:

Previous year figures have been regrouped and rearranged wherever necessary to confirm with the current year presentation.

Note 41:

The company has not made any transaction with the struck off companies during the previous Year.

Note 42:

The company has not had any Virtual Currency / Crypto Currency during the previous Year.

**In terms of our report of even date
For Motilal & Associates LLP
(Formerly Motilal & Associates)
Chartered Accountants
FRN: 106584W/W100751**

**Sd/-
CA. Rishabh M Jain
(Partner)
Mem No. 179547
UDIN: 22179547AJ5VD04340
Place: Mumbai
Date: 21.05.2022**

**For and on behalf of the Board of Directors
Sparc Electrex Limited
(Formally Known as Sparc Systems Limited)**

**Sd/-
Shobhit G Hegde
(WTD & CFO)
DIN: 02211021**

**Sd/-
Suresh Vishwanathan
(Director)
DIN: 02310679**

**Sd/-
Tejashri Kulkarni
(Company Secretary)**