



KELTECH ENERGIES LIMITED

Ref: KEL/SEC/BSE/2023-24

Date: July 17, 2023

To,
The Senior General Manager,
(Listing Compliance Manager)
BSE Limited
24th Floor, P.J. Towers,
Dalal Street, Fort,
Mumbai – 400 001
Scrip Code: 506528

Subject: Annual Report for the FY 2022-23 and Notice convening the 46th Annual General Meeting of the Company

Ref: Regulations 30 and 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Respected Sir/Ma'am,

In terms of Regulations 30 and 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, enclosed herewith the soft copy of the Annual Report which comprises Directors' Report, Audited Financial Statements and Auditor's Reports thereon, for the Financial Year ended 31st March, 2023 and the Notice convening the 46th Annual General Meeting of the Company scheduled to be held on Thursday, the 10th of August, 2023, at 11.00 A.M. through VC/OAVM.

In compliance with MCA circular dated April 8, 2020 read with circulars dated April 13, 2020, May 5, 2020, January 13, 2021, December 8, 2021, December 14, 2021, May 5, 2022 and December 28, 2022, respectively and SEBI Circular dated May 12, 2020, January 15, 2021, May 13, 2022 and January 5, 2023, the Annual Report of the Company for the Financial Year 2022-23 and Notice of the 46th AGM have been sent through e-mail to all the Members whose Email IDs are registered with the RTA/ DPs.

We request you to take the same on record.

Thanking you.

Yours faithfully,



CS SHALU TIBRA

Company Secretary and Compliance Officer
Keltech Energies Limited



KELTECH ENERGIES LIMITED

46th Annual Report and Accounts

2022 – 2023

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BOARD OF DIRECTORS

VIJAY V. CHOWGULE – Chairperson – DIN: 00018903

SANTOSH L. CHOWGULE –
Managing Director – DIN: 00097736
(Re-designated as Executive Director and Executive –
Vice-Chairperson with effect from May 12, 2023)

RAMESH L. CHOWGULE –DIN: 00018910
(Resigned with effect from April 19, 2023)

MAHESH V. WATANAY – Managing Director –
DIN: 09631354
(With effect from May 12, 2023)

ARATI SARAN – DIN: 01157284

PRASHANT K. ASHER – DIN: 00274409

ASHVIN CHADHA – DIN: 01962798

CHIEF EXECUTIVE OFFICER

MAHESH VIJAY WATANAY (Upto May 12, 2023)

CHIEF FINANCIAL OFFICER

P. PRABHUDEV

COMPANY SECRETARY

Mrs. SHALU TIBRA

STATUTORY AUDITORS

CNK & ASSOCIATES LLP

CHARTERED ACCOUNTANTS, MUMBAI

SECRETARIAL AUDITORS

SWAROOP SURI AND ASSOCIATES,
COMPANY SECRETARIES, BENGALURU

COST AUDITORS

VIKAS VINAYAK DEODHAR,
COST ACCOUNTANT, MUMBAI

LEGAL ADVISORS

CRAWFORD BAYLEY & CO.
ADVOCATES, SOLICITORS & NOTARIES, MUMBAI

REGISTERED OFFICE

EMBASSY ICON, VII FLOOR, NO.3,
INFANTRY ROAD, BENGALURU – 560001

BANKERS

CANARA BANK
STATE BANK OF INDIA

REGISTRAR AND SHARE TRANSFER AGENTS

CANBANK COMPUTER SERVICES LIMITED
J.P. ROYALE, 1ST FLOOR, # 218, 2ND MAIN,
SAMPIGE ROAD, MALLESHWARAM, BENGALURU – 560003.

WORKS

VISHWASNAGAR 574 108
KARKALA TALUK, UDUPI DISTRICT
KARNATAKA STATE

SY.NO.14/B, DONIMALAI (NARASINGAPURA),
SANDUR TALUK, BELLARY DISTRICT,
KARNATAKA – 583 118

SY.NO.69/I, OBULAVARIPALLI VILLAGE,
MANGAMPET-516 106, CUDAPAH DISTRICT,
ANDHRA PRADESH.

NO.363, MUSTYALA VILLAGE P.O.

GODAVARIKHANI – 505 209

DISTRICT KARIMNAGAR, TELANGANA

NO.1-1-20, SUB STATION ROAD, T.D.P. CENTER,
BHANDARIGUDEM MANUGURU-507 117,
DISTRICT KHAMMAM TELANGANA

PLOT NO.B-25/I, M.I.D.C. INDUSTRIAL AREA
CHANDRAPUR - 442 406, MAHARASHTRA STATE

VILLAGE GARAMSUR

P.O. DUDHALA – 441 103, KATOL TEHSIL
NAGPUR DISTRICT, MAHARASHTRA STATE

P.O.HARDI BAZAAR-495446,
HARDI MURLI ROAD, TEHSEEL PALI, DISTRICT
KORBA, CHATTISHGARH

AKASHNAGAR, DEPOSIT 05 & 10, BACHELI
(BAILADILA)-494 553, DISTRICT DANTEWADA,
CHATTISHGARH

SY.NO.590, BORIGUMA ROAD,
MOUZA MANGARA, DISTRICT KORAPUT,
ORISSA – 764 020.

KHASARA 381, 382 & 383

JAMUDI GRAM - 484 224

DISTRICT ANUPPUR, M.P.

PLOT:S-3 & S-4

UDYOG DEEP INDUSTRIAL AREA

W Aidhan-486 886

DISTRICT SINGRAULI, M.P.

KELTECH ENERGIES LIMITED

NOTICE

Notice is hereby given that the **Forty-sixth Annual General Meeting** of the members of Keltech Energies Limited will be held on Thursday, the 10th of August, 2023 at 11.00 Hrs. IST, through Video Conference (“VC”) / Other Audio-Visual Means (“OAVM”), to transact the following business:-

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2023, Statement of Profit and Loss, (including other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the Financial Year ended on that date together with the Reports of the Directors and Auditors there on.
2. To declare and approve Final Dividend for the Financial Year ended 31st March, 2023.
3. To consider, and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Section 148 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit & Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Shri. Vikas Vinayak Deodhar, Practicing Cost Accountant, Membership No.3813, appointed by the Board of Directors of the Company as Cost Auditor to conduct the audit of the cost records for the Financial Year 2023-24 at its meeting held on May 12, 2023, and the said appointment be and shall be ratified and shall be paid a remuneration of Rs.60,000/- (Rupees Sixty Thousand only).”

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

Special Business:

4. To consider and, if thought fit, to pass, with or without modifications, the following resolution as Special Resolution:

“RESOLVED THAT pursuant to Section 152, 188 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder and Regulation 17 and Regulation 23 and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, applicable accounting standards, consent of the members of the Company be and is hereby accorded for re-designation of Mr. Santosh Laxmanrao Chowgule to Executive Director and Executive – Vice-Chairperson on the Board of Directors of the Company with effect from May 12, 2023 and shall be liable to retire by rotation, upon the terms of re-appointment including remuneration, commission and perquisites as set out in the Explanatory Statement as required under Section 102(1) of the Companies Act, 2013.”

“RESOLVED FURTHER THAT the above Managerial Remuneration, being exceeding the limit prescribed under Section 195, 197 and other applicable Sections read with Schedule V of the Companies Act, 2013, be and is hereby approved by the Members by way of Special Resolution.”

“RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the tenure of Mr. Santosh Laxmanrao Chowgule as Executive Director and Executive Vice-Chairperson, shall be paid remuneration by way of salary and perquisites as set out above, as minimum remuneration, subject to restrictions, if any, set out in Section 197 and Schedule V to the Companies Act, 2013, from time to time.”

“RESOLVED FURTHER THAT the Managerial Remuneration of Mr. Santosh Laxmanrao Chowgule shall be reviewed by the Nomination and Remuneration Committee, Audit Committee and Board of Directors on Year-on-Year basis and any modifications shall be recommended and approved by the Board of Directors and shall be final subject to the approval of members of the Company in the General Meeting of the Company.”

“RESOLVED FURTHER THAT any director(s) of the Company be and is hereby authorized to file necessary Forms and Documents with the Regulatory Authorities and to do all such acts and deeds as may be deemed necessary to give effect to the above resolution.”

5. To consider and, if thought fit, to pass, with or without modifications, the following resolution as Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 188, 196, 197 & 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactments(s) thereof for the time being in force) and Regulation 17 and Regulation 23 and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, applicable accounting standards and in accordance with relevant provisions of the Articles of Association of the Company and based on the recommendation of the Nomination and Remuneration Committee and the Board, consent of the Members be and is hereby accorded for the appointment of Mr. Mahesh Vijay Wataney, DIN: 09631354, as Managing Director of the Company for a period of five (5) Years with effect from May 12, 2023 till May 11, 2028, not liable to retire by rotation, eligible for re-appointment, on the remuneration and terms & conditions mentioned in the Appointment Letter placed before the members of the Board of Directors.”

“RESOLVED FURTHER THAT the above Managerial Remuneration, being exceeding the limit prescribed under Section 195, 197 and other applicable Sections read with Schedule V of the Companies Act, 2013, be and is hereby approved by the Members by way of Special Resolution.”

“RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the tenure of Mr. Mahesh Vijay Wataney as Managing Director, shall, subject to the approval of Shareholders in the General Meeting, if required, be paid remuneration by way of salary and perquisites as set out above, as minimum remuneration, subject to restrictions, if any, set out in Section 197 and Schedule V to the Companies Act, 2013, from time to time.”

“RESOLVED FURTHER THAT Mr. Mahesh Vijay Wataney shall also assume the roles and responsibilities as required to be fulfilled by a Managing Director of the Company under the Factories Act, 1948, the Companies Act, 2013, the Explosives Rules, 2008 and other applicable Laws and Regulations.”

“RESOLVED FURTHER THAT pursuant to Section 196(4) of the Companies Act, 2013, no director(s) of the Company is/are interested as per Section 184 of the Companies Act, 2013 with respect to the above appointment.”

“RESOLVED FURTHER THAT an Agreement setting out all the terms and conditions of the above appointment including the managerial remuneration, be executed between the Company and Mr. Mahesh Vijay Wataney.”

6. To consider and, if thought fit, to pass, with or without modifications, the following resolution as Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 149(6), 152, read with Schedule IV of the Companies Act, 2013 and Rule 4, 5, and 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, and Regulation 16(1)(b), 17 and 25(2A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions thereof and relevant provisions of Articles of Association the Company, the consent of the Members be and is hereby accorded for appointment of Mr. Deepak Balkrishna Jadhav (DIN: 10221697) as Non-Executive – Independent Director on the Board of the Company for a term of five consecutive years with effect from July 07, 2023 till July 06, 2028, whose term shall not be subject to retirement by rotation.”

“RESOLVED FURTHER THAT consent in the Form DIR-2, Declaration of Independence under Section 149(7) and Regulation 25(8), Form DIR-8 and Interest of Director in Form MBP-I has been received from Mr. Deepak Balkrishna Jadhav and has been taken on record.”

KELTECH ENERGIES LIMITED

“**RESOLVED FURTHER THAT** any director(s) of the Company be and is hereby authorized to file necessary Forms and Documents with the Regulatory Authorities and to do all such acts and deeds as may be deemed necessary to give effect to the above resolution.”

Registered Office:

‘EMBASSY ICON’, VII FLOOR, No. 3,
INFANTRY ROAD, BENGALURU –560001, INDIA
CIN: L30007KA1977PLC031660

Place: Bengaluru

Dated: July 07, 2023

By Order of the Board of Directors

KELTECH ENERGIES LIMITED

SANTOSH L. CHOWGULE

EXECUTIVE DIRECTOR &
EXECUTIVE – VICE-CHAIRPERSON
(DIN: 00097736)

Notes:

1. Statement pursuant to Section 102(1) of the Companies Act, 2013 ("Act"), in respect of the Special Business to be transacted at the Annual General Meeting ("AGM") is annexed hereto.
2. The Ministry of Corporate Affairs ("MCA") vide circular dated April 8, 2020 read with circulars dated April 13, 2020, May 5, 2020, January 13, 2021, December 8, 2021, December 14, 2021, May 5, 2022 and December 28, 2022 (collectively referred to as "MCA Circulars") permitted the holding of the "AGM" through Video Conferencing (VC) / Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue. Accordingly, in compliance with the provisions of the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
3. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporate is entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
4. The Members can join the EGM/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 EGM/AGM through VC/OAVM will be made available for 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.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. 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 the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 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 National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the EGM/AGM will be provided by NSDL.
7. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.keltechenergies.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
8. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER: -

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the EGM/AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing EGM/AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM/AGM. However, the Body Corporate is entitled to appoint authorised representatives to attend the EGM/AGM through VC/OAVM and par-

participate thereat and cast their votes through e-voting.

3. The Members can join the EGM/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 EGM/AGM through VC/OAVM will be made available for 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 EGM/AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. 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 the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the EGM/AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the EGM/AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM/AGM has been uploaded on the website of the Company at https://keltechenergies-my.sharepoint.com/personal/compliance_keltechenergies_com/Lists/AGM/AllItems.aspx. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and the EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsd.com.
7. EGM/AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Monday, August 07, 2023 at 09:00 A.M. and ends on Wednesday, August 09, 2023 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Thursday, August 03, 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Thursday, August 03, 2023.

How do I vote electronically using NSDL e-Voting system?





The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

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

In terms of SEBI circular 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.

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

Type of shareholders	Login Method
<p>Individual Shareholders holding securities in demat mode with NSDL.</p>	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “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 i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are 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 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: center; margin-top: 20px;"> <p>NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; margin-top: 20px;"> <div style="text-align: center;">  </div> <div style="text-align: center;">  </div> </div> </div>

Step I: Access to NSDL e-Voting system (Contd...)

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 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. 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 e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
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 022 - 4886 7000 and 022 - 2499 7000
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. 1800 22 55 33

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. 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.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/ Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e., Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
 - a) Click on “Forgot User Details/Password?”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password?” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to swaroopsuri@swaroopsuri.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on “Upload Board Resolution / Authority Letter” displayed under “e-Voting” tab in their login.xl
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to **(Name of NSDL Official) at evoting@nsdl.co.in**

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide 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 **(compliance@keltechenergies.com)**.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to **(compliance@keltechenergies.com)**. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 **(A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at (compliance@keltechenergies.com). The same will be replied by the company suitably.
6. Only those members who have registered themselves as a speaker will only be allowed to express their views ask questions during AGM. The company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

KELTECH ENERGIES LIMITED

Circular No.: NSDL/CIR/II/10/2021 Date: May 21, 2021 of National Securities Depository Ltd., Mumbai.

Subject: SEBI Circular on e-Voting Facility Provided by Listed Entities

Attention is invited to SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020 regarding e-Voting facility provided by listed entities and Circular no. NSDL/CIR/II/50/2020 dated December 15, 2020 issued by NSDL regarding intimation on the same. In the aforesaid SEBI Circular, it has been stated as below:

- 1) 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 the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.
- 2) 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.
- 3) In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting for all individual 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. The same shall be implemented in a phased manner.
- 4) Accordingly, to enable individual shareholders to login and cast vote through their demat account, NSDL services have been enhanced. Process of login for Individual shareholders holding securities in demat mode with NSDL is furnished below.
- 5) As per aforesaid SEBI circular, the listed companies are required to provide the details of the upcoming events requiring voting to the Depository. The depository will send SMS/email alerts in this regard, to the demat account holders, at least 2 days prior to the date of the commencement of e-voting. In order to facilitate listed companies to provide details of upcoming events requiring voting, NSDL's Issuer Services Portal has been enhanced to include e-Voting feature wherein listed companies are required to provide details of upcoming events requiring voting. Issuers can access this enhance feature w.e.f May 31, 2021.
- 6) All the Issuers are requested to use the Issuer **Portal <https://issuer.nsd.com>** for providing the information of upcoming events requiring voting. You need to click on Login button and provide your login credentials for successful authentication.
- 7) Issuers who are already registered in Issuer Portal can use existing login credentials to access e-Voting feature for providing details of upcoming events requiring voting.
- 8) Process for Issuers to provide the details for the upcoming events requiring voting:
 - a. Issuer maker needs to capture e-Voting details on Issuer Portal by clicking on tab eVoting → Transact → Capture eVoting Detail.
 - b. Issuer should provide following information:
 - ISIN – INE881E01017.
 - Issuer Name – Keltech Energies Limited
 - e-Voting service provider Name i.e., NSDL.
 - EVENT type – 46thAGM.
 - Voting start date – August 07, 2023
 - Voting Start time – 09.00 Hrs.
 - Voting end date – August 09, 2023
 - Voting end time – 17.00 PM.
 - General Meeting date – August 10, 2023
 - General Meeting time – 11.00 hours.
 - Cut-off date – August 03, 2023
 - EVENT ID – 124541
 - Voting purpose (in brief) Approval for the business transactions at resolutions 1 to 5 mentioned in the notice.

- c. Issuer checker is required to approve the details captured by Issuer maker on Issuer Portal by clicking on tab eVoting → Enquire / Approve → View and Approve. Event details will be considered only after checker approves it.
- d. It is advisable to capture and approve such details at least **five days** before the voting start date.
- e. It is important to note that same user cannot perform Role of Maker and Checker.
- 9) Once Issuer will update the required details the event details are considered as final for intimating to the demat account holders of NSDL through email/SMS. Please ensure to provide correct details so as to provide correct communication to shareholders.
- 10) Those Issuers who have not yet registered can register themselves with Issuer Portal of NSDL at the earliest in order to provide upcoming events requiring voting so as comply with to aforesaid SEBI circular.
- 11) Please furnish below process for registration by the Issuers who have not yet registered with Issuer Portal of NSDL.
- I. Duly fill in the Registration Form for Issuer Services Portal of NSDL (format enclosed).
 - II. Take a print of the Registration Form on the letter head of the Issuer and obtain signatures of the Managing Director or the Company Secretary or any other authorized person.
 - III. Scan the duly signed Registration Form.
 - IV. Fill in the excel sheet in the enclosed format for List of Officials authorized to access Issuer Services Portal. Ensure that the same authorized persons are mentioned in the excel sheet as well as the Registration Form.
 - V. Submit the following documents by email to **issuer.registration@nsdl.co.in** while sending the documents by email, kindly include your issuer code in the subject line of the email to enable easy processing. (The Issuer code is the 4th, 5th, 6th and 7th character in the ISIN allotted for the shares of your company, for example if your company ISIN is INE123400001 then your company Issuer code will be 1234)
 - a. Scanned copy of Registration Form
 - b. Duly filled in excel sheet containing List of Designated Officials authorized to access Issuer Services Portal.
- VI. Submit the hard copy of Registration Form by courier to NSDL at the following address:
The Vice President (for Issuer Services Portal Registration)
National Securities Depository Limited,
4th Floor, Kamala Mills Compound
Senapati Bapat Marg, Lower Parel, Mumbai - 400013.
- VII. After successful registration, NSDL will send by email the passwords to the authorized users on their email ids as provided by the company. The password will be contained in an encrypted PDF which can be opened by using the mobile number as given by the company. Please note that registration will be done based on receipt of the scanned copy of the Registration Form as above. However, the company should ensure that signed hard copy of the Registration Form is sent to the above address.
- 12) In case users have forgotten their password, they can reset their password by clicking on the 'Forgot password' link on the login page of Issuer portal. The user will need to follow to below mentioned steps:
- Enter the User ID in the 'Username' field and click 'Forgot password' link
 - User will be needed to click on radio button for OTP
 - User will be prompted to enter the mobile number registered with NSDL and click on 'Send Code'
 - On receipt of the OTP on the registered mobile number, user will need to enter the same in the said field and submit.
 - Once the OTP validation is done User will have the option to enter their new password and submit.
- 13) For any queries in respect of registration and access / login credential on issuer services portal, the same can be addressed on group Email ID viz., **issuer.registration@nsdl.co.in**
- 14) For any queries in respect e-Voting, the same can be addressed on group Email ID viz., **evoting@nsdl.co.in**

Registered Office:

'EMBASSY ICON', VII FLOOR, No. 3,
INFANTRY ROAD, BENGALURU –560001, INDIA
CIN: L30007KA1977PLC031660

Place: Bengaluru

Date: July 7, 2023

By Order of the Board of Directors

KELTECH ENERGIES LIMITED

SANTOSH L. CHOWGULE

EXECUTIVE DIRECTOR AND

EXECUTIVE – VICE-CHAIRPERSON

(DIN: 00097736)

KELTECH ENERGIES LIMITED

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

ITEM NO. 4

Appointment of Mr. Santosh Laxmanrao Chowgule (DIN: 00097736) as Executive Director and Executive-Vice-Chairperson of the Company

The Managerial Remuneration for Mr. Santosh Laxmanrao Chowgule shall include the following:

a. **Salary:** Rs. 10,00,000/- (Rupees Ten Lakhs Only) per month.

b. **Perquisites:**

- (i) **Housing:** The Company shall provide accommodation to the Executive Director and Executive – Vice-Chairperson subject to deduction of 10% of salary per month, and incur expenditure on gas, electricity, and soft furnishings subject to a ceiling of 10% of the basic salary. The Company shall reimburse expenses on watchman, sweeper, and gardener to the extent of Rs.12,000/-(Rupees twelve thousand only) per month.
 - (ii) **Medical Reimbursement:** Reimbursement of expenses incurred for self and family subject to a ceiling of Rs.96,000/- (Rupees ninety-six thousand only) in a year.
 - (iii) **Leave Travel Concession:** Leave Travel Concession once in a year for self and family not exceeding Rs.60,000/- (Rupees sixty thousand only) per annum.
 - (iv) **Club Fees:** The payment of fees to clubs subject to a maximum of two clubs provided that no admission fee and life membership fees will be paid.
 - (v) **Personal Accident Insurance:** Personal accident insurance of an amount, the annual premium shall not exceed Rs.1,44,000/- (Rupees one lakh forty-four thousand only) per annum.
 - (vi) **Provident Fund and Superannuation:** (1) Company's contribution towards Provident Fund as per Rules of the Company. (2) Company's contribution towards Superannuation Fund as per the Rules of the Company. However, contribution together with contribution to the Provident Fund shall not exceed 27% of the salary as laid down in the Income Tax Rules, 1962.
 - (vii) **Gratuity:** As per the Rules of the Company but shall not exceed one half month's salary for each completed year of service.
 - (viii) **Earned Leave:** Entitlement to earned / privilege leave on full pay and allowances i.e., 36 days, as per the Rules of the Company, and leave accumulated but not availed of shall be encashable at the end of the tenure. Encashment of leave at the end of the tenure shall not be included in the computation of the ceiling on perquisites.
 - (ix) **Car:** The Company shall provide a Car for use on Company's business. Use of Car for private purposes to be billed by the Company. The Company shall provide telephone at residence and long-distance personal calls to be billed and recovered by the Company and these will not be considered as Perquisites.
 - (x) **Residential Office:** The Company shall provide Residential Office for the use of the Executive Director and Executive-Vice-Chairperson after the office hours.
- c. **Commission:** Commission to the Executive Director and Executive-Vice-Chairperson at such rate as may be determined by the Board of Directors at the end of the financial year and subject to the maximum amount payable under the provisions of the Companies Act, 2013."

None of the Director and Key Managerial Personnel of the Company and their relatives are not concerned or interested, financial or otherwise, are deemed to be interested and concerned in this resolution.

The Board of Directors recommends the resolution set forth in Item No.3 for approval of the members.

ITEM NO. 5

Appointment of Mr. Mahesh Vijay Wataney (DIN : 09631354) as Managing Director of the Company

The Managerial Remuneration for Mr. Mahesh Vijay Wataney shall include the following:

a. **Salary :** Rs. 12,47,198/- per month. The Break-up of the same shall be:

Basic	Rs. 3,35,496
HRA	Rs. 83,874
Special Allowance	Rs. 7,80,828
Educational Allowance	Rs. 5,000
Telephone Allowance	Rs. 2,000
Re-imburement of Conveyance	Rs. 40,000

b. Perquisites:

- (i) Medical Reimbursement: Rs. 15,000/- per annum
- (ii) Leave Travel Concession: Rs. 2,00,016/- per annum
- (iii) Gratuity: Rs. 1,93,248/- (4.8%) – per annum
- (iv) Provident Fund: Rs. 4,83,114/- (12%) – per annum
- (v) Bonus: Annual Bonus – Rs. 3,35,496/- – per annum
- (vi) Variable Pay Rs. 45,00,000/- – per annum
- (vii) Year-on-Year Increment: 6% – 8% of CTC.

None of the Director and Key Managerial Personnel of the Company and their relatives are not concerned or interested, financial or otherwise, are deemed to be interested and concerned in this resolution.

The Board of Directors recommends the resolution set forth in Item No. 5 for approval of the members.

Additional Information on Directors recommended for appointment or re-appointment as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India

ITEM NO. 6

Appointment of Mr. Deepak Balkrishna Jadhav (DIN: 10221697) as Non-Executive – Independent Director of the Company Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors vide Circular Resolution dated July 07, 2023 approved on July 07, 2023 appointed Mr. Deepak Balkrishna Jadhav as Additional Independent Director on the Board of the Company for a term of five years with effect from July 07, 2023. It is hereby informed that Mr. Deepak Balkrishna Jadhav has been registered in the Independent Directors Databank.

Mr. Deepak Balkrishna Jadhav is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director. The Company has received notice in writing from a member under Section 160 of the Act proposing the candidature of Mr. Deepak Balkrishna Jadhav for the office of Independent Director of the Company. The Company has also received declaration from that he meets with the criteria of independence as prescribed both under Section 149 (6) of the Act and under SEBI LODR Regulations. In the opinion of the Board, Mr. Deepak Balkrishna Jadhav fulfils the conditions for appointment as Independent Director as specified in the Act and SEBI LODR Regulations. Mr. Deepak Balkrishna Jadhav is independent of the management.

Details of Mr. Deepak Balkrishna Jadhav whose appointment as Independent Director is proposed at Item No. 6 is provided in the “Annexure 2” to this Notice pursuant to the provisions of: (i) SEBI LODR Regulations and (ii) Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India.

Except Mr. Deepak Balkrishna Jadhav, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the Resolution set out at Item No.6.

This Explanatory Statement may also be regarded as a disclosure under SEBI LODR Regulations.

The Board recommends the Special Resolution set out in Item No. 6 of this Notice for the approval of the Members.

KELTECH ENERGIES LIMITED

Additional Information on Directors recommended for appointment or re-appointment as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India

Name of Director	Mr. Santosh Laxmanrao Chowgule	Mr. Mahesh Vijay Wataney	Mr. Deepak Balkrishna Jadhav
DIN	00097736	09631354	10221697
Age	65	54	60
Date of birth	11.07.1958	08.10.1968	23.10.1962
Nationality	Indian	Indian	Indian
Date of first appointment on the Board	04.03.2003	12.05.2023	07.07.2023
Relationship with other directors and KMPs	None	None	None
Qualification	Bachelors in arts	Bachelors in engineering (Electrical Engineering) Masters in management studies – Operations	Bachelors in commerce
Terms and conditions for appointment/re-appointment	Executive, Promoter Director liable to retire by rotation.	As per resolution at item no. 5 of the notice convening meeting read with explanatory statement thereto, Mr. Mahesh Vijay Wataney is proposed to be appointed as Managing Director, not liable to retire by rotation.	As per resolution at item no. 6 of the notice convening meeting read with explanatory statement thereto, Mr. Deepak Balkrishna Jadhav is proposed to be appointed as Non-Executive – Independent Director for a term of 5 years, not liable to retire by rotation.
Remuneration sought to be paid	Refer item No. 4 in the Explanatory Statement of this Notice.	Refer item No. 5 in the Explanatory Statement of this Notice.	Not Applicable.
Remuneration last drawn	Remuneration paid in FY 2022-23 is given in the Corporate Governance Report.	Rs. 2,01,44,277/-	Not Applicable.
Nature of expertise in specific functional areas	He is an industrialist having diversified experience of more than 37 years in the areas of explosives & perlite. He joined Keltech Energies Limited in the year 1985.	He has experience in various industries such as industrial chemicals, pesticides, house paints etc. He joined Keltech Energies Limited in the year 2020.	He has experience in the field of advertising and marketing from more than 32 years.
In the case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Not Applicable	Not Applicable	Entrepreneurship, Advertising and Marketing

Number of shares & % of Holding	NIL	5 Shares in the name of Self 5 Shares in the name of Spouse	
List of directorships held in other Companies	Listed Companies: None	Listed Companies: None	None
	Unlisted Companies: Chowgule ABP Coatings (India) Private Limited Kolhapur Oxygen and Acetylene Private Limited Chowgule Construction Chemicals Private Limited Chowgule Bros Pvt. Ltd. Jhelum Investments and Trading Private Limited Abihayat Investments and Trading Private Limited Nishat Investments and Trading Private Limited	Unlisted Companies: Kolhapur Oxygen and Acetylene Private Limited Chowgule Construction Chemicals Private Limited Chowgule ABP Coatings (India) Private Limited	Listed Companies: Chowgule Steamships Limited
Names of Listed Entities from which resigned in the past 3 years	None	None	None
Chairmanships/ memberships of committees in other companies (Includes audit committee [AC] and stakeholders' relationship committee [SRC])	None	None	None
Number of board meetings attended during the FY 2022 - 2023	Held – 4 Attended – 4	Held – 4 Attended – 4 (In capacity of CEO)	Not Applicable

Registered Office:

'EMBASSY ICON', VII FLOOR, No. 3,
INFANTRY ROAD, BENGALURU –560001, INDIA
CIN: L30007KA1977PLC031660

By Order of the Board of Directors
KELTECH ENERGIES LIMITED

SANTOSH L. CHOWGULE
EXECUTIVE DIRECTOR AND
EXECUTIVE – VICE-CHAIRPERSON
(DIN: 00097736)

Place: Bengaluru
Date: July 07, 2023

COMMUNICATION ON TAX DEDUCTION AT SOURCE (TDS) ON DIVIDEND DISTRIBUTION

Pursuant to the provisions of the Income Tax Act, 1961 (“the IT Act”), dividend income is taxable in the hands of the members and the Company is required to deduct tax at source (“TDS”) from dividend paid to the members at prescribed rates in the IT Act. Please take note of the below TDS provisions and information/document requirements for each member:

Section I: For all Members - Details that should be completed and /or updated, as applicable

a. All Members are requested to ensure that the below details are completed and/or updated, as applicable, in their respective demat account/s maintained with the Depository Participant/s; or in case of shares held in physical form, with the Company, by August 03, 2023 (“Record Date”). Please note that these details as available on Record Date in the Register of Members / Register of Beneficial Ownership will be relied upon by the Company, for the purpose of complying with the applicable TDS provisions:

- I. Valid Permanent Account Number(PAN).
- II. Residential status as per the Act i.e., Resident or Non-Resident for FY 2023-24.
- III. Category of the Member :
 - i. Mutual Fund
 - ii. Insurance Company
 - iii. Alternate Investment Fund (AIF) Category-I and II
 - iv. AIF Category-III
 - v. Government (Central / State Government)
 - vi. Foreign Portfolio Investor (FPI) / Foreign Institutional Investor (FIL): Foreign Company
 - vii. **FPI / FIL**: Others (being Individual, Firm, Trust, AJP, etc.)
 - viii. Individual
 - ix. Hindu Undivided Family (HUF)
 - x. Firm
 - xi. Limited Liability Partnership (LLP)
 - xii. Association of Persons (AOP), Body of individuals (BOI) or Artificial Juridical Person (AJP)
 - xiii. Trust
 - xiv. Domestic company
 - xv. Foreign company.
- IV. Email Address.
- V. Address.

Section 2: TDS provisions and documents required, as applicable for relevant category of Members

Members are requested to take note of the TDS rates and document/s, if any, required to be submitted to the Company by the Record Date their respective category, in order to comply with the applicable TDS provisions.

I. For Resident Members:

- i. **Mutual Funds:** No TDS is required to be deducted as per section 196(iv) of the IT Act subject to specified conditions. Self-attested copy of valid SEBI registration certificate needs to be submitted.
- ii. **Insurance Companies:** No TDS is required to be deducted as per section 194 of the IT Act subject to specified conditions. Self-attested copy of valid IRDA registration certificate needs to be submitted.
- iii. **Category -I and II Alternative Investment Fund:** No TDS is required to be deducted as per section 197A (1F) of the IT Act subject to specified conditions. Self-attested copy of valid SEBI registration certificate needs to be submitted.
- iv. **Recognised Provident Funds:** No TDS is required to be deducted as per Circular No.18/2017 subject to specified conditions. Self-attested copy of a valid order from Commissioner under Rule 3 of Part A of Fourth Schedule to the IT Act, or Self-attested valid documentary evidence (e.g., relevant copy

in support of the provident fund being established under a scheme framed under the Employees' Provident Funds Act, 1952 needs to be submitted.

- v. **Approved Superannuation Fund:** No TDS is required to be deducted as per Circular No.18/2017 subject to specified conditions. Self-attested copy of valid approval granted by Commissioner under Rule 2 of Part B of Fourth Schedule to the IT Act needs to be submitted.
- vi. **Approved Gratuity Fund:** No TDS is required to be deducted as per Circular No.18/2017 subject to specified conditions. Self-attested copy of valid approval granted by Commissioner under Rule 2 of Part C of Fourth Schedule to the IT Act needs to be submitted.
- vii. **National Pension Scheme:** No TDS is required to be deducted as per Sec 197A(1E) of the IT Act.
- viii. **Government (Central / State):** No TDS is required to be deducted as per Sec 196(i) of the IT Act.
- ix. **Any other entity entitled to exemption from TDS:** Valid self-attested documentary evidence (e.g., relevant copy of registration, notification, order, etc.) in support of the entity being entitled to exemption from TDS needs to be submitted.
- x. **Other resident Members:**
 - a) TDS is required to be deducted at the rate of 10% under u/s 194 of the IT Act.
 - b) No TDS is required to be deducted, if aggregate dividend distributed or likely to be distributed during the financial year to individual member does not exceed ₹5,000.
 - c) No TDS is required to be deducted on furnishing of valid Form 15G (for individuals, with no tax liability on total income and income not exceeding maximum amount which is not chargeable to tax) or Form 15H (for individual above the age of 60 years with no tax liability on total income).
 - d) TDS is required to be deducted at the rate of 20% u/s 206AA of the IT Act, if valid PAN of the member is not available.
 - e) As per Section 206AB of the ITA Act, in respect of non-filers of income tax return for the preceding financial year for which the time limit has expired, tax is required to be deducted at the highest of following rates:
 - at twice the rate specified in the relevant provision of the IT Act; or
 - at twice the rate or rates in force; or
 - at the rate of 5%In this regard, the Company would rely on Compliance Check Utility made available by Central Board of Direct Taxes
 - f) TDS is required to be deducted at the rate prescribed in the lower tax withholding certificate issued u/s 197 of the Act, if such valid certificate is provided.

II. For Non-resident Members:

- i. **Any entity entitled to beneficial rate/ exemption from TDS:** Valid self-attested documentary evidence (e.g., relevant copy of registration, notification, order, etc. by Indian tax authorities) in support of the entity being entitled to beneficial rate / exemption from TDS needs to be submitted.
- ii. **Other non-resident Members:**
 - a) TDS is required to be deducted at the rate of 20% (plus applicable surcharge and cess) u/s 196D of the IT Act (For FPI and FII) and u/s 195 of the IT Act for other non-resident members.
 - b) Member may be entitled to avail lower TDS rate as per Agreement For Avoidance Of Double Taxation (DTAA) between India and the country of tax residence of the member, on furnishing the below specified documents.
 - 1) Self-attested copy of PAN. In case PAN is not available, provide details as per Rule 37BC of the Income-Tax Rules, 1962.
 - 2) Self-attested copy of valid Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the member is a resident;
 - 3) Self-declaration in Form 10F; and

- 4) Self-declaration on letterhead of having no Permanent Establishment in India, Beneficial ownership of shares and eligibility to claim treaty benefits (as per Annexure I to this Communication).
- c) TDS is required to be deducted at the rate prescribed invalid lower tax with holding certificate issued u/s 197 of the IT Act, if such valid certificate is provided.

Details and/ or documents as mentioned above in Section 1 and Section 2, as applicable to the Member, need to be sent, duly completed and signed, through registered email address of the Member with PAN being mentioned in the subject of the email to reach canbankrta@ccsl.co.in and compliance@keltechenergies.com by Record Date. Please note that no communication in this regard shall be accepted post Record Date.

Section 3: Other general information for the Members:

- I. For all self-attested documents, members must mention on the document “certified true copy of the original”. For all documents being sent/ accepted by email, the Member undertakes to send the original document/s on the request by the Company.
- II. TDS will be deducted based on details of registered member only. Once TDS is deducted in the name of Registered of Members/ Beneficial Owners as appearing on Record Date, no transfer of such TDS in the name of another person shall be entertained under any circumstances.
- III. TDS deduction certificate will be sent to the members’ registered email address in due course.
- IV. Surcharge rates applicable for financial year 2023-24 for non-residents:

- (i) Individual, HUF, AOP, BOI, AJP,

Dividend Income	Rate
Upto ₹ 50 lakhs	Nil
Income exceeds ₹50 lakhs but does not exceed ₹1 crore	10%
Income exceeds ₹1 crore but does not exceed ₹2 crore	15%
Income exceeds ₹2 crore but does not exceed ₹5 crore	25%
Income exceeds ₹5 crore	37%

Provided that where the income of such person is chargeable to tax under sub-section (1A) of section 115BAC of the Income-tax Act, the rate of surcharge shall not exceed twenty-five per cent.

- (ii) Co-operative society or Firm, registered under applicable Indian law

Aggregate Income	Rate
Income exceeds ₹1 crore but does not exceed ₹10 crore	7%
Income exceeds ₹10 crore	12%

- (iii) Foreign company

Aggregate Income	Rate
Income exceeds ₹1 crore but does not exceed ₹10 crores	2%
Income exceeds ₹10 crores	5%

- V. Normal dividend/s declared in the preceding Financial Year 2022-2023 would be considered as the basis to determine applicability of the surcharge rate.
- VI. Health and Education Cess of 4% is applicable for non-residents.
- VII. Equity shares of the Company, which were transferred by the Company in the name of Investor Education and Protection Fund (‘IEPF’) in terms of Section 124(6) of the Companies Act 2013 and Rules framed there under, the TDS shall be deducted basis the available details of the underlying members.
- VIII. Application of TDS rate is subject to necessary due diligence and verification by the Company of the member details as available in register of members on the Record Date, documents, information available

in public domain, etc. In case of ambiguous, incomplete or conflicting information, or valid information documents not being provided, the Company will arrange to deduct tax at the maximum applicable rate.

- IX. In case TDS is deducted at a higher rate, an option is still available with the member to file the return of income and claim an appropriate refund, if eligible. Once deducted, no claim shall lie against the Company in relation to TDS.
- X. In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy, or omission of information provided/ to be provided by the Member/s, such Member/s will be responsible to indemnify the Company and also, provide the Company with all information/ documents and co-operation in any appellate proceedings.

Note:

Above communication on TDS sets out the provisions of law in a summary manner only, as on the date of the communication, and does not purport to be a complete analysis or listing of all potential tax consequences. Members should consult with their own tax advisors for the tax provisions applicable to their particular circumstances.

BOARD'S REPORT**Dear Members,**

Your Directors have pleasure in presenting their Forty-Sixth Annual Report on the Business and Operations of the Company and the Accounts for the Financial Year ended March 31, 2023. This report is being presented along with the Audited Financial statements for the year.

I. Financial Performance:**(₹ in Lakhs, except per share data)**

	2022-23		2021-22	
Operating Profit		2611.66		1546.89
1) Interest	338.39		142.80	
2) Depreciation	605.22	943.61	554.30	697.10
Profit for the year before taxation		1668.05		849.79
Less: Provision for taxation - Current Tax	421.00		190.00	
- Deferred Tax	54.92	475.92	-3.21	186.79
Profit for the year		1192.13		663.00
Other Comprehensive Income				
Re-measurements of post-employment benefit obligations (net of tax)		-87.39		-1.02
Profit for the year available for appropriation		1104.73		661.98

2. Company Affairs:**(Management Discussion and analysis report / Operations reports of Company's performance):**

The operations for the year 2022-23 have resulted in a net profit of Rs.1104.73 Lakhs after charging depreciation, interest, tax, and comprehensive income as against Rs.661.98 Lakhs for the corresponding period of the previous year.

A. Explosives Division:

The sale of Explosives for the year under review was 61,603 MT as against 52,160 MT for the corresponding period of the previous year. The increase was mainly accepting orders in Public Sector Undertakings like Western Coalfields Limited and Singareni Collieries Co. Ltd and also enhancing customer base in dealers segment market which has added to growth in volumes.

During the year, the turnover in regard to traded goods, services, and export of finished goods in Explosives sector was same as compared to the corresponding period of the previous year.

The sale of Detonating Fuse during the year under review was 30 Million Meters as against 23 Million Meters for the corresponding period of the previous year. The sale of Other Accessories during the year under review was 661 MT as against 226 MT for the corresponding period of the previous year. The increase was due to enhancing customer base and Export Orders.

B. Perlite Division:

The sale of Perlite and Perlite based products for the year under review was 16,123 MT as against 13,602 MT for the corresponding period of the previous year, which resulted in increase of 19%. The increase in sales was mainly due to increase in Filter-Aid markets.

3. Basic Earnings Per Share:

The Company's Basic Earnings per share stood at INR.119.22 (Previous year- INR 66.31).

4. Risk Management:

During the Financial Year under review, a detailed exercise on Business Risk Management was carried out covering the entire spectrum of business operations and the Board has been informed about the risk assessment and minimization procedures. Business risk evaluation and management is an ongoing process with the Company. There is no risk identified which in the opinion of the Board may threaten the existence of the Company.

5. Dividend:

The Directors have recommended a dividend of Rs. 1.50 per share (15 %) of Rs. 10/- (Face Value) on the paid-up equity capital of the Company.

6. Business Focus and Highlights:**A. EXPLOSIVES DIVISION:**

The Company's strategy was to enhance its base of operations in Coal Sector and other sector of business by participating in Public Sector Undertakings tenders at aggressive pricing and to achieve the same.

Your company's long-term strategy of providing quality products and robust internal controls were critical in helping us to overcome the obstacles and emerge stronger.

Your companies Research and development team have introduced new products as per the requirement of the customers. These products helped the company to increase the volumes. These volumes helped plants running full capacities.

We could supply to many regions of the country by expanding its Geographical reach.

B. PERLITE DIVISION:

Diversification of Perlite and Perlite based Products in other markets like Construction and Pharma markets. New Product developments under Horticulture market.

We have expanded our horizon by going digital. Your company's products for horticulture are available now via. Ecommerce channels like Amazon and Flipkart.

C. INDUSTRIAL RELATIONS:

The industrial relations during the year under review were cordial and there were no industrial disputes.

D. OUTLOOK FOR 2023-24:

During the current financial year 2023-24, on account of stiff competition on price, sale of Explosives is expected to be under pressure. Major PSUs like M/s.Coal India Ltd, Singreni Collieries Co Ltd have understood the difficulties faced by Explosives manufacturers and have resolved the same. These steps shall be a slight respite in your company's operations. Further your Company is striving to consolidate its presence in the Explosives accessories and Perlite and Perlite based Products business. The performance of infrastructure Industry in the Country will be crucial for continued growth of Company's business.

Your Company will continue to make all efforts for optimizing the overall performance.

E. CAUTIONARY STATEMENT:

The statements, expressions, information given in this Management Discussions and Analysis Report describing the Company's objectives, projections, estimates, expectations, or predictions may be deemed to be "forward looking statements". Actual results might be substantially or materially different from those expressed or implied. Important developments that could affect the Company's operations included demand supply conditions, changes in Government, global economic scenario, and such other developments different from Company's comprehension.

7. Transfer to General Reserve:

During the year, the company has not transferred any sum from the current year's profit to General Reserve.

8. Deposits:

There are no outstanding public deposits remaining unpaid as on 31st March, 2023. The Company has not accepted any public deposits under Chapter V of the Act and rules made thereunder.

9. Quality:

The quality function at KEL has been at the forefront of enabling delivery and support functions in differentiation, optimization, and de-risking. While we continue to comply with international standards, such as **ISO 9001, 14001 & 45001 Company**, our quality and engineering departments have driven change initiatives for productivity improvements.

10. Infrastructure:

The Company is in the process of improving the infrastructure at Vishwasnagar, Garamsur and other Units.

11. Related Party Transactions:

The Company has entered into related party transactions which are in arms-length basis as mentioned in Annexure I to this Report.

12. Board Committees:

The Company has following Committees of the Board:

- a) Audit Committee;
- b) Stakeholders Relationship Committee;
- c) Committee of Directors (Share Transfer Committee);
- d) Independent Directors Committee;
- e) Corporate Social Responsibility Committee; and
- f) Nomination and Remuneration Committee.

The composition of each of the above Committees, their respective role and responsibility is as detailed in the Report of Corporate Governance.

13. Particulars of Loans, Guarantees or Investments:

The Company has not given any loans or guarantees and has not made any investments in other entities.

14. Directors:

a) Board Evaluation:

The Board has reviewed and evaluated the performance of all Individual Directors and the Independent Directors have reviewed and evaluated the performances of Chairman, Managing Director, and Non-Independent Directors during the Financial Year. They found that none of the Board Members have contravened any of the statutory provisions of Companies Act, 2013 and its relevant Rules, Regulations, Guidelines etc. applicable to them in exercise of their duties and responsibilities.

b) Declaration by Independent Directors:

A declaration from Independent Directors as required insub-section(6) & (7) of Section 149 of the Companies Act, 2013 is obtained and the same are placed before the Board for noting. An Independent Director shall hold office for a term of upto five consecutive years onthe Board of a Company but shall be eligible for re-appointment for next five years.

c) Policy on Director's Appointment and Remuneration:

As per Section 178 of the Companies Act, 2013, the Company was required to constitute a Nomination and Remuneration Committee for the purpose of identifying qualified persons for appointment of Directors and Senior/ Key Managerial Personnel in future and to fix their remuneration and other allowances. Currently the Company has an agreement with the Managing Directorof the Company for a period of 5 years with effect from May 12, 2023.

d) Number of Meetings of the Board:

During the year four meetings of Board of Directors were held i.e., on 30th May, 2022, 08thAugust, 2022, 11th November, 2022 and on 03rd February, 2023. These meetings were held as per the provision of Section 173 of the Companies Act, 2013.

e) Whistle Blower Policy:

The Company has established a Whistle Blower Policy for Directors and employees to report their genuine concern. The details of the same have been explained in the Corporate Governance Report and the same was inserted in the website of the Company.

f) Change in Board of Directors:

Mr. Kaiyoze Beji Billimoria, (DIN: 00021204) Non-Executive-Independent Director of the Company resigned with effect from May 09, 2022.

15. Auditors:**A. Statutory Auditors and Auditors' Report:**

M/s.CNK & Associates, Chartered Accountants, (FRN101961-W/WI00036) have been appointed as Statutory Auditors of the Company for a period of five years effective from the conclusion of Forty-fifth Annual General Meeting till the conclusion of Fiftieth Annual General Meeting, at the Board meeting of the Company held on 08th August, 2022.

B. Cost Auditors:

Pursuant to the provisions of Section 148 of the Companies Act, 2013 and the Companies (Audit & Auditors) Rules, 2014 Shri. Vikas Vinayak Deodhar, Practicing Cost Accountant, Membership No.3813, the Cost Auditor, appointed by the Company to conduct audit of the cost records of the Company for the financial year 2023-24.

C. Secretarial Auditors:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Shri. Swaroop Suryanarayana, C.P.No. 9997, Prop: M/s Swaroop Suri and Associates, Practicing Company Secretaries, Bengaluru, have been appointed for conducting the Secretarial Audit for the year ended 31st March, 2023, and their report is annexed as **Annexure 2** to this report. Pursuant to Regulation 24A of EBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, Shri. Swaroop Suryanarayana, C.P.No.9997, Prop: M/s Swaroop Suri and Associates, Practicing Company Secretaries, Bengaluru conducted the Audit and issued the Secretarial Compliance Report for the year ended 31st March, 2023, and their report is annexed as **Annexure 3** to this report.

16. Key Managerial Personnel:**A. Managing Director:**

Pursuant to section 203 of the Companies Act, 2013 the Company has entered into an Agreement with the Managing Director Mr. Mahesh Vijay Wataney for a period of 5 years with effect from 12th May, 2023.

B. Chief Executive Officer:

The Company has appointed Shri. Mahesh Vijay Wataney as Chief Executive Officer with effect from 1st July, 2020 till 12th May, 2023.

C. Chief Financial Officer:

The Company has appointed Mr. P. Prabhudev Chief Financial Officer with effect from 1st March, 2015.

D. Company Secretary:

The Company has appointed Mrs. Shalu Tibra as Company Secretary with effect from 1st March, 2015.

17. Extract of Annual Return:

The extract of Annual Return of the Company pursuant to sub-section (3) of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014; in Form MGT 9 has been omitted with effect from March 05, 2021.

The Company has uploaded the Annual Return (Form MGT-7) on its website <http://www.keltechenergies.com/meetings.html>

18. Secretarial Standards:

The Company has complied with all applicable Secretarial Standards.

19. Link to policies on website:

The policies of the Company can be accessed at <http://keltechenergies.com/investors.html>

- i. Code of Conduct
- ii. Whistle Blowers Policy
- iii. Nomination and Remuneration Policy

- iv. Related Party Transactions Policy
- v. Corporate Social Responsibility Policy
- vi. Familiarization Programmes for Independent Directors
- vii. Sexual Harassment of Women at Workplace Policy
- viii. Criteria for making payments to Non-Executive Directors Policy
- ix. Determination of Materiality of Events Policy
- x. Code of Practices and Procedures for Fair Disclosure of UPSI

(Note: All the policies and relevant information shall be provided in the website owing to the Website Guidelines as required under Companies Act, 2013 and SEBI (LODR) Regulations, 2015)

20. Investor Education and Protection Fund (IEPF):

Pursuant to applicable provisions of Companies Act, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all unpaid and unclaimed dividends are required to be transferred by the Company to the IEPF established by the Government of India after the completion of 7 years. Further according to the rules, the shares on which the dividend has not been paid or claimed by the shareholders for 7 consecutive years or more shall be transferred to the demat account of the IEPF authority. Accordingly, the company has transferred the unclaimed and unpaid dividends of Rs.1,45,155/- for the financial year 2014-15 on 20.08.2022. Further corresponding shares shall be transferred as per the requirements of the IEPF Rules. The details are available on our website.

21. Significant and Material Orders:

The Company has sufficient orders on hand for Explosives and Perlite products for sustaining current level of operations.

22. Internal Financial Control:

The Company has effective systems and procedures of internal financial control for ensuring orderly and efficient conduct of its business, safeguarding its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records and timely preparation of reliable financial information. These systems are periodically reviewed by the Audit Committee of the Board of Directors. The Audit Committee and the Board have ensured that the said system is adequate considering the nature of business and size of transactions.

23. Committees of the Board:

A detailed note on the Board and its Committees is provided under the Corporate Governance Report in this Annual Report. The composition of the Committees and compliances, as per the applicable provisions of the Act and Rules, are as follows:

Audit Committee	
Composition of the Committee & Role	Highlights of duties, responsibilities and activities
a) Shri. Prashant K. Asher –Member and Chairperson	(i) All the recommendations made by the Audit Committee during the year were accepted by the Board. (ii) The Company has adopted the Whistle Blower mechanism for Directors and all employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the Company’s Code of Business Conduct and Ethics. In accordance with the listing requirements, the Company has formulated policies on Related Party Transactions. The policies, including the Whistle Blower Policy, are available on our website.
b) Mrs. Arati Saran –Member	
c) Shri. Ashvin Chadha– Member	
d) Shri. Santosh L. Chowgule – Member	

Nomination and Remuneration Committee	
<p>Composition of the Committee & Role</p> <p>a) Mrs. Arati Saran –Member and Chairperson b) Shri. Prashant K.Asher –Member c) Shri. Ashvin Chadha –Member</p>	<p>Highlights of duties, responsibilities and activities</p> <p>(i) The Committee oversees and administers executive compensation, operating under a written charter adopted by the Board of Directors.</p> <p>(ii) The Committee has designed and continuously reviews the compensation programme for Managing and senior executives to align both short-term and long-term compensation with business objectives and to link compensation with the achievement of measurable performance goals.</p> <p>(iii) The Committee structures compensation to ensure that it is competitive in the global markets in which the Company operates in order to attract and retain the best talent. In the future, the Committee plans to use a combination of stock options, restricted stock units and performance- based stocks to align senior employee compensation with shareholdervalue.</p> <p>The Nomination and Remuneration Committee has framed the Nomination and Remuneration policy.</p>
Stakeholders Relationship Committee	
<p>Composition of the Committee & Role</p> <p>a) Mrs. Arati Saran –Member and Chairperson b) Shri. Prashant K.Asher –Member c) Shri. Ashvin Chadha –Member d) Shri. Santosh L. Chowgule –Member</p>	<p>Highlights of duties, responsibilities and activities</p> <p>(i) The Committee reviews and ensures redressal of investor grievances.</p> <p>(ii) The Committee noted that all the grievances of the investors have been resolved during the year.</p>
Committee of Directors (Share Transfer Committee)	
<p>Composition of the Committee</p> <p>a) Shri. Vijay V. Chowgule - Chairman b) Shri. Ramesh L. Chowgule – Member(Till 19.04.2023) c) Shri. Santosh L. Chowgule – Member</p>	<p>Highlights of duties, responsibilities and activities</p> <p>The Committee shall overview the process of share transfers, transmissions etc. during the period and shall note the same as to delay or approvals in time.</p>
Independent Directors Committee	
<p>Composition of the Committee</p> <p>a) Ms. Arati Saran – Member and Chairperson b) Shri. Prashant K.Asher – Member c) Shri. Ashvin Chadha – Member</p>	<p>Highlights of duties, responsibilities and activities</p> <p>(i) The Committee shall review the performance of the Non-Independent Directors of the Company.</p> <p>(ii) The review is pursuant to provisions of Part VIII of Schedule IV of the Companies Act,2013.</p>
Corporate Social Responsibility Committee	
<p>Composition of the Committee</p> <p>a) Shri. Prashant K. Asher– Member and Chairperson b) Shri. Ashvin Chadha – Member c) Ms. Arati Saran – Member d) Shri. Santosh L. Chowgule – Member</p>	<p>Highlights of duties, responsibilities, and activities.</p> <p>(i) The Committee shall plan, implement, process, and spend the funds allocated to corporate social responsibility activities.</p> <p>(ii) This process is pursuant to Section 135 of the Companies Act, 2013.</p>

24. Risk Management Policy:

As per Regulation 21(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Risk Management Policy is not applicable to the Company.

25. Corporate Governance:

The Corporate Governance certificate received from M/s. CNK& Associates LLP, Chartered Accountants, (FRN101961- W/WI00036) regarding compliance of conditions of corporate governance as stipulated in Regulation 34(3) read with Schedule V(C) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed with thereport.

26. Director's Responsibility Statement:

Your Company's Directors make the following statement in terms of sub-section (5) of Section 134 of the Companies Act, 2013, which is to the best of their knowledge and belief and according to the information and explanations received from them are noted by the Board-

1. The financial statements have been prepared in conformity with the applicable Accounting Standards and requirements of the Companies Act, 2013, ("the Act") to the extent applicable to the Company; on the historical cost convention; as a going concern and on the accrual basis. There are no material departures in the adoption of the applicable Accounting Standards.
2. The Board of Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period.
3. The Board of Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities. The Board of Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
4. The Board of Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
5. The financial statements have been audited by M/s. CNK & Associates LLP, Chartered Accountants, Mumbai, the Company's Auditors.

27. Particulars of Employees:

The total number of employees of the company as on March 31, 2023 was 246 as against 231 as on March 31, 2022.

28. Compliance under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition, and Redressal) Act, 2013:

The Company has a robust mechanism in place to redress complaints reported under it. The Company has complied with provisions relating to the constitution of Internal Complaints Committee. During the year ended 31.03.2023, no cases of sexual harassment were reported in your Company. During the course of the year, several initiatives were undertaken to demonstrate the Company's zero tolerance philosophy against discrimination and sexual harassment, which included creation of comprehensive and easy to understand training and communication material which are also made easily accessible.

29. Particulars of loans, guarantees or investments under section 186:

During the year the company has not sanctioned any loans, given securities or made any investments as prescribed under Section 186 of the Companies Act, 2013.

30. Conservation of energy, research and development, technology absorption, foreign exchange, and outgo:

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

I. CONSERVATION OF ENERGY (FORM 'A')

This is not applicable to Explosives Industry.

II. ABSORPTION OF RESEARCH AND DEVELOPMENT (FORM 'B')

A. Specific are as in which R&D is carried out by the Company.

- I. Cost reduction.
- II. Product and Technology Development for Explosives.

- III. Technical Services to monitor use of Explosives by Customers.
- IV. Development of improved and more efficient equipment for increased productivity.
- V. Product Development in relation to application of Explosives and Perlite.

B. Benefits derived as a result of the above R&D:

- I. Introduction of products for specific strata conditions.
- II. Higher efficiency in use of Explosives to Customers.
- III. Higher productivity in manufacturing process.
- IV. Reduction in cost of production.
- V. Entry into Export market.
- VI. Application of Filter Aid products in Industries specific to customer requirements.
- VII. Application of Perlite products in horticulture specific to customers' requirements.

C. Future Plan of Action:

- I. Continue development work on Explosives.
- II. Explore new businesses for diversification.

D. Expenditure on R & D:

- I. Capital - NIL.
- II. Recurring – Rs.31.30 Lakhs
- III. Total – Rs.31.30 Lakhs
- IV. Total R & D expenditure as a % total turnover – 0.06 %

III. TECHNOLOGY ABSORPTION, ADAPTATION, AND INNOVATION

- 1. Efforts, in brief, made towards technology absorption, adaptation and innovation: Modernization of existing set up to adapt to new age technologies.
- 2. Benefits derived as a result of the above efforts e.g., product improvement, cost reduction, product development, import substitution etc.
- 3. PETN, Detonating Fuse & Cast Booster products with fully indigenous equipment have been produced and supplied. These products have been well accepted by customers for use in difficult strata conditions.
- 4. Safety standards have been maintained, both during manufacture and usage, based on periodic feedback.
- 5. In case of imported technology (imported during the last five years reckoned from the beginning of the financial year) following information may be furnished.
 - (a) Technology imported:
 - (b) Year of import:
 - (c) Has the technology been fully absorbed?
 - (d) If not fully absorbed, areas where this has not taken

} **Not applicable.**

Place, reasons there for and future plan of action

IV. FOREIGN EXCHANGE EARNING AND OUTGO:

a. Activities relating to exports, etc.	The Company has exported goods worth Rs.3204.60 lakhs (C & F) during the year
b. Total Foreign exchange used and earned	The Company has used Foreign Exchange amounting to Rs.27.16 lakhs and earned Rs. 3100.16 lakhs during the year.

31. Corporate Social Responsibility (CSR):

The disclosure was made as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 the Company was required to spend a sum of Rs.12.24 lakhs towards Corporate Social Responsibility during the FY 2022-23 and accordingly the Company has spent the same.

32. Green initiatives:

Electronic copies of the Annual Report 2021-22 and the notice of the 45th Annual General Meeting are sent to all members whose e-mail addresses are registered with the Company/Depository Participants.

33. Acknowledgments:

Your directors place on record their thanks to the Canara Bank and State Bank of India for their unstinted co-operation and timely assistance. Your directors would like to make a special mention of the support extended by the various Departments of Government of India, the State Government agencies, the Tax Authorities including the Customs and Excise Departments, Department of Industrial Policy and promotion, Ministry of Corporate Affairs, Securities and Exchange Board of India and others and look forward to their continued support in all future endeavours. The Directors acknowledge the support and co-operation extended by valued customers of the Company. Your directors also place on record their appreciation for the dedicated services rendered by the employees at all levels during the year under review.

For and on behalf of the Board of Directors

Vijay Vishwasrao Chowgule
Chairperson

Place: Mumbai

Date: May 12, 2023.

PARTICULARS OF CONTRACTS / ARRANGEMENTS MADE WITH THE RELATED PARTIES:

(Pursuant to Clause(h) of Sub-section (3) of Section 134 of the Companies Act, 2013, and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

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

There were no contracts or arrangements or transactions entered during the year ended March 31, 2023, which were not at arm's length basis

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

The details of material contracts or arrangement or transactions at arm's length basis for the year ended March 31, 2023 are as follows:

(a) Name(s) of the related party and nature of relationship	Chowgule and Company Private Limited – Promotor
(b) Nature of contracts / arrangements / Transactions	Rent paid
(c) Duration of the contracts / arrangements / Transactions	1 Year
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	Rs. 19,80,000/-
(e) Date(s) of approval by the Board, if any:	No
(f) Amount paid as advances, if any:	NIL

(a) Name(s) of the related party and nature of relationship	Chowgule Construction Chemicals Private Limited – Private - company in which a director or manager or his relative is a member or director
(b) Nature of contracts / arrangements / Transactions	Services Received
(c) Duration of the contracts / arrangements / Transactions	1 Year
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	Rs. 6,26,000/-
(e) Date(s) of approval by the Board, if any:	30.05.2022
(f) Amount paid as advances, if any:	NIL

(a) Name(s) of the related party and nature of relationship	Chowgule Brothers Private Limited – Private company in which a director or manager or his relative is a member or director
(b) Nature of contracts / arrangements / Transactions	Services Received
(c) Duration of the contracts / arrangements / Transactions	1 Year
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	Rs. 26,82,000/-
(e) Date(s) of approval by the Board, if any:	30.05.2022
(f) Amount paid as advances, if any:	NIL

KELTECH ENERGIES LIMITED

(a) Name(s) of the related party and nature of relationship	Kolhapur Oxygen and Acetylene Private Limited – Private company in which a director or manager or his relative is a member or director
(b) Nature of contracts / arrangements / Transactions	Purchase of Vehicle
(c) Duration of the contracts / arrangements / Transactions	One Time
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	Rs. 5,21,000/-
(e) Date(s) of approval by the Board, if any:	30.05.2022
(f) Amount paid as advances, if any:	NIL

(a) Name(s) of the related party and nature of relationship	Santosh Chowgule HUF– Managing Director
(b) Nature of contracts / arrangements / Transactions	Rent Paid
(c) Duration of the contracts / arrangements / Transactions	1 Year
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	Rs. 8,25,600/-
(e) Date(s) of approval by the Board, if any:	None
(f) Amount paid as advances, if any:	NIL

(a) Name(s) of the related party and nature of relationship	Santosh Laxmanrao Chowgule – Managing Director
(b) Nature of contracts / arrangements / Transactions	Travelling Expenses Paid
(c) Duration of the contracts / arrangements / Transactions	1 Year
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	Rs. 2,44,000/-
(e) Date(s) of approval by the Board, if any:	None
(f) Amount paid as advances, if any:	NIL

For and on behalf of the Board of Directors

Vijay Vishwasrao Chowgule
Chairperson

Place: Mumbai

Date: May 12, 2023.

PARTICULARS OF EMPLOYEES

Disclosure of Remuneration under Section 197 of the Companies Act, 2013, and Rule 5(1) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

1. Ratio of remuneration of each Director to the Median remuneration of all the employees of your Company for the financial year 2022-2023 is as follows:

Name of the Director	Ratio of remuneration of Director to the median remuneration
Mr. Santosh Laxmanrao Chowgule, Managing Director	11.45

Notes:

- The information provided above is on stand alone basis.
- The aforesaid ratio is calculated on the basis of remuneration including Retiral Benefits for the financial year 2022-2023.
- The Company does not pay any remuneration to its Non-Executive Directors apart from sitting fees for the Board Meetings and Committee Meetings attended by them during the Financial Year. Therefore, the above disclosure is not required for Non-Executive Directors.

2. Details of percentage increase in the remuneration of each Director, CEO and CFO & Company Secretary in the financial year 2022-2023:

Name	Designation	Increase %
Mr. Santosh Laxmanrao Chowgule	Managing Director	4.23%
Mr. Mahesh Vijay Wataney	Chief Executive Officer	12.5%
Mr. P. Prabhudev	Chief Financial Officer	16.95%
Mrs. Shalu Tibra	Company Secretary and Compliance Officer	0%

Notes:

- A. Remuneration to Executive Director is within the overall limits approved by the Shareholders.
- B. The Company does not pay any remuneration to its Non-Executive Directors apart from sitting fees for the Board Meetings and Committee Meetings attended by them during the Financial Year. Therefore, the above disclosure is not required for Non-Executive Directors.

3. Percentage increase in the median remuneration of all employees in the financial year 2022-2023:

Particulars	Increase %
Median Remuneration of all employees per annum	12.50%

4. Number of permanent employees on the rolls of the Company as on 31st March, 2023: 246

5. Comparison of average % increase in salary of employees other than the key managerial personnel and the percentage increase in the key managerial remuneration:

Particulars	Increase %
Average salary of all employees	23.29%
Key Managerial Personnels	2.78%

6. It is affirmed that the remuneration paid is as per the Nomination and Remuneration policy of the Company.

7. It is hereby confirmed that there are no employees in the Company who draw remuneration in excess of Rule 5 (2) of the Companies (Appointment & Remuneration of Management Personnel) Rules 2014.

For and on behalf of the Board of Directors

Place: Mumbai

Date: May 12, 2023.

Vijay Vishwasrao Chowgule
Chairperson

FORM NO. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

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

To,
The Members
Keltech Energies Limited,
CIN: L30007KA1977PLC031660
'Embassy Icon', VII Floor, No. 3, Infantry Road, Bangalore 560001
Karnataka, India

I have conducted the secretarial audit of the compliance of applicable statutory provisions and adherence to good corporate practices by M/s. Keltech Energies Limited, (herein after referred to as "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

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

- (i) The Companies Act, 2013, (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and By-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations are applicable, as amended from time to time and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');
 - a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with stakeholders; and
 - d. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - e. The Securities and Exchange Board of India (Issue of Capital and Disclosures Requirements) Regulations, 2018;
- (vi) The following Regulations, as amended from time to time and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), are not applicable for the period under review;
 - a. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **as the Company has not issued any shares to employees during the year under review;**
 - b. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **as the Company has not issued any debt securities during the year under review;**

- c. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2022; **as the Company has not opted for delisting process during the year under review;**
- d. The Securities and Exchange Board of India (Buy back of Securities) Regulations, 2018; **as the Company has not opted for any buy back of its securities during the year under review;**
- (vii) Employees Provident Fund and Miscellaneous Provisions Act, 1952
- (viii) Employees State Insurance Act, 1948
- (ix) Environment Protection Act, 1986 and other applicable environmental laws
- (x) Indian Contract Act, 1872
- (xi) Income Tax Act, 1961, Goods and Service Tax Act, 2017 and other related laws
- (xii) Payment of Bonus Act, 1965
- (xiii) Payment of Gratuity Act, 1972 and such other applicable labour laws.
- (xiv) Trade Marks Act, 1999

Further, the sectoral laws applicable to the company were as under:

1. The Explosives Act, 1884 and The Explosive Rules, 2008,
2. The Ammonium Nitrate Rules, 2012.
3. The Karnataka Shops and Commercial Establishments act, 1961
4. Minimum Wages Act, 1948
5. Payment of Gratuity Act, 1972
6. Contract Labour (Abolition and Regulation) Act, 1970
7. Employee State Insurance Act, 1948
8. Employee Provident Fund and Miscellaneous Provisions Act, 1952
9. Workmen Compensation Act, 1923
10. Industrial Employment Standing Orders Act, 1946
11. Child Labour (Prohibition & Regulation) Act, 1986
12. The Factories Act, 1948
13. The Indian Fatal Accidents Act, 1985
14. The Industrial Disputes Act, 1947
15. Trade Union Act, 1926
16. The Karnataka Industrial Areas Development Act, 1966.

I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws, Rules and Regulations to the Company. I have also examined compliance with the applicable clauses of the following:

- i) Secretarial Standards with respect to Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;
- ii) Guidance note on ICSI Auditing Standards CSAS 1 to CSAS 4;
- iii) Listing Agreement entered into with the BSE Limited.

I further report that:

- (i) The Board of Directors of the Company is duly constituted with proper composition of Executive Directors, Non-Executive Directors and Independent Directors including Women Directors.
- (ii) Adequate notices given to all directors to schedule the Board, Committee meetings and Postal Ballot. Agenda and detailed notes on agenda were sent 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) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
- (iv) 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.
- (v) During the audit period the company has no major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013, having major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.
- (vi) We further report that during the review period, significant transactions have been placed before the shareholders and the same is approved by them. These are not having significant impact on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:
 - a. The Company had one instance of Board Meeting conducted beyond the prescribed timelines under the Companies Act, which was duly condoned by Stock exchange on payment of penalty.
 - b. The Company in its Annual General Meeting had appointed two directors on Board who have attained the age of 75 Years who shall be liable to retire by rotation.

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

For **Swaroop Suri and Associates**

Company Secretaries

ICSI Unique Code: S2012KR181500

Peer Review Certificate No: 3302/2023

Place: Bengaluru

Date: 10.05.2023

Swaroop S.

Proprietor

FCS No. 8977 CP No. 9997

UDIN: F008977E000286331

Annexure-A to MR-3

To,
The Members
Keltech Energies Limited,
CIN: L30007KA1977PLC031660
'Embassy Icon', VII Floor, No. 3, Infantry Road, Bangalore 560001
Karnataka, India

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

Management's Responsibility:

1. To maintain the Secretarial records, devise proper systems and 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. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We have conducted the Audit as per the applicable Auditing Standards issued by the Institute of Company Secretaries of India.
4. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
5. Wherever required, we have obtained reasonable assurance whether the statements prepared, documents or Records, in relation to Secretarial Audit, maintained by the Company, are free from misstatement.
6. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer:

7. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
8. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

For **Swaroop Suri and Associates**

Company Secretaries

ICSI Unique Code: S2012KR181500

Peer Review Certificate No: 3302/2023

Place: Bengaluru
Date: 10.05.2023

Swaroop S.

Proprietor

FCS No. 8977 CP No. 9997

UDIN: F008977E000286331

To,
The Members
Keltech Energies Limited,
CIN: L30007KA1977PLC031660
'Embassy Icon', VII Floor, No. 3, Infantry Road, Bangalore 560001
Karnataka, India

Sir/ Madam,

Annual Secretarial Compliance Report for the Financial Year 2022-23

I have been engaged by Keltech Energies Limited having CIN L30007KA1977PLC031660, whose equity shares are listed on BSE Limited (Security Code: 506528, ISIN: INE881E01017), to conduct an audit in terms of Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, read with SEBI's Circular No: CIR/CFD/CMD1/27/2019 dated 8th February, 2019 and to issue the Annual Secretarial Compliance Report thereon.

It is the responsibility of the management of the Company to maintain records, devise proper systems to ensure compliance with provisions of all applicable SEBI Regulations, relevant circulars /guidelines issued thereunder from time to time and to ensure that the systems are adequate and are operating effectively.

Our responsibility is to verify compliances by the Company with provisions of all applicable SEBI Regulations, relevant circulars/ guidelines issued there under from time to time and issue a report thereon.

We have conducted our Audit based on the records and information made available to us and in accordance with ICSI Guidance Note on Annual Secretarial Compliance Report and in a manner which involved such examinations and verifications as considered necessary and adequate for the said purpose.

Annual Secretarial Compliance Report is enclosed.

For **Swaroop Suri and Associates**

Company Secretaries

ICSI Unique Code: S2012KR181500

Peer Review Certificate No: 3302/2023

Place: Bengaluru

Date: 30.05.2023

Swaroop S.

Proprietor

FCS No. 8977 CP No. 9997

UDIN: F008977E000286221

SECRETARIAL COMPLIANCE REPORT

of

Keltech Energies Limited

for the financial year ended March 31st, 2023.

(Pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018)

We have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by M/s. Keltech Energies Limited (hereinafter referred as 'the listed entity'), having its Registered Office at 'Embassy Icon', VII Floor, No. 3, Infantry Road, Bangalore 560001, Karnataka, India. Secretarial Review was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and to provide our observations thereon.

Based on our verification of the listed entity's books, papers, minutes books, forms and returns filed and other records maintained by the listed entity and also the information provided by the listed entity, its officers, agents and authorized representatives during the conduct of Secretarial Review, we hereby report that the listed entity has, during the review period covering the financial year ended on March 31st, 2023 complied with the statutory provisions listed hereunder in the manner and subject to the reporting made hereinafter :

I have examined:

- (a) all the documents and records made available to us, and explanation provided by the Company.
- (b) the filings/ submissions made by the listed entity to the stock exchange.
- (c) website of the listed entity.
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this report.

for the year ended March 31, 2023 ("Review Period") in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued there under; and
- (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI").

The specific Regulations applicable to the Company, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include: -

1. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
2. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
3. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
4. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

and circulars/ guidelines issued there under.

and based on the above examination, I/We hereby report that, during the Review Period:

- I. (a) (**) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:

Sr. No.	I.
Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Board of Directors. - The board of directors shall meet at least four times a year, with a maximum time gap of one hundred and twenty days between any two meetings.
Regulation/ Circular No.	Regulation 17(2)
Deviations	One instance of delay in conducting the Board Meeting
Action Taken by	Fine levied by BSE India

KELTECH ENERGIES LIMITED

Sr. No.	
Type of Action	Advisory/ Clarification/ Fine/Show Cause Notice/ Warning, etc.–
Details of Violation	Delay in conducting the Board Meeting by 1 day
Fine Amount	Rs. 11,800 (Rupees. Eleven Thousand Eight Hundred only)
Observations/ Remarks of the Practicing Company Secretary	BSE India has noted the delay and fines levied. The fine was duly paid by the Company and the one instance of deviation is condoned.
Management Response	Fines are paid as per SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020, duly paid and delay is condoned.
Remarks	The deviation is condoned.

(c) The listed entity has taken the following actions to comply with the observations made in previous reports:
No actions pending to be taken by the Company from previous year's reports.

Sr. No.	
Compliance Requirement (Regulations/ circulars / guide-lines including specific clause)	Not Applicable
Regulation/ Circular No.	Not Applicable
Deviations	Not Applicable
Action Taken by	Not Applicable
Type of Action	Advisory/ Clarification/ Fine/Show Cause Notice/ Warning, etc.
Details of Violation	Not Applicable
Fine Amount	Not Applicable
Observations/ Remarks of the Practicing Company Secretary	Not Applicable
Management Response	Not Applicable
Remarks	Not Applicable

II. Compliances related to resignation of statutory auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October 2019:

Sr. No.	Particulars	Compliance Status (YES/No/NA)	Observations/ Remarks by PCS*
I.	Compliances with the following conditions while appointing/re-appointing an auditor		
	i. If the auditor has resigned within 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter: or ii. If the auditor has resigned after 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter as well as the next quarter: or iii. If the auditor has signed the limited review/ audit report for the first three quarters of a financial year, the auditor before such resignation, has issued the limited review/ audit report for the last quarter of such financial year as well as the audit report for such financial year.	Not Applicable	There was no change in Statutory Auditors of the Company, hence, this no disclosure to be provided.

Sr. No.	Particulars	Compliance Status (YES/No/NA)	Observations/ Remarks by PCS*
2.	Other conditions relating to resignation of statutory auditor		
	i. Reporting of concerns by Auditor with respect to the listed entity/its material subsidiary to the Audit Committee:	Not Applicable	There was no change in Statutory Auditors of the Company, hence, this no disclosure to be provided.
	<p>a. In case of any concern with the management of the listed entity/material subsidiary such as non-availability of information / non-cooperation by the management which has hampered the audit process, the auditor has approached the Chairman of the Audit Committee of the listed entity and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings.</p> <p>b. In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents has been brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non-receipt of information / explanation from the company, the auditor has informed the Audit Committee the details of information / explanation sought and not provided by the management, as applicable.</p> <p>c. The Audit Committee / Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the auditor relating to the proposal to resign as mentioned above and communicate its views to the management and the auditor.</p> <p>ii. Disclaimer in case of non-receipt of information: The auditor has provided an appropriate disclaimer in its audit report, which is in accordance with the Standards of Auditing as specified by ICAI / NFRA, in case where the listed entity/ its material subsidiary has not provided information as required by the auditor.</p>	Not Applicable	There was no change in Statutory Auditors of the Company, hence, this no disclosure to be provided.
3.	The listed entity / its material subsidiary has obtained information from the Auditor upon resignation, in the format as specified in Annexure- A in SEBI Circular CIR/CFD/CMDI/114/2019 dated 18th October 2019.	Not Applicable	The Company has no subsidiaries and hence, not applicable.

*Observations / Remarks by PCS are mandatory if the Compliance status is provided as 'No' or 'NA.'

KELTECH ENERGIES LIMITED

III. I/we hereby report that, during the review period the compliance status of the listed entity is appended as below:

Sr. No.	Particulars	Compliance status (Yes/No/NA)	Observations /Remarks byPCS*
1.	<p>Secretarial Standard</p> <p>The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (ICSI), as notified by the Central Government under section 118(10) of the Companies Act, 2013 and mandatorily applicable.</p>	Yes	Complied with
2.	<p>Adoption and timely updation of the Policies:</p> <ul style="list-style-type: none"> All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities. All the policies are in conformity with SEBI Regulation and has been reviewed & timely updated as per the regulations / circulars / guidelines issued by SEBI. 	Yes	Complied with
3.	<p>Maintenance and disclosures on Website:</p> <ul style="list-style-type: none"> The Listed entity is maintaining a functional website. Timely dissemination of the documents/ information under a separate section on the website Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/ section of the website 	Yes	Complied with
4.	<p>Disqualification of Director:</p> <p>None of the Director(s) of the Company is/ are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.</p>	Yes	Complied with
5.	<p>Details related to Subsidiaries of listed entities have been examined w.r.t.:</p> <p>(a) Identification of material subsidiary companies (b) Disclosure requirements material as well as other subsidiaries</p>	Yes	Complied with
6.	<p>Preservation of Documents:</p> <p>The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.</p>	Yes	Complied with
7.	<p>Performance Evaluation:</p> <p>The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations.</p>	Yes	Complied with

Sr. No.	Particulars	Compliance status (Yes/No/NA)	Observations /Remarks byPCS*
8.	<p>Related Party Transactions:</p> <p>(a) The listed entity has obtained prior approval of Audit Committee for all Related party transactions; or</p> <p>(b) The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee, in case no prior approval has been obtained</p>	<p>Yes</p> <p>Yes</p>	<p>Complied with</p> <p>Complied with</p>
9.	<p>Disclosure of events or information:</p> <p>The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed there under.</p>	<p>Yes</p>	<p>Complied with</p>
10.	<p>Prohibition of Insider Trading:</p> <p>The listed entity is in compliance with Regulation 3(5)&3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.</p>	<p>Yes</p>	<p>Complied with</p>
11.	<p>Actions taken by SEBI or Stock Exchange(s), if any:</p> <p>Action(s) has been taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued there under except as provided under separate paragraph herein (**).</p>	<p>Yes</p>	<p>During June 2022, the Stock Exchange have frozen promoters DEMAT accounts in lieu of non-compliances under Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. The Company had made representation to the Stock Exchange, which was duly noted, and the Company paid the penalty imposed in May 2023.</p>
12.	<p>Additional Non-compliances, if any:</p> <p>Yes. additional non-compliance observed for all SEBI regulation/circular/guidancenoteetc.</p>	<p>Yes</p>	<p>The Company had received the notice under Regulation 17 (1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 for the Quarter March 2021, June 2021 and March 2022. In this regard, company made a representation for waiver of fine and was placed before the “Committee for Reviewing Representations for Waiver of Fines Levied under Standard Operating Procedure (SOP)”. Pursuant to the decision of the aforesaid Committee, the company’s request for waiver of the fine has been approved and the Company’s deviation from the said regulation was duly noted and condoned.</p>

Note: (a) The listed entity has taken the following actions to comply with the observations made in previous reports pertaining to the year ended 31st March, 2022 and earlier:

KELTECH ENERGIES LIMITED

Sl. No	Information	Details
1.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	NA
2.	Regulation/ Circular No.	NA
3.	Deviations	NA
4.	Action Taken by	NA
5.	Type of Action	Advisory / Clarifications / Fine / Show Cause Notice/ Warning, etc.
6.	Details of Violation	NA
7.	Fine Amount	NA
8.	Observations /Remarks of the Practicing Company Secretary	NA
9.	Management Response	NA
10.	Remarks	NA

Note: The Company has outstanding fines levied with respect to non-compliances under regulations 23(9), 27(2), 31, and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 during the year 2022-23, for which the Management has made suitable representation and the matter is pending before the Stock exchange as on March 31st 2023.

Assumptions & Limitation of scope and Review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to report based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

For **Swaroop Suri and Associates**

Company Secretaries

ICSI Unique Code: S2012KR181500

Peer Review Certificate No: 3302/2023

Place: Bengaluru

Date: 30.05.2023

Swaroop S.

Proprietor

FCS No. 8977 CP No. 9997

UDIN: F008977E000286221

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

Keltech Energies Limited,

CIN: L30007KA1977PLC031660

'Embassy Icon', VII Floor, No. 3, Infantry Road, Bangalore 560001

Karnataka, India

I have examined the relevant documents, registers, records, forms, returns and disclosures received under Section 164 and 184 of the Companies Act, 2013, from the Directors of Keltech Energies Limited having CIN L30007KA1977PLC031660 and having registered office at 'Embassy Icon', VII Floor, No. 3, Infantry Road, Bangalore 560001, Karnataka, India (hereinafter referred to as 'the Company'), produced before me 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 as a disclosure in its Corporate Governance Report of the Financial Year ended 31st March 2023. I have considered non-disqualification status to include non-debarment by Regulatory or Statutory Authorities.

In my opinion and to the best of information made available to me 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 officers and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sl. No.	Name of the Director	DIN	Date of Appointment in the Company *	Date of Cessation*
1.	Vijay Vishwasrao Chowgule	00018903	29/01/2021	-
2.	Ramesh Laxmanrao Chowgule	00018910	29/01/2021	19/04/2023
3.	Santosh Laxmanrao Chowgule	00097736	04/03/2003	-
4.	Prashant Asher	00274409	17/05/2019	-
5.	Arati Sanjaya Saran	01157284	20/07/2012	-
6.	Ashvin Chadha	01962798	17/05/2019	-

***the date of appointment/cessation is as per the MCA Portal.**

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.

The DIN Status on website of Ministry of Corporate Affairs, New Delhi is "Approved" for all the Directors as on 10.05.2023.

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 **Swaroop Suri and Associates**

Company Secretaries

ICSI Unique Code: S2012KR181500

Peer Review Certificate No: 3302/2023

Place: Bengaluru

Date: 10.05.2023

Swaroop S.

Proprietor

FCS No. 8977 CP No. 9997

UDIN: F008977E000286210

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

(Pursuant to Section 135 of the Companies Act, 2013, and Companies (Corporate Social Responsibility Policy) Rules 2014)

1. Brief outline on CSR Policy of the Company:

CSR embodies the various initiatives and programme of the Company in the communities and environment in which it operates. It represents the continuing commitment and activities of the Company to constitute towards economic and social development and growth. The Projects undertaken are within the broad framework of Schedule VII to the Companies Act, 2013.

Details of the CSR Policy is available on the Company's website web link: <http://www.keltechenergies.com/policies.html>

Your Company undertook various activities during the year under review in line with its CSR Policy and as prescribed in Schedule VII to the Companies Act, 2013. The activities undertaken were promotion and development of educational institutions in Karnataka, Maharashtra, and Goa.

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation	No. of CSR Committee Meetings held during the year	No. of CSR Committee Meetings attended during the year
1.	Shri. Prashant K. Asher (Independent Director)	Member and Chairperson	1	1
2.	Mrs. Arati Saran (Independent Director)	Member	1	-
3.	Shri. Ashvin Chadha (Independent Director)	Member	1	1
4.	Shri. Santosh L. Chowgule (Managing Director)	Member	1	1

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

a. Composition of the CSR committee – <http://www.keltechenergies.com/Corpinfo.html>

b. CSR policy – <http://www.keltechenergies.com/policies.html>

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.: Not Applicable

5. (a) Average net profit of the company as per section 135(5): Rs.612.22 Lakhs

(b) Two percent of average net profit of the company as per section 135(5): Rs.12.24 Lakhs

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

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

(e) Total CSR obligation for the financial year (5b+5c-5d): Rs.12.24 Lakhs

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): Rs.12.87 Lakhs

(b) Amount spent in Administrative Overheads: NIL

(c) Amount spent on Impact Assessment, if applicable: NIL

(d) Total amount spent for the Financial Year [6(a)+6(b)+6(c)]: NIL

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
Rs. 12.87 Lakhs	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
	-	-	-	-	-

(f) Excess amount for set off, if any: **NIL**

Sr. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5):	Rs. 12.24 Lakhs
(ii)	Total amount spent for the Financial Year:	Rs. 12.87 Lakhs
(iii)	Excess amount spent for the financial year [(ii)-(i)]:	Rs.
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any:	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]:	NIL*

* The Company will not carry forward any excess amount spent during the year 2022-23.

7.(a) Details of Unspent CSR amount for the preceding three financial years:

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

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year : **No**

If Yes, enter the number of Capital assets created/ acquired: **Not Applicable**

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of Creation	Amount of CSR amount spent	Details of entity / Authority / beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
-	-	-	-	-	-	-	-

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office / Municipal Corporation / Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

KELTECH ENERGIES LIMITED

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):
Not Applicable

The Company has under taken the following CSR activities during the financial year 2022-23:

Sr. No.	1.	2.	3
CSR projects/Initiatives	Health care	Promotion of Education	Rural Development
Sector in which the project is covered	Food Grains, Oil given under community support to TB Patient. Surgical Items to Public Health Centre, Kondhali.	Development of educational institution	Construction of Toilet, Cooler, Chairs, Computers, Printers to Zill Panchayat & Grama panchayat
Locations (district/state)	1. Garamsur, P.O.Dudhala, Tq.Katol, Dist. Nagur, Maharashtra.	1. Garamsur, P.O.Dudhala, Tq.Katol, Dist.Nagur, Maharashtra. 2. Vishwasnagar 574108 Karkala Taluk, Udupi District, Karnataka State 3. Plot No.b-25/1 & b-24/2, MIDC Industrial Area Chandrapur-442 406, Maharashtra State.	1. Vishwasnagar 574108 Karkala Taluk, Udupi District, Karnataka State 2. Garamsur, P.O.Dudhala, Tq. Katol, Dist.Nagur, Maharashtra.
Amount outlay (budget) project or program wise	Rs. 1,04,377/-	Rs.2,88,476/- at Vishwasnagar Rs.1,92,136/- at Garamsur Rs.2,30,142/- at Chandrapur	Rs.1,76,900/- at Vishwasnagar Rs.2,95,347/- at Garamsur
Amount spent on the project or program Direct expenditure	Rs. 1,04,377/-	Rs.2,88,476/- at Vishwasnagar Rs.1,92,136/- at Garamsur Rs.2,30,142/- at Chandrapur	Rs.1,76,900/- at Vishwasnagar Rs.2,95,347/- at Garamsur
Cumulative expenditure up to the reporting period	Rs. 1,04,377/-	Rs.2,88,476/- at Vishwasnagar Rs.1,92,136/- at Garamsur Rs.2,30,142/- at Chandrapur	Rs.1,76,900/- at Vishwasnagar Rs.2,95,347/- at Garamsur
Amount spent direct or through implementing agency	Rs. 1,04,377/-	Rs.2,88,476/- at Vishwasnagar Rs.1,92,136/- at Garamsur Rs.2,30,142/- at Chandrapur	Rs.1,76,900/- at Vishwasnagar Rs.2,95,347/- at Garamsur

For and on behalf of the Board of Directors

Vijay Vishwasrao Chowgule
 Chairperson

Place: Mumbai

Date: May 12, 2023.

REPORT ON CORPORATE GOVERNANCE

(Pursuant to Regulation 34(3) read with Schedule V (C) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

1. A BRIEF STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company is committed to benchmarking itself with the best in all areas including Corporate Governance. The Company's philosophy of Corporate Governance is aimed at strengthening the confidence among shareholders, customers, employees and ensuring a long-term relationship of trust by maintaining transparency and disclosures. The Company believes in maintaining highest standards of quality and ethical conduct, in all the activities of the Company.

2. BOARD OF DIRECTORS:

a) Composition:

The Board of Directors provides strategic direction and thrust to the operations of the Company. As on 31st March, 2023, the Board of Directors comprised of total six Directors, out of which five were Non-Executive Directors. Out of the five Non-Executive directors, three are Independent directors. The Company has Non- Executive Promoter Director as Chairperson of the Board, and thus, at least one half of the Board of the Company consists of Independent Directors.

None of the Independent Directors has any other material pecuniary relationship or transaction with the Company, its Promoters, its directors, and its senior management, which would affect their independence.

Further, none of the Directors on the Board is a member of more than 10 Committees and Chairman in more than 5 Committees, across all companies in which they are director.

b) Board Procedure:

The agenda is prepared in consultation with the Chairpersons of the Board and the Chairpersons of the other Committees. The agenda for the meetings of the Board and its Committees, together with the appropriate supporting documents, are circulated well in advance of the meeting.

Matters discussed at Board meeting generally relates to Company's performance, quarterly / half yearly results of the Company, review of the reports of the Internal Auditors, Audit Committee and compliances with their recommendations, suggestions, non-compliance, if any, of any regulatory, statutory, or listing requirements etc.

c) Attendance at the Board Meetings and the last Annual General Meeting:

The Board Meeting dates are decided well in advance and communicated to Directors to enable them to plan for their schedule in order to participate the meetings.

During the year under review, the Board of Directors met 4 (four) times viz. May 30, 2022, August 08, 2022, November 11, 2022, and February 03, 2023.

All the meetings were held through video conference / other audio-visual means except for meeting held on February 03, 2023 which was held physically.

The details of composition and category of Directors, their attendance at each Board meeting held during the financial year 2022-2023 and at the last Annual General Meeting, their directorships in other companies and membership / chairmanship in Committees are as follows:

Name of Director	Category	No. of Board Meetings held	Attendance Particulars		No. of other Directorship	Committee Positions (including Company)	
			Board Meeting	Last AGM		Memberships	Chairman
Shri. Vijay V. Chowgule	Chairman & Promoter Non-Executive Director	4	4	Yes	2	1	-
Shri. Ramesh L. Chowgule	Non-Executive and Non-Independent Director	4	3	No	2	-	-
Ms. Arati Saran	Non-Executive Independent Director	4	3	Yes	1	1	1
Shri. Prashant K. Asher	Non-Executive Independent Director	4	3	No	2	2	2
Shri. Ashvin Chadha	Non-Executive Independent Director	4	3	Yes	1	2	-
Shri. Santosh L. Chowgule	Promoter Executive Director	4	4	Yes	1	2	-

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The Directorship held by Directors as mentioned above do not include Directorships of Foreign Companies, Section 8 Companies and Private Companies and within the prescribed limit as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2019.

2. Membership/Chairmanship of only Audit Committee and Stakeholders' Relationship Committee of all Public Limited Companies has been considered.

d) Number and date of Board Meetings held:

Four Board Meetings were held during the year 2022-2023. The dates on which the meetings were held are as follows:

Date of Board Meeting	Strength of the Board	No. of Directors present
May 30, 2022	6	5
August 08, 2022	6	5
November 11, 2022	6	5
February 03, 2023	6	5

e) Disclosure of relationship between directors interse:

None of the directors of the Company are related with each other except S/Shri. Vijay V. Chowgule, Ramesh L. Chowgule, and Santosh L. Chowgule.

Shri Vijay V. Chowgule, is cousin brother of Shri Santosh L. Chowgule, Managing Director, Shri. Ramesh L. Chowgule is sibling of Shri Santosh L. Chowgule, Managing Director.

f) Number of shares and convertible instruments held by non-executive directors:

Shri Vijay V. Chowgule, Chairman holds 39722 i.e., 3.97% equity shares of Rs.10/- each in his individual capacity. Further none of the other executive and non-executive director are holding any shares or convertible instruments in the Company.

g) Familiarization Programme for Independent Directors:

The Company has conducted the familiarization programme for Independent Directors during the year. The Programme aims to provide insights into the Company to enable the Independent Directors to understand its business in depth, to familiarize them with the functioning, operations, and business of the Company and to assist them in performing their role as Independent Directors of the Company. The Company's Policy of conducting the Familiarization Programme along with the details of the programmes imparted to the Independent Directors has been disclosed on the website of the Company at www.keltechenergies.com.

3. AUDIT COMMITTEE:

a) Brief description of terms of reference:

The terms of reference of this Committee are wide. Besides having access to all the required information from within the Company, the Committee acts as a link between the Statutory and Internal Auditors and the Board of Directors of the Company. The brief description of terms of reference is as follows:

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Reviewing with management, the annual financial statements before submission to the Board for approval with particular reference to:

Matters required to be included in the Directors' Responsibility Statement are included in the Directors' Report in terms of Section 134 (5) of the Companies Act, 2013.

- ⇒ Changes, if any, in accounting policies and practices and reasons for the same. Major accounting entries involving estimates based on the exercise of judgment by the management.
- ⇒ Significant adjustments made in the financial statements arising out of audit findings.
- ⇒ Compliance with listing and other legal requirements relating to financial statements.
- ⇒ Disclosure of related party transactions.
- ⇒ Qualifications, if any, in draft audit report.

- Review with management quarterly, half yearly and yearly financial statements before submission to the Board for approval.
 - Recommending the appointment / re-appointment / removal of statutory auditors, fixation of audit fees and also approval of payments for any otherservices.
 - Reviewing with management performance of Statutory and internal auditor’s adequacy of the internal control systems.
 - Reviewing and monitoring the auditors independence, performance and effective of auditprocess.
 - Discussing with internal and statutory auditors of any significant findings and follow-up there on and reviewing the reports furnished by them.
 - Reviewing the Company’s financial and risk management policies.
 - Compliance with the Stock Exchanges and legal requirements concerning financial statements.
 - Approval of any subsequent modification of transactions of the listed entity with related parties.
- Carrying out such other function as may be specifically referred to the Committee by the Board of Directors and / or other Committees of Directors of the Company.

b) Composition:

The Company’s Audit Committee functions under the Chairmanship of Shri. Prashant K. Asher (Non-Executive Independent Director), and the members are Ms. Arati Saran (Non-Executive Independent Director), Shri. Ashvin Chadha (Non-Executive Independent Director) and Shri. Santosh L.Chowgule (Executive Promoter Director). All the members have the requisite financial and accounting background. Mrs. Shalu Tibra, Company Secretary of the Company is the Secretary to the Audit Committee. During the year 4 Audit Committee Meetings were held on May 30, 2022, August 08, 2022, November 11, 2022, and February 03, 2023. The attendance details of the committee members are as under:

Sr. No.	Name of the Directors	Number of Meetings attended
1.	Ms.Arati Saran	3
2.	Shri. Prashant K.Asher	3
3.	Shri. Ashvin Chadha	3
4.	Shri. Santosh L.Chowgule	4

Statutory Auditors M/s. KKC & Associates LLP, Chartered Accountants, Mumbai, were invited to attend themeeting held on May 30, 2022.

Statutory Auditors M/s. CNK & Associates LLP, Chartered Accountants, Mumbai, were invited to attend the meeting held on August 08, 2022, November 11, 2022, and February 03, 2023.

4. NOMINATION AND REMUNERATION COMMITTEE:**a) Brief description of terms of reference:**

The broad terms of reference of the Nomination and Remuneration Committee are to recommend the Company’s policy on remuneration packages for the Managing Director / Executive Directors, reviewing the structures, design, and implementation of remuneration policy in respect of key managerial personnel.

b) Composition:

The Company has constituted a Nomination and Remuneration Committee which consists of Mrs. Arati Saran, Shri. Prashant K. Asher and Shri Ashvin Chadha, Non-Executive Independent Directors of the Company. Mrs. Arati Saran acted as Chairperson of the Committee and Shri Prashant K. Asher and Shri Ashvin Chadha; Non-Executive Independent Directors of the Company acted as Members of the Committee at the meeting held on February 03, 2023.

The attendance details of the committee members are as under:

Sr. No.	Name of the Directors	Number of Meetings attended
1.	Ms. Arati Saran	I
2.	Shri. Prashant K.Asher	I
3.	Shri. Ashvin Chadha	I

c) Performance evaluation criteria for independent directors.

Pursuant to the Regulation 17(10) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Section 178(2) of the Companies Act, 2013 and SEBI Circular No. SEBI/HO/CMD/CIR/P/2017/004 dated 5th January, 2017 “Guidance note on Board Evaluation”, for evaluation of directors of the Company, including Independent Directors, the Board of Directors of the Company has evaluated the performances of each Independent Directors. The questionnaires are prepared considering the business of the Company. The Evaluation framework for assessing the performance of Independent Directors comprises of the following key areas:

1. Attendance of Board and Committee Meetings;
2. Quality of contribution to Board deliberations;
3. Strategic perspectives or inputs regarding future growth of the Company and its performances;
4. Providing perspectives and feedback going beyond information provided by the management.

D) Interms of requirement of Listing Regulations, the Board has identified the following skills / expertise competencies of the Directors as given below:

Skills and its Description	Vijay V. Chowgule	Ramesh L. Chowgule	Arati Saran	Prashant K.Asher	Ashvin Chadha	Santosh L. Chowgule
Leadership experience of running large enterprise	✓	✓				✓
Experience of crafting Business strategies	✓	✓	✓	✓	✓	✓
Understanding of consumer and customer insights in diverse environments and conditions						✓
Finance and Accounting Experience	✓	✓	✓	✓	✓	✓
Experience in overseeing large and complex supply chain						✓
Understanding use of digital / Information Technology.	✓	✓	✓	✓	✓	✓
Experience of large companies and understanding of the changing regulatory landscape.	✓	✓	✓	✓	✓	✓

5. INDEPENDENT DIRECTORS COMMITTEE.

The Company has formed an Independent Directors Committee, consisting of Mrs.Arati Saran, Non-Executive Independent Director, Chairperson of the Independent Directors Committee; Shri. Prashant K.Asher, Non-Executive Independent Director and Shri Ashvin Chadha, Non-Executive Independent Director of the Company are the members of the Independent Directors Committee.

The brief terms of reference of this Committee includes review the performance and participation of individual non-independent directors and promoter non-executive directors and accordingly reviewed the same at their meeting held on February 03, 2023.

The attendance details of the committee members are asunder:

Sr. No.	Name of the Directors	Number of Meetings attended
1.	Mrs. Arati Saran	1
2.	Shri. Prashant K.Asher	1
3.	Shri. Ashvin Chadha	1

6. REMUNERATION OF DIRECTORS:

- a) The Non-Executive Directors had no pecuniary relationship or transactions with the Company during the year 2022-23.
- b) None of the Non - Executive Directors is being paid any remuneration except sitting fees. Sitting fees to Non- executive Independent & Promoter Directors is being paid at the rate of Rs.10,000/- for each meeting of the Board, Audit Committee, Stakeholders' Relationship Committee, Nomination & Remuneration Committee, Independent Directors Committee, Committee of Directors Committee (Share Transfer Committee), Corporate Social Responsibility Committee, attended by them.
- c) Details of remuneration / sitting fees paid to Directors during the year ended 31st March, 2023 and shares held by them on that date are as follows:

(Amount in ₹)

Name	Salary including perquisites	Contribution to PF & others	Commission	Sitting fees	Total	Total no. of shares held
Shri. Vijay V. Chowgule	-	-	-	80,000/-	80,000/-	39722
Shri. Ramesh L. Chowgule	-	-	-	60,000/-	60,000/-	-
Ms. Arati Saran	-	-	-	1,10,000/-	1,10,000/-	-
Ms. Prashant K.Asher	-	-	-	1,20,000/-	1,20,000/-	-
Shri. Ashvin Chadha	-	-	-	1,20,000/-	1,20,000/-	-
Shri. Santosh L. Chowgule	79,61,470/-	22,04,200/-	-	-	1,01,65,670/-	-

- (i) The above details of remuneration or fees paid are all elements of remuneration package of individual directors summarized under major groups.
- (ii) Apart from the above mentioned remuneration or fees paid, there is no other fixed component and performance linked incentives based on the performance criteria.
- (iii) There are no separate service contracts with any of the directors. The tenure of office of the Managing Director is for five years from his respective date of appointment, and can be terminated by either party by giving 90 days' notice in writing. There is no separate provision for payment of severance fees.
- (iv) There are no stock options offered to any of the Directors of the Company.

7. STAKEHOLDERS' RELATIONSHIP COMMITTEE :

a) Composition:

As required under regulation 20 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has a duly constituted Stakeholders Relationship Committee consisting of Mrs. Arati Saran, Non-Executive Independent Director, Chairperson of the Stakeholders Relationship Committee; Shri. Prasant K. Asher, Non-Executive Independent Director, Shri. Ashvin Chadha, Non-Executive Independent Director and Shri Santosh L. Chowgule, Executive Promoter Director are the members of the Stakeholders Relationship Committee. The Stakeholders Relationship Committee was constituted to specifically look into the redressal of Investors' complaints relating to the transfer of shares, non-receipt of

KELTECH ENERGIES LIMITED

Annual Reports and non-receipt of dividends declared by the Company etc. During the year ended 31st March, 2023, allquery, complaint / grievance from its Shareholders are properly addressed and resolved. Thus, no complaints are pending as on 31st March, 2023.

No shares were pending for transfer, transmission, name deletion, consolidation, sub-division, issue of duplicates and Rematerialisation of shares as at 31st March, 2023. This Committee met on four occasions during the financial year on May 30, 2022, August 08, 2022, November 11, 2022 and February 03, 2023. The attendance details of the committee members are as under:

Sr. No	Name of the Members	Number of Meetings attended
1.	Ms. Arati Saran	3
2.	Shri. Prashant K.Asher	3
3.	Shri. Ashvin Chadha	3
4.	Shri. Santosh L.Chowgule	4

Status of investors' complaints / services requests:

At the beginning of the year	Received during the year	Resolved during the year	Pending
NIL	3	2	1

Ms. ShaluTibra, Company Secretary of the company, acted as the Secretary to the committee and she is also the Compliance Officer of the company.

8. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

As per Section 135 of the Companies Act, 2013, the Company was required to incur an expenditure of 2% of the average net profits of the Company made during the three immediately preceding financial years for social activities specified under the said provision and also to constitute a Committee for ensuring the said activities to be undertaken by the Company in a systematic manner. Accordingly, the Board has formed a Committee consisting of Shri. Prashant K. Asher as Chairperson, Santosh L. Chowgule, Executive Promoter Director, Mrs. Arati Saran and Shri. Ashvin Chadha, Non-Executive Independent Directors of the Company acted as members of the Committee at their meeting held 11th November, 2022. The attendance details of the committee members are as under:

Sr. No.	Name of the Directors	Number of Meetings attended
1.	Shri. Prashant K. Asher	1
2.	Mrs. Arati Saran	-
3.	Shri. Ashvin Chadha	1
4.	Shri. Santosh L. Chowgule	1

9. COMMITTEE OF DIRECTORS (SHARE TRANSFER COMMITTEE):

The Company has formed a Committee of Directors for the purpose of share transfer, transmission, consolidation, name deletion etc. The Committee consists of Shri. Vijay V. Chowgule, Non-Executive Promoter Director as Chairman, Shri. Ramesh L. Chowgule and Shri. Santosh L. Chowgule, Non-Executive Promoter Director and Executive Promoter Director respectively as members of the Committee. The Committee processed the share transfers, transmission, name deletion, issue of duplicate certificates etc. During the year two meetings were held viz 20.04.2022, 09.06.2022, 16.02.2022 and 04.11.2022, The attendance details of the committee members are as under:

Sr. No.	Name of the Directors	Number of Meetings attended
1.	Shri. Vijay V. Chowgule	4
2.	Shri. Ramesh L. Chowgule	4
3.	Shri. Santosh L. Chowgule	4

10. GENERAL BODY MEETINGS:

a) Location and time, where last three Annual General Meetings (AGM) held:

The Company convenes AGM generally within five months of the close of the financial year. The details of Annual General Meetings held in last 3 years are as follows:

AGM	Day	Date & Time	Venue	Whether Special Resolution Passed
45th	Friday	23-09-2022 at 11.00 AM	Through Video Conference / Other Audio-Visual Means.	Yes
44th	Friday	24-09-2021 at 11.00 AM	Through Video Conference / Other Audio-Visual Means.	Yes
43rd	Wednesday	12-08-2020 at 12.30 PM	Through Video Conference / Other Audio-Visual Means.	No.

b) Postal Ballot:

During the year 2022-23, the Company did not propose any business to be transacted through Postal Ballot.

11. MEANS OF COMMUNICATION:

The Company has published quarterly / half yearly / Annual results as per details mentioned below:

Newspapers	Date of Board meeting	Date of Publishing
Financial Express (English) and Sanje Vani/ Vishwa Vani (Kannada)	May 30, 2022	May 31, 2022
	August 08, 2022	August 09, 2022
	November 11, 2022	November 12, 2022
	February 03, 2023	February 04, 2023

Website: The Company's website (www.keltechenergies.com) contains a separate dedicated section 'Investor Relations' where shareholders' information is available. The Company's Annual Report is also available in a user-friendly and download able form.

New releases, presentations, among others: No Corporate Announcements made to the Stock Exchanges during the year 2022-23

During the year 2022-23, the Company has not made any presentations to institutional investors or analysts.

12. GENERAL SHAREHOLDER INFORMATION:

a. **Annual General Meeting** : 46th AGM.

i) Date : August 10, 2023.

ii) Time : 11.00 Hrs.

iii) Mode : Through Video Conference (VC)/Other Audio Visual Means (OAVM)

b. **Financial Year** : The financial year covers the period from 1st April, 2023 to 31st March, 2024.

Tentative Calendar for the financial year ending 31st March, 2024

Financial reporting for the	Tentative dates of the Board Meeting
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First quarter ending 30th June, 2023	: Second fortnight of July, 2023
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Half year ending 30th September, 2023	: Second fortnight of October, 2023
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Third quarter ending 31st December, 2023	: Second fortnight of January, 2024
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Year ending 31st March, 2024	: Second fortnight of May, 2024
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KELTECH ENERGIES LIMITED

Annual General Meeting for the year ended 31st March, 2023 is likely to be held in the second fortnight of August, 2023.

c. Dividend Payment Date: Credit / Dispatch between August 10, 2023 – September 09, 2023.

d. Listing on Stock Exchanges:

BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001.

e. Listing Fees:

The Company has paid the listing fees for the year 2023-24 to BSE Ltd., Mumbai where the shares are listed.

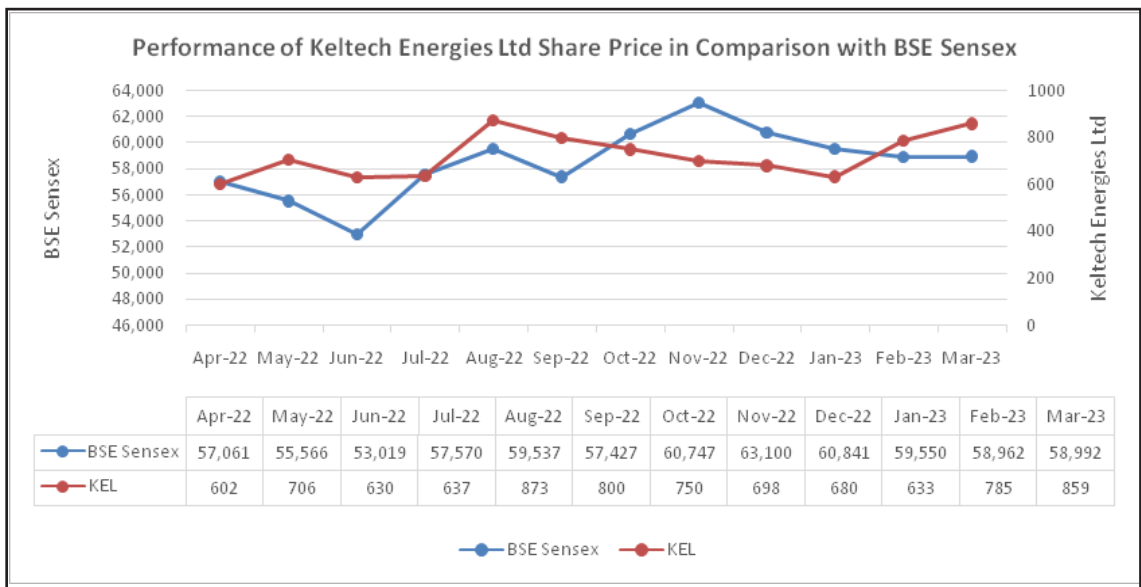
f. Stock Code:

BSE: 506528

ISIN: INE881E01017

g. Stock Market Price Data :

The prices of the Company's equity shares traded during the year at Bombay Stock Exchange Ltd. were as under:



h. Whether the securities are suspended from trading on Stock exchanges: No.

i. Registrar and Share Transfer Agents:

M/s.Canbank Computer Services Ltd.,

R&T Center, No.218, J.P. Royale, 1st Floor,

2nd Main, Sampige Road, Malleshwaram, Bengaluru – 560003

Contact Persons: S/Shri. Ravi and S.Naidu. Ph.080-23469661/62.

Fax.080-23469667/68. Email: ravi@ccsl.co.in and naidu@ccsl.co.in

j. Share Transfer System:

All shares sent or transferred in physical form are registered by the Registrar and Share Transfer Agent (RTA) within 15 days of the lodgment, if documents are found in order, except delay in some cases. Shares under

objection are returned within two weeks. All requests for dematerialization of shares processed and the confirmation is given to the respective depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) within 21 days.

k. Distribution of Shareholding as on 31st March,2023:

The shareholding distribution of equity shares as on 31st March, 2023 is furnished below:

Shares having nominal value of From To	No. of holders	% of total no. of holder	No. of shares	% of total no. of shares
1 – 5000	3740	96.97%	2,62,090	26.21%
5001 – 10000	71	1.84%	57,129	5.71%
10001 – 20000	26	0.67%	37,990	3.80%
20001 – 30000	6	0.15%	15,085	1.51%
30001 – 40000	3	0.08%	10,436	1.04%
40001 – 50000	3	0.08%	13,094	1.31%
50001 – 100000	3	0.08%	20,322	2.03%
100001 and above	5	0.13%	5,83,854	58.39%
TOTAL	3857	100.00	10,00,000	100.00

l. Dematerialization of Shares and liquidity:

As on 31st March, 2023, 92.21% of the total shares of the Company were in dematerialized form.

m. Convertible Instrument:

Your Company has not issued any ADRs, GDRs, warrants or any convertible instruments during the financial year ended 31st March, 2023.

n. Plant Locations:

i. Vishwasnagar-Karnataka.	ii. Donimalai-Karnataka.
iii. Waidhan-Madhya Pradesh.	iv. Anuppur-Madhya Pradesh.
v. Chandrapur-Maharashtra.	vi. Garamsur-Maharashtra.
vii. Manuguru – Telangana.	viii. Godavarikhani- Telangana.
ix. Korba-Chhattisgarh.	x. Bacheli-Chhattisgarh.
xi. Mangampet-Andhra Pradesh.	xii. Koraput-Odisha.

o. Regd. Office/ Corporate Office & Address for Investors' Correspondence:

Mrs. Shalu Tibra,

Company Secretary and Compliance Officer
Keltech Energies Ltd. Embassy Icon, 7th Floor,
No.3, Infantry Road, Bengaluru-560001.

Karnataka. Phone : 080-22251451/22257900

Fax : 080-22253857, Email: compliance@keltechenergies.com

13. OTHER DISCLOSURES:

a. Related party transactions and Disclosures:

Related party transactions are defined as transactions of the Company of material nature had with promoters, directors or with their relatives etc.

The transactions with the related parties, as per the requirements of the Indian Accounting Standard 24, are disclosed in Notes on Accounts, forming part of the Annual Report.

None of the transactions with any of the related parties were in conflict with the interest of the Company.

Details of all material transactions with related parties are disclosed quarterly along with the compliance report on Corporate Governance.

As required under Regulation 23 of the Listing Regulations, 2015, the company has formulated a policy on Materiality and dealing with the Related Party Transactions which have been uploaded on the company website www.keltechenergies.com

b. Compliance by the Company:

The Company has complied with all the requirements of listing agreement and SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 entered into with the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital market during the last three years.

c. Whistle-Blower Policy and affirmation that no personnel have been denied access to the Audit Committee:

The Company has established a policy for employees to report concerns about unethical behavior, actual or suspected fraud, or violation of code of conduct or ethics policy. The policy also provides for adequate safeguards against victimization of employees who avail of the policy and also provide for direct access to the Chairman of the Audit Committee in the exceptional cases. We affirm that during the financial year 2022-23, no employee was denied access to the Audit Committee.

d. Details of Compliance with mandatory requirements and adoption of non-mandatory requirements;

The Company has complied with all mandatory requirements of Regulation 27 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 (w.e.f. 1st December, 2015). The Details of these compliances along with the non-mandatory requirements adopted by the Company have been given in the relevant section of this report.

e. Policy for determining “material” subsidiaries – As the Company does not have any subsidiaries, the policy for determining the “material” subsidiaries has not been made.

f. Commodity price risks and commodity hedging activities: The Company does not deal in commodity price risks and commodity hedging activities.

g. Preferential allotment: The Company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of SEBI (LODR) Regulations, 2015.

h. The Company has paid the audit fee to the statutory auditors on a consolidated basis for their services rendered.

i. The Company has placed all the related party transactions before the Audit Committee and the same have been approved by the Board and none of the said transactions were not approved either by the Audit Committee or the Board during the year.

j. A certificate of non-disqualification of Directors dated May 10, 2023, from a company secretary in practice has obtained vide Annexure-6 to the Boards Report pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

k. All the recommendations made by the committees were accepted by the Board during the year.

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

a. number of complaints filed during the financial year – Nil.

b. number of complaints disposed of during the financial year – Nil.

c. number of complaints pending as on end of the financial year -Nil.

m. No loans or advances have been provided to any company in which directors are interested

14. Compliance of the requirement of Corporate Governance Report:

During the year 2022-23, the Company has complied with the requirements of Corporate Governance Report of sub paras (2) to (10) of the Point C of Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

15. Discretionary Requirements as specified in Part E of Schedule II:

The Company has adopted following non-mandatory requirements of Regulation 27 and Part E of Schedule II of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015:

a) Audit Qualification - The Company is in the regime of unqualified financial statements.

b) Separate posts of Chairman and Managing Director – The Company has separate Chairman and Managing Director.

c) Reporting of Internal Auditors – The Internal Auditors directly reports to the Audit Committee.

16. Disclosure of the Compliance with Corporate Governance

The Company has complied with all the applicable regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

17. Disclosure of Accounting Treatment:

The Financial Statements comply with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standard) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

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

Certain financial assets and liabilities that is measured at fair value (refer accounting policy regarding financial instrument) Defined benefit plans – plan assets measured at fair value.

18. Disclosure with respect to demat suspense account/unclaimed suspense account

The Company does not have any of its securities lying in demat / unclaimed suspense account arising out of public/ bonus / right issues as at 31st March, 2023. Hence, the particulars relating to aggregate number of shareholders and the outstanding securities in suspense account and other related matters does not arise.

19. Compliance Certificate for Code of Conduct:

The declaration by the Managing Director affirming compliance of Board and Senior Management Personnel to the Code is also annexed herewith and forming part of Annual Report.

20. Compliance Certificate by Auditors:

The Company has obtained a certificate from the Statutory Auditors regarding compliance of conditions of Corporate Governance as stipulated in Regulation 27 of SEBI (Listing Obligation and Disclosure Requirements), 2015 which is annexed herewith and forming part of Annual Report.

KELTECH ENERGIES LIMITED

To,

The Members of Keltech Energies Limited

We, Santosh L. Chowgule, Managing Director and Mahesh Vijay Wataney, Chief Executive Officer of the Company, declare that all Board Members and Senior Management of the Company have affirmed compliance with the Code of Conduct of the Company.

For Keltech Energies Limited,

Santosh L. Chowgule
Managing Director

Mahesh Vijay Wataney
Chief Executive Officer

Place: Mumbai

Date: May 12, 2023

Declaration regarding compliance by Board Members and Senior Management Staff with the Company's Code of Conduct

This is to confirm that the Company has adopted a Code of Conduct for its Board of Directors and Senior Management Staff of the Company. The Code of Conduct is available on the Company's website.

We confirm that the Company has, in respect of the Financial Year ended 31st March 2023, received from the Senior Management Staff of the Company and the Members of the Board a declaration of compliance with the code of Conduct applicable to them.

For the purpose of this declaration, Senior Management Staff means the staff one level below the Director as on 31st March, 2023.

For Keltech Energies Limited,

Santosh L. Chowgule
Managing Director

Mahesh Vijay Wataney
Chief Executive Officer

Place: Mumbai

Date: May 12, 2023

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of

Keltech Energies Limited

- 1) We, CNK Associates & LLP have examined the compliance of conditions of Corporate Governance by Keltech Energies Limited ("the Company") for the year ended on 31st March, 2023, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("SEBI Listing Regulations") pursuant to the Listing Agreement of the Company with Stock Exchanges.

Management's Responsibility

- 2) The compliance of conditions of Corporate Governance is the responsibility of the management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

Auditor's Responsibility

- 3) Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 1 above. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
- 4) We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
- 5) We conducted our examination of the relevant records of the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes, Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI") and the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate. The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
- 6) We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

- 7) Based on our examination of the relevant records and according to the information and explanations given to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above – mentioned SEBI Listing Regulations as applicable during the year ended 31st March 2023 except that the Chairperson of Audit Committee could not remain present at the Annual General Meeting held on 23rd September, 2022. However, as informed to us, the other members of the Audit Committee and directors of the company were present to answer the queries of the shareholders.
- 8) We state that such compliance 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.

Restrictions on use

- 9) The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the SEBI listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **CNK Associates & LLP**

Chartered Accountants

Firm Registration

No. 101961W/W-100036

Himanshu V. Kishnadwala

Partner

Membership No. 037391

UDIN: 23037391BGULXP1304

Place: Mumbai

Date: 12th July 2023

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF KELTECH ENERGIES LIMITED****Report on the Audit of the Financial Statements****Opinion**

We have audited the accompanying financial statements of **Keltech Energies Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2023, the Statement of Profit and Loss (including other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023, the profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matters	How the matter was addressed in our audit
1.	Provision for Powder Factor Deduction	
	<p>The Company, inter alia, is in the business of explosives and allied materials, a major portion whereof has been sold to certain Public Sector Undertakings. As per industry practice, the Company estimates provision for powder factor on sales which is generally the percentage of blast output achieved at the time of blasting of the products at the customers' site made to such customers. [Refer note 14]</p> <p>Powder factor is based on the agreement with customer, volume of output achieved at the site, which is measured at a later date when the product is actually used by the customer. Accordingly, the provision is made on current sales based on estimates made from technical evaluation and historical data associated with such services for the likely powder factor. There is substantial time gap between the provision made by the Company and determination of actual of powder factor deduction by the customer.</p> <p>This is considered as a key audit matter as significant judgement and estimate are involved to establish the percentage of blast output achieved, the settlement of which happens in future as per the terms of contract and mutual agreement.</p>	<p>Audit procedures followed by us include:</p> <ul style="list-style-type: none"> - Assessing/evaluating the appropriateness of the Company's accounting policies relating to such provisions as per the relevant applicable accounting standards especially Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets"; - Reviewing the relevant correspondence with the customers for validating terms relating to powder factor for earlier periods; - Assessing the key management estimates / judgement relating to various parameters for measuring / estimating the amount of such powder factor provisions; - Testing on sample basis, the accuracy of the underlying data used for computation of powder factor provisions and verifying the arithmetical accuracy of powder factor provision; - Evaluating the historical trend against the actual powder factor deduction.

INDEPENDENT AUDITOR’S REPORT (CONT..)

Sr. No.	Key Audit Matters	How the matter was addressed in our audit
2.	Litigations, Provisions and Contingent Liabilities	
	<p>There are litigations pending before various forums against the Company. These also include matters under various statutes and involves significant management judgement and estimates on the possible outcome of the litigations and consequent provisioning thereof or disclosure as contingent liabilities.</p> <p>We identified this as a key matter as the estimate of these amounts involve a significant degree of management judgement and high estimation uncertainty.</p> <p>(Refer 30 to the Financial Statements)</p>	<p>Audit procedures followed by us include:</p> <ul style="list-style-type: none"> - Obtaining from the management details of matters under dispute including ongoing and completed tax assessments, demands and other litigations; - Evaluation and testing of the design of internal controls followed by the Company relating to litigations, open tax positions for direct and indirect taxes and other matters and process followed to decide provisioning for the said liabilities or disclosure as Contingent Liabilities. - Discussing with Company’s legal team and taxation team for sufficient understanding of on-going and potential legal matters impacting the Company and the possible outcomes for the same. - We also involved our firm’s internal experts to evaluate the management’s underlying judgements in making their estimates with regard to such matters.
3.	IT systems and controls over financial reporting	
	<p>We identified IT systems and controls over financial reporting as a key audit matter for the Company because its financial accounting and reporting systems are fundamentally reliant on IT systems and IT controls to process significant transaction volumes, specifically with respect to revenue and inventories. Also, due to large transaction volumes and the increasing challenge to protect the integrity of the Company’s systems and data, cyber security has become more significant;</p> <p>Automated accounting procedures and IT environment controls, which include IT governance, IT general controls over program development and changes, access to program and data and IT operations, IT application controls and interfaces between IT applications are required to be designed and to operate effectively to ensure accurate financial reporting;</p>	<p>Audit procedures followed by us include:</p> <ul style="list-style-type: none"> - Assessed the complexity of the IT environment through discussion with the IT team and identified IT applications that are relevant to our audit; - Evaluated the operating effectiveness of IT general controls over program development and changes, access to program and data and IT operations; - Performed inquiry procedures with the IT team of the Company in respect of the overall security architecture and any key threats addressed by the Company in the current year; - Evaluated the operating effectiveness of IT application controls in the key processes impacting financial reporting of the Company;

Information Other than the Financial Statements and Auditor’s Report Thereon

The Company’s Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Management Discussion and Analysis, Director’s Report including Annexures to Director’s Report, Corporate Governance Report and Shareholder’s information, but does not include the financial statements and our auditor’s report thereon. The Management Discussion and Analysis, Director’s Report including Annexures to Director’s Report, Corporate Governance Report and Shareholder’s information is expected to be made available to us after the date of this auditor’s report.

INDEPENDENT AUDITOR'S REPORT (CONT.)

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

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

If, based on the work we have performed, we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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 Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind-AS") 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 and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system with reference to the financial statements, in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to

INDEPENDENT AUDITOR'S REPORT (CONT..)

cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We communicate with the 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, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A, 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, based on our audit we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of change in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act;
 - (e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2023 from being appointed as a director in terms of Section 164(2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure B. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to the financial statements;
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to best of our information and according to explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 read with Schedule V to the Act;
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

INDEPENDENT AUDITOR'S REPORT (CONT.)

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer Note 30 to the financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were material foreseeable losses;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
- iv.
 - a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds (which are material either individually or in aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under a) and b) above, contain any material misstatement.
- v. The Final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with Section 123 of the Act, as applicable.

As stated in Note 39 to the Financial Statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act, as applicable;
- vi. As the Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. 1st April, 2023, reporting under this clause is not applicable for the year under the Audit.

For **CNK & Associates LLP**

Chartered Accountants

Firm Registration No: 101961W/W-100036

Himanshu Kishnadwala

Partner

Membership No: 037391

UDIN: 23037391BGULVO6674

Place: Mumbai

Date: 12th May, 2023

INDEPENDENT AUDITOR'S REPORT (CONT..)**ANNEXURE A TO INDEPENDENT AUDITORS' REPORT**

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the members of Keltech Energies Limited ("the Company") on the Financial Statements as of and for the year ended 31st March 2023]

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

- (i) In respect of the Company's Property plant and Equipment and Intangible assets:
 - (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property Plant and Equipment.
B. The Company is maintaining proper records showing full particulars of intangible assets.
 - (b) The Company, as per a phased programme, undertakes physical verification of all the property, plant, and equipment once in three years which, in our opinion, is reasonable having regard to the size of the Company and nature of its assets. Pursuant to the programme, Property, Plant and Equipment were physically verified by the Management during the year and no material discrepancies were noticed on such verification.
 - (c) Based on our examination of the records of the Company provided to us, we report that, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of lessee), disclosed in the financial statements are held in the name of the Company as at the balance sheet.
 - (d) The Company has not revalued any of its Property Plant and Equipment (including Right of use Assets) or Intangible assets during the year.
 - (e) As mentioned in Note No.37, no proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- (ii) (a) Physical verification of Inventory except goods in transit has been conducted by management during the year. In our opinion the coverage and the procedure of such verification is appropriate; The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of accounts.
(b) the Company has been sanctioned working capital limits in excess of rupees five crore, in aggregate, from various banks on the basis of security of current assets. The discrepancies in quarterly returns or statements with the books of accounts, which are not material, are mentioned in Note 13 to the Financial Statements.
- (iii) The Company has not made investments in or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, reporting under clause (iii)(a) to (iii)(f) of paragraph 3 of the Order are not applicable to the Company.
- (iv) The Company has not granted any loans, or made any investments, or provided any guarantees or securities covered under sections 185 and 186 of the Act. Accordingly, reporting under clause (iv) of paragraph 3 of the Order is not applicable to the Company.
- (v) The Company has not accepted any deposits or the amounts which are deemed to be deposits within the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013. Hence reporting under clause (v) of paragraph 3 of the Order is not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company as specified under section 148(1) of the Act, for the maintenance of cost records in respect of products, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii)(a) The Company is generally regular in depositing undisputed statutory dues including provident fund, employees state insurance fund, Income tax, goods and service tax sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues as applicable to it with appropriate authorities. There were no undisputed amounts in respect of the aforesaid undisputed Statutory dues in arrears as at 31st March 2023 for a period of more than six months from the date they became payable;

KELTECH ENERGIES LIMITED

INDEPENDENT AUDITOR'S REPORT (CONT..)

(b) Details of the statutory dues referred to in clause (a) above which have not been deposited as on 31st March 2023 on account of any dispute are given below:

Name of the Statute	Nature of the Dues	Amount (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Act, 1961	Income Tax	66.83	A.Y. 2015-16	CIT-Appeals	Appeal filed
Income Tax Act, 1961	Income Tax	55.59	A.Y. 2016-17	CIT-Appeals	Appeal filed
Income Tax Act, 1961	Income Tax	5.28	A.Y. 2017-18	CIT-Appeals	Appeal filed
Income Tax Act, 1961	Income Tax	21.58	A.Y. 2018-19	CIT-Appeals	Appeal filed
Income Tax Act, 1961	Income Tax	149.27	A.Y. 2019-20	CIT-Appeals	Appeal filed
Central Sales Act, 1956	Central Sales Tax	118.01	F.Y. 2009-10	Maharashtra Sales Tax Tribunal, Mumbai	Appeal filed
Customs Act, 1962	Anti-Dumping Duty	56.80	F.Y. 2021-22	Commissioner of Customs	Appeal filed

- (viii) As disclosed in Note 37 to the Financial Statements, there are no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under Income Tax Act, 1961;
- (ix) a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of Interest thereon to any lender during the year;
- b) As disclosed in Note 37 to the Financial Statements, the Company has not been declared as a wilful defaulter by any bank or financial institution or other lender during the year;
- c) The term loans were applied for the purpose for which the loans are obtained;
- d) We report that the Company has not utilised funds raised on short term basis for long term purposes;
- e) The Company does not have any subsidiaries, joint ventures or associates. Accordingly reporting under clause (ix) (e) of paragraph 3 of the Order is not applicable;
- f) The Company does not have any subsidiaries, joint ventures or associates. Accordingly reporting under clause 3(ix) (f) of paragraph 3 of the Order is not applicable;
- (x) (a) No moneys were raised by way of initial public offer or further public offer (including debt instruments) during the year. Hence reporting under clause (x)(a) of paragraph 3 of the Order is not applicable to Company.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially, optionally convertible) during the year.
- (xi) (a) No fraud by the Company and fraud on the Company has been noticed or reported during the year.
- (b) No report under section 143(12) of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors Rules), 2014 with the Central government during the year and upto the date of this report;
- (c) As represented to us by the Management, there are no whistle blower complaints received by the Company during the year;
- (xii) The Company is not a Nidhi Company. Accordingly reporting under clause (xii) of paragraph 3 of the Order is not applicable;

INDEPENDENT AUDITOR'S REPORT (CONT..)

- (xiii) The company is in compliance with section 177 and 188 of the Companies Act, 2013, with respect to applicable transactions with related parties;
- (xiv)(a) Based on the review of the reports of the Internal Auditors for the year, in our opinion the Internal Audit system of the Company needs to be improved to cover more areas and processes to make it commensurate with the size and nature of the business of the Company;
- (b) We have considered the Internal audit reports for the period under audit, issued to the Company during the year, in determining the nature, timing and extent of our audit procedures.
- (xv) The Company has not entered into non-cash transactions with directors or persons connected with them. Hence the provisions of section 192 of the Act, are not applicable.
- (xvi)(a) The Company is not required to be registered under sections 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934). Accordingly reporting under clauses (xvi)(a) , 3 (xvi)(b) of paragraph 3 of the Order is not applicable;
- (b) In our opinion there is no Core Investment Company (CIC) within the group as defined in the regulations made by the Reserve Bank of India. Accordingly reporting under clause (xvi)(c) and (xvi) (d) of paragraph 3 of the Order is not applicable.
- (xvii) The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year;
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying financial statements, and on our knowledge of the Board of the Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that there is exists any material uncertainty as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing as the date of the balance sheet as and when they fall due within a period of one year from the balance sheet date. We however state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on facts up to the date of the audit report and we neither give any guarantee nor assurance that all liabilities falling due within a period of one year from the Balance sheet date will get discharged by the Company as and when they fall due;
- (xx) As disclosed by management in Note 22 (b) to the financial statements and as verified by us, the gross amount required to be spent by company towards Corporate Social Responsibility (CSR) during the year has been duly spent during the year hence reporting under clause (xx)(a) and clause (xx)(b) of paragraph 3 of the Order is not applicable.

For CNK & Associates LLP

Chartered Accountants

Firm Registration No. 101961W/W-100036

Himanshu Kishnadwala

Partner

Membership number: 037391

UDIN: 23037391BGULVO6674

Place: Mumbai

Date: 12th May, 2023

INDEPENDENT AUDITOR'S REPORT (CONT..)

ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Keltech Energies Limited on the financial statements for the year ended 31st March, 2023]

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

Opinion

We have audited the internal financial controls with reference to Financial Statements of Keltech Energies Limited ("the Company") as of 31st March, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, internal financial controls with reference to financial statements, except for strengthening of process of financial closure at every period end and year end and such internal financial controls were operating effectively as at 31st March 2023 based on the internal financial controls with reference to Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of internal financial controls with reference to financial statements 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 with reference to Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over with reference to Financial Statements (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects;

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

Meaning of Internal Financial Controls with reference to Financial Statements

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

INDEPENDENT AUDITOR'S REPORT (CONT..)

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

For **CNK & Associates LLP**

Chartered Accountants

Firm Registration No. 101961W/W-100036

Himanshu Kishnadwala

Partner

Membership number: 037391

UDIN: 23037391BGULVO6674

Place: Mumbai

Date: 12th May, 2023

Corporate Information:

Keltech Energies Ltd. is a public Company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its equity shares are listed in BSE Limited, Mumbai. The registered office of the Company is located at 7th Floor, No.3, Embassy Icon, Infantry Road, Bengaluru – 560001 and principal place of business are disclosed in the introduction to the annual report. The Company is principally engaged in the manufacture of industrial explosives and sale of perlite & perlite based products

The financial statements of the Company for the year ended 31st March, 2023 were authorized for issue in accordance with the resolution of the Board of Directors as on 12th May, 2023.

I. Significant Accounting Policies:

I.1. Basis for preparation and presentation:

The financial statements have been prepared on accrual basis and in accordance with the historical cost convention unless, otherwise stated;

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

All amounts disclosed in the Financial Statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated;

The Financial Statements of the Company for the year ended 31st March, 2023 were approved for issue in accordance with a resolution of the Board of Directors in its meeting held on 12th May, 2023.

I.2. Use of Judgement and Estimates

The preparation of the Financial Statements requires management to make estimates, assumptions and judgments that affect the reported balances of assets and liabilities and disclosures as at the date of the Financial Statements and the reported amounts of income and expense for the periods presented;

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates considering different assumptions and conditions;

Estimates and underlying assumptions are reviewed on an ongoing basis. Impact on account of revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected;

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below

- Estimates of useful lives and residual value of Property, Plant and Equipment and intangible assets;
- Measurement of Defined Benefit Obligations ;
- Measurement and likelihood of occurrence of Provisions and contingencies;
- Recognition of deferred tax assets; and
- Measurement of recoverable amounts of cash-generating units;
- Measurement of Lease liabilities and Right of Use Assets
- Leases – Estimating the incremental borrowing rate -refer note no 2.9
- Leases- Determining lease term (as a Lessor)

(i) Current/non-current classification:

The normal operating cycle of the company is 12 months. Assets and Liabilities which are expected to be realisable payable within 12 month are to be classified as current and rest will be classified as non-current.

2.4 Property, plant and equipment:

Recognition and measurement:

Property, plant and equipment are stated at original cost net of tax / duty credit availed, and any directly attributable costs of bringing an asset to working condition and location for its intended use, including relevant borrowing costs and any expected costs of decommissioning, less accumulated depreciation and accumulated impairment

NOTES TO THE FINANCIAL STATEMENTS (CONT..)

losses, if any. When a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as replacement if the recognition criterion is satisfied.

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

Subsequent measurement:

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

Depreciation:

The estimate of the useful life of the assets has been assessed based on technical advice which considers the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support, etc. Details of useful life considered for depreciation along with method of depreciation are provided below.

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life and is provided on the “straight line method” based on the estimated useful life of assets.

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

Property, plant and equipment is eliminated from the financial statements, either on disposal or on retirement from active use. Losses and gains arising from the retirement/disposal are recognised in the statement of profit or loss in the year of occurrence.

The asset’s residual value, useful lives and methods of depreciation are reviewed at each financial year and adjusted prospectively, if appropriate.

Assets	Estimated Useful Life	Useful life as per the limits prescribed in Schedule II of the Act	Basis and justification of selection of Useful Life
Furniture and Fixtures of leased Premises	6 Years	10 Years	period of lease or useful life prescribed under Schedule II of the Act, whichever are lower.
All assets costing Rs.5000/- or less each	NIL	Depending upon nature of assets	Past experience /Materiality

The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual value of tangible assets.

Depreciation on additions / deletions is provided on pro-rata basis from the date of acquisition/ up to the date of deletion.

Changes in expected useful life or the expected pattern of consumption of future economic benefits embodied in an asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

An asset’s carrying amount is written down immediately to its recoverable amount if the asset’s carrying amount is greater than its estimated recoverable amount.

Derecognition:

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The consequential gain or loss is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the statement of profit and loss.

2.5 Capital work in progress:

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date. These are stated at cost to date relating to items or project in progress, incurred during construction / preoperative period. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under “Other non-current Assets”.

KELTECH ENERGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONT..)

2.6 Intangible assets:

Intangible assets, identifiable non-monetary asset without physical substance are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets comprising of "Computer Software" are recorded at acquisition cost and are amortized over the estimated useful life on straight line basis. Estimated useful life of software is assessed to be 3 years.

Impairment of non financial assets:

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value

Using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated to reduce the carrying amounts of the assets of the CGU (or group of CGUs) on a pro rata basis.

Assets (other than goodwill) for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.7 Inventories:

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on Weighted Average Cost basis, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- ⇒ Raw materials, Work-in-Progress, Stock- in- transit, Packing materials, Stores and spares have been valued at cost, arrived on weighted average method.
- ⇒ Traded goods, finished goods and stock kept for services have been valued at lower of cost and net realisable value.
- ⇒ Cost of finished goods includes direct material, freight and forwarding and apportion of manufacturing overheads based on normal operating capacity, and is determined on a weighted average basis.
- ⇒ Cost of traded goods includes Cost of Purchase and other direct costs incurred and is determined on a first in first out basis.
- ⇒ Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.8 Foreign currency transactions:

The Company's financial statements are presented in INR, which is also the Company's functional currency.

Transactions in foreign currencies are recorded on initial recognition in the functional currency, using the exchange rate prevailing on the date of transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognised as income or expenses in the period in which they arise.

NOTES TO THE FINANCIAL STATEMENTS (CONT..)**2.9 Financial instruments:****Recognition and initial measurement:**

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss ('FVTPL'), transaction costs that are directly attributable to its acquisition or issue.

Financial assets - classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at

- Amortised cost;
- FVOCI – Equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets 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.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling 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.

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVTPL.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis. At present there are no such investments.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

KELTECH ENERGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONT..)

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition

In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Subsequent measurement and gains and losses for financial assets held by the Company

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in the statement of profit and loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in the statement of profit and loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in the statement of profit and loss. Presently, all the financial liabilities are measured at amortised cost.

Derecognition: Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of

NOTES TO THE FINANCIAL STATEMENTS (CONT..)

the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities:

The Company derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

Offsetting:

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

2.10 Impairment of non-financial asset:

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risk specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

2.11 Provisions, Contingent Liabilities, Contingent Assets and Commitments:

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

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

Contingent liability is disclosed in the case of:

- Present obligation arising from past event, when it is not probable that an outflow of resources will be required to settle the obligation.
- A present obligation arising from past event, when no reliable estimate is possible
- A possible obligation arising from past events, unless the probability of outflow of resources is remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Contingent Assets:

Contingent assets are not recognised in the financial statements. A contingent asset is disclosed where an inflow of economic benefits is probable. Contingent assets are assessed continually and, if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

2.12 Employee Benefits**Short term employee benefits**

All employee benefits payable wholly within 12 months of rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognised during the period in which the employee renders related service.

KELTECH ENERGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONT..)

Defined contribution plans:

Retirement benefits in the form of Provident Fund, Employee State Insurance and Superannuation Fund is a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.

Defined benefit plans:

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The Company also provides certain additional post employment benefits in the form of compensated absences to employees. These compensated absences are unfunded. The actuarial valuation is done as per projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the changes to the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurement recognised in OCI is reflected immediately in retained earnings and will not be reclassified to Statement of Profit and Loss.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

2.13 Revenue recognition:

Sale of goods and services:

Revenue is recognised upon transfer of control of promised goods to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods.

Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer, which generally coincides with the delivery of goods to customers, based on contracts with the customers.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions, incentives, and returns, if any, as specified in the contracts with the customers.

Revenue excludes taxes collected from customers on behalf of the government. Accruals for discounts incentives and returns are estimated (using the most likely method) based on accumulated experience and underlying schemes and agreements with customers.

Revenue from services rendered is recognised when services are rendered.

Transaction Price:

The Company is required to determine the transaction price in respect of each of its contracts with customers

Contract with customers for sale of goods or services are either on a fixed price or on variable price basis. For allocating the transaction price, the Company measures the revenue in respect of each performance obligation of contract at its relative standalone selling price.

The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In making judgment about the standalone selling price, the Company also assesses the impact of any variable consideration in the contract, due to discounts or rebates.

Performance Obligations:

If a contract contains more than one distinct goods and service, the transaction price is allocated to each performance obligation based on relative stand-alone selling prices.

NOTES TO THE FINANCIAL STATEMENTS (CONT..)**Dividend and Interest income:**

Dividend income from investments is recognised when the Company's right to receive payment is established.

Interest income from financial assets is recognized when it is probable that economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition

Insurance claim:

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

Income from export incentives such as duty drawback are recognised on accrual basis

Contract balances:**Contract assets:**

A contract asset is the right to consideration in exchange for goods or services transferred to the customer e.g. unbilled revenue. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset i.e. unbilled revenue is recognised for the earned consideration that is conditional.

Contract liabilities:

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognised as revenue when the Company performs under the contract.

2.14 Government grant:

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income

Government grants relating to assets are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets. However, when any conditions is prescribed by the government, than the government grant is amortized on straight line basis till the time conditions precedent to the grant are expected to be completed. Government grant is presented within other income.

2.15 Leases:**As a lessee:**

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the company by the end of the lease term or the cost of the right-of-use asset reflects that the company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Generally, the company uses its incremental borrowing rate as the discount rate.

KELTECH ENERGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONT..)

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following: fixed payments, including in-substance fixed payments;

variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

amounts expected to be payable under a residual value guarantee; and the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a Purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets:

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Right-of-use Assets (ROU Assets):

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or to site on which it is located, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised.

Lease Liabilities:

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or rate, and amounts expected to be paid under residual value guarantees. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

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

Short-term leases and leases of low-value assets:

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a

NOTES TO THE FINANCIAL STATEMENTS (CONT..)

purchase option). Lease payments on short-term leases are recognised as expense.

2.16 Income tax:

Income tax expense comprises current and deferred tax. It is recognised in the statement of profit and loss except to the extent it may relate to a business combination, or items recognised directly in equity or in OCI.

The Company has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under Ind AS 37 “Provisions, Contingent Liabilities and Contingent Assets”

Current tax:

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax:

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits, if any.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

2.17 Borrowing cost:

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.18 Segment reporting:

The Chief Operational Decision Maker monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

The operating segments have been identified on the basis of nature of product/services.

The Board of directors of the Company has appointed the Managing Director as the chief operating decision maker (CODM) who is assessing the financial performance and position of the Company, and makes strategic decisions.

2.19 Cash and cash equivalent:

Cash and cash equivalent in the balance sheet comprise cash at banks and in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of statement of cash flows, cash & cash equivalent consists of cash & short term deposits, as defined above, as they are considered an integral part of the Company’s cash management

KELTECH ENERGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONT..)

2.20 Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from the operating, investing and financing activities of the Company are segregated. In the cash-flow statement, cash and cash equivalents are shown net of bank overdrafts, which are included as current borrowings in liabilities on the balance sheet.

2.21 Earnings per share:

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

2.23. Recent pronouncements

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

- a) Ind AS 101 – First time adoption of Ind AS – modification relating to recognition of deferred tax asset by a first-time adopter associated with (a) right to use assets and related liabilities and (b) decommissioning, restoration and similar liabilities and corresponding amounts recognised as cost of the related assets.
- b) Ind AS 102 – Share-based Payment – modification relating to adjustment after vesting date to the fair value of equity instruments granted.
- c) Ind AS 103 – Business Combination – modification relating to disclosures to be made in the first financial statements following a business combination.
- d) Ind AS 107 – Financial Instruments Disclosures – modification relating to disclosure of material accounting policies including information about basis of measurement of financial instruments.
- e) Ind AS 109 – Financial Instruments – modification relating to reassessment of embedded derivatives.
- f) Ind AS 1 - Presentation of Financials Statements – modification relating to disclosure of ‘material accounting policy information’ in place of ‘significant accounting policies’.
- g) Ind AS 8 - Accounting Policies, Change in Accounting Estimates and Errors – modification of definition of ‘accounting estimate’ and application of changes in accounting estimates.
- h) Ind AS 12 – Income Taxes – modification relating to recognition of deferred tax liabilities and deferred tax assets.
- i) Ind AS 34 – Interim Financial Reporting – modification in interim financial reporting relating to disclosure of ‘material accounting policy information’ in place of ‘significant accounting policies’.

The Company is evaluating the amendments and the expected impact, if any, on the Company’s financial statements on application of the amendments for annual reporting periods beginning on or after April 01, 2023.

2.24. Significant Accounting judgements, estimates & assumptions:

The preparation of Company’s financial statements requires management to make judgements, estimates & assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

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, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future

NOTES TO THE FINANCIAL STATEMENTS (CONT..)

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 assumptions when they occur.

(i) Defined Benefit plans and Compensates Absences:

The cost of defined benefit plans and other post-employment benefits and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(ii) Impairment of financial assets:

The Company assesses impairment based on expected credit losses (ECL) model to the following:

- Financial asset measured at amortized cost
- Financial asset measured at fair value through other comprehensive income

Expected credit losses are measured through a loss allowance at an amount equal to:

- 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

The Company follows ‘simplified approach’ for recognition of impairment loss allowance on trade receivable.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables.

The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates, if any. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

(iii) Useful life:

The estimated useful lives of items of property, plant & equipment& intangible assets for the current & the comparative periods are as follows :

Asset	Management estimate of useful life	Useful life as per Schedule 3
Land – Leasehold	Over the lease term	N.A.
Buildings	30 years	30 years
Laboratory Equipments	10 years	10 years
Other Plant & Equipment	15 years	15 years
Office Equipment	5 years	5 years
Furniture & Fixtures	10 years	10 years
Furniture & Fixtures of leased premises *	6 years	10 years
Vehicles	8 years	8 years
Computer software	3 years	

*Period of lease or useful life prescribed under Schedule II of the Act, whichever is lower.

(iv) Fair valuation of financial instruments:

When the fair values of financial assets & financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation technique including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

KELTECH ENERGIES LIMITED

Balance sheet as at March 31, 2023

(₹ in Lakhs)

Particulars		Notes	As at 31st March, 2023	As at 31st March, 2022
I ASSETS				
I Non-current assets				
	(a) Property, plant and equipment	3	6,721.72	6,828.11
	(b) Right of use Assets (ROU)	3(a)	86.13	114.09
	(c) Capital work-in-progress	3	99.57	77.34
	(d) Intangible assets	4	58.82	24.26
	(e) Financial assets			
	i. Investments	5(a)	-	-
	ii. Other financial assets	5(f)	240.17	156.85
	(f) Non-current Tax assets (Net)	7	58.41	145.13
	(g) Other non-current assets	8	208.22	388.84
	Total Non-Current Assets		7,473.04	7,734.62
2 Current assets				
	(a) Inventories	9	4,013.22	3,618.82
	(b) Financial assets			
	i. Investments	5(b)	1,048.48	712.39
	ii. Trade receivables	5(c)	6,187.89	4,622.48
	iii. Cash and cash equivalents	5(d)	679.07	107.12
	iv. Bank balances other than cash & cash equivalents	5(e)	208.91	546.91
	v. Other financial assets	5(f)	47.16	7.97
	(c) Other current assets	10	876.00	396.88
	Total Current Assets		13,060.73	10,012.57
	Total Assets		20,533.77	17,747.18

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Balance sheet as at March 31, 2023 (Contd..)

(₹ in Lakhs)

Particulars	Notes	As at 31st March, 2023	As at 31st March, 2022
II EQUITY AND LIABILITIES			
I Equity			
(a) Equity share capital	11	99.99	99.99
(b) Other equity			
Reserves and surplus	12(a)	8,198.42	7,021.29
Other reserves	12(b)	(176.26)	(87.12)
Total equity		8,122.15	7,034.16
LIABILITIES			
I Non-current liabilities			
(a) Financial Liabilities			
i. Borrowings	13(a)	951.00	1,109.74
ia. Lease Liabilities	13(e)	87.45	95.57
(b) Provisions	14	592.67	553.15
(c) Deferred tax liabilities (Net)	6	235.76	211.73
Total non-current liabilities		1,866.89	1,970.18
2 Current liabilities			
(a) Financial liabilities			
i. Borrowings	13(b)	2,116.95	1,817.40
ia. Lease Liabilities	13(e)	19.82	37.90
ii. Trade payables	13(d)		
Total outstanding dues of Micro Enterprises & Small Enterprises		142.80	71.56
Total outstanding dues of creditors other than Micro Enterprises & Small Enterprises		5,659.59	5,436.79
iii. Other financial liabilities	13(c)	1,555.47	715.71
(b) Other current liabilities	15	101.94	217.99
(c) Provisions	14	948.17	445.51
Total Current Liabilities		10,544.74	8,742.85
Total Liabilities		12,411.62	10,713.04
Total Equity and Liabilities		20,533.77	17,747.19

Summary of significant accounting policies 1&2
 The Notes are integral part of Financial Statements. 3 to 41
 As per our attached report of even date
 For and on behalf of
CNK & Associates LLP
 Chartered Accountants
 ICAI Firm Registration No. 101961W/W-100036
Himanshu Kishnadwala
Partner Membership No: 037391
 Mumbai Dated: 12 May 2023

For and on behalf of the Board of Directors of
Keltech Energies Limited
 CIN:L30007KA1977PLC031660

Vijay V. Chowgule
Chairman
 DIN No.00018903

P. Prabhudev
Chief Financial Officer

Mumbai

Santosh L. Chowgule
Managing Director
 DIN No.00097736

Ms. Shalu Tibra
Company Secretary
 Membership No.A34873
 Dated: 12 May 2023

KELTECH ENERGIES LIMITED

Statement of Profit and Loss for the year ended March 31, 2023

(₹ in Lakhs)

	Particulars	Notes	Year ended 31 March 2023	Year ended 31 March 2022
I	Revenue from operations	17	56,284.76	35,462.35
II	Other income	18	245.26	165.92
III	Total income		56,530.02	35,628.26
IV	Expenses			
	Cost of materials consumed	19(a)	44,132.20	26,983.67
	Purchases of stock-in-trade	19(b)	1,694.77	1,153.23
	Changes in inventories of work-in-progress, stock-in-trade and finished goods	19(c)	15.82	(653.09)
	Employee benefits expense	20	2,045.45	1,794.38
	Finance costs	23	537.40	259.25
	Depreciation and amortisation expense	21	605.22	554.30
	Other expenses	22	5,831.11	4,686.73
V	Total expenses (V)		54,861.97	34,778.47
VI	Profit before exceptional items and tax		1,668.05	849.79
VII	Exceptional items		-	-
VIII	Profit before tax from continuing operations		1,668.05	849.79
IX	Income Tax Expense			
	- Current tax		421.00	190.00
	Tax adjustment of earlier year		-	-
	- Deferred tax		54.92	-3.21
	Total Tax expense		475.92	186.79
X	Profit for the year		1,192.13	663.00
XV	Other comprehensive income			
	<i>Items that may be reclassified to profit or loss</i>			
	<i>Items that will not be reclassified to profit or loss</i>			
	Re-measurements of the defined benefit plans		-116.78	-1.36
	Income tax relating to these items		29.39	0.34
			-87.39	-1.02
	Other comprehensive income for the year, net of tax		-87.39	(1.02)
XVI	Total comprehensive income for the year		1,104.73	661.98
XVII	Earnings per equity share	33	INR	INR
	Equity share of face value of Rs.10 each			
	Basic earnings per share		119.22	66.31
	Diluted earnings per share		119.22	66.31

Summary of significant accounting policies 1&2
The Notes are integral part of Financial Statements. 3 to 41

As per our attached report of even date

For and on behalf of

CNK & Associates LLP

Chartered Accountants

ICAI Firm Registration No. 101961W/W-100036

Himanshu Kishnadwala

Partner

Membership No: 037391

Mumbai

Dated: 12 May 2023

For and on behalf of the Board of Directors of

Keltech Energies Limited

CIN:L30007KA1977PLC031660

Vijay V. Chowgule

Chairman

DIN No.00018903

P. Prabhudev

Chief Financial Officer

Mumbai

Santosh L. Chowgule

Managing Director

DIN No.00097736

Ms. Shalu Tibra

Company Secretary

Membership No.A34873

Dated : 12 May 2023

Statement of changes in equity for the year ended March 31, 2023

(₹ in Lakhs)

A. Equity share capital

Particulars	Notes	(Rs. in Lakhs)
As at 1 April 2022		99.990
Changes in equity share capital	11	
As at 31 March 2023		99.990

(Previous Year- 2021-22)

Particulars	Notes	(Rs. in Lakhs)
As at 1 April 2021		99.990
Changes in equity share capital	11	
As at 31 March 2022		99.990

B. Other equity

(₹ in Lakhs)

Particulars	Notes	Reserves and surplus			Other Reserves	Total other equity
		General Reserve	Capital Reserve	Retained earnings	Remeasurement of defined benefit plans	
Balance at 1 April 2022		4,699.80	-	2,321.49	(87.12)	6,934.17
Profit for the year			-	1,192.13	-89.14	1,102.98
Other comprehensive income			-		-	-
Total comprehensive income for the year			-	1,192.13	-89.14	1,102.98
Dividends paid	27			(15.00)		(15.00)
		-	-	(15.00)	-	(15.00)
Balance at 31 March 2023		4,699.80	-	3,498.62	(176.26)	8,022.15

(Previous Year- 2021-22)

B. Other equity

(₹ in Lakhs)

Particulars	Notes	Reserves and surplus			Other Reserves	Total other equity
		General Reserve	Capital Reserve	Retained earnings	Remeasurement of defined benefit plans	
Balance at 1 April 2021		4,699.80	-	1,673.49	(86.10)	6,287.19
Profit for the year			-	663.00	-1.02	661.98
Other comprehensive income			-		-	-
Total comprehensive income for the year			-	663.00	-1.02	661.98
Dividends paid	27			(15.00)		(15.00)
		-	-	(15.00)	-	(15.00)
Balance at 31 March 2022		4,699.80	-	2,321.49	(87.12)	6,934.17

KELTECH ENERGIES LIMITED

Statement of Cash Flows for the year ended March 31, 2023

(₹ in Lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Cash flow from operating activities		
Profit before income tax from Continuing operations	1,668.05	849.79
Profit before Tax	1,668.05	849.79
Adjustments for		
Depreciation and amortisation expense	605.22	554.30
Reversal of provision for bad debt of earlier period	(3.05)	-
Loss (Profit) on sale of assets	19.20	2.25
Balances Written Back	(0.96)	-
Gain on sale of investments	-	(0.04)
Changes in fair value of financial assets at fair value through profit or loss	(36.09)	(12.39)
Interest on Lease	11.70	13.72
Other borrowing cost	187.32	102.73
Dividend and interest income classified as investing cash flows	(26.57)	(19.13)
Interest Expenses	338.39	142.80
Net exchange differences	(98.82)	(54.03)
Operating profit before working capital changes	2,664.37	1,580.01
Movement in Working Capital		
(Increase)/Decrease in trade receivables	(1,462.57)	(664.33)
(Increase)/Decrease in inventories	(394.40)	(1,610.68)
Increase/(Decrease) in trade payables	294.04	1,605.86
(Increase) in other financial assets	(83.32)	39.38
(Increase)/decrease in other financial assets	(39.19)	(0.91)
(Increase)/decrease in financial assets-Other non current assets	180.62	127.37
Increase/(decrease) in long term provisions	39.52	(31.06)
Increase/(decrease) in short term provisions	502.66	314.04
(Increase)/decrease in other current assets	(479.12)	(47.80)
Increase/(decrease) in other non current liabilities	-	(24.19)
Increase/(decrease) in current lease liabilities	-	0.77
Increase/(decrease) in other financial liabilities	839.76	623.56
Increase/(decrease) in other current liabilities	(116.05)	20.76
Increase/(decrease) in bank balance other than cash and cash equivalents	338.00	261.91
Cash generated from operations	2,284.33	2,194.69
Income taxes paid	454.32	135.39
Net cash inflow from operating activities (A)	1,830.01	2,059.30

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Statement of Cash Flows for the year ended March 31, 2023 (Contd..)

(₹ in Lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Cash flows from investing activities		
Payments for property, plant and equipment (including Capital work in Progress & intangible assets)	(546.86)	(1,630.17)
Payments for purchase of investments	(300.00)	(700.00)
Sale of Investments	-	0.10
Interest received	26.57	19.13
Net cash outflow from investing activities (B)	(820.30)	(2,310.94)
Cash flows from financing activities		
Proceeds/(Repayment) of Long term borrowings (Net) including current maturities	140.82	396.64
Proceeds/(Repayment) of short term borrowings	-	88.03
Interest amount of lease liability paid	(11.70)	(13.72)
Principal amount of lease liability paid	(26.19)	(23.40)
Other Borrowing Costs	(187.32)	(102.73)
Interest paid	(338.39)	(142.80)
Dividends paid to company's shareholders	(15.00)	(15.00)
Net cash inflow (outflow) from financing activities (C)	(437.78)	187.01
Net increase (decrease) in cash and cash equivalents (A+B+C)	571.93	(64.63)
Cash and cash equivalents at the beginning of the financial year	107.12	171.75
Cash and cash equivalents at end of the year	679.05	107.12
Non-cash financing and investing activities		
- Acquisition of property, plant and equipment by means of finance lease		

Reconciliation of cash and cash equivalents as per the cash flow statement

Cash and cash equivalents as per above comprise of the following

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Balance with banks :		
On current account	407.66	104.58
Bank deposits with original maturity of less than 3 months	268.52	-
Cash on hand	2.89	2.54
Balances per statement of cash flows	679.05	107.12

KELTECH ENERGIES LIMITED

Statement of Cash Flows for the year ended March 31, 2023 (Contd..)

(₹ in Lakhs)

Movement in liabilities arising from financing activities as at March 31, 2023

Particulars	Borrowings	Lease liabilities	Dividends paid (including taxes)	Finance costs
Balance at the beginning of the year	2,927.13	133.46		6.76
Proceeds from borrowings	-	-		
Repayment of borrowings/liabilities	140.82	-26.19		
Dividends paid (including taxes)			-15.00	
Interest paid				-336.64
Net cash outflows	3,067.95	107.27	-15.00	-329.89
Charge to statement of profit and loss	-	-	-	338.39
Balance at the end of the year	3,067.95	107.27	-15.00	8.50

NOTE :

- 1) In Part-A of the Cash Flow Statement, figures in brackets indicate deduction made from the Net Profit for deriving the net cash flow from operating activities. In Part-B and Part-C figures in brackets indicate cash outflows.
- 2) The Cash Flow Statement has been prepared under in-direct method as set out in Indian Accounting Standard (Ind AS)7, 'Statement of Cash Flow'. This is the statement of Cash Flow referred to our report of even date.

As per our attached report of even date
For and on behalf of

CNK & Associates LLP

Chartered Accountants
ICAI Firm Registration No. 101961W/W-100036

Himanshu Kishnadwala

Partner

Membership No: 037391

Mumbai

Dated: 12 May 2023

Keltech Energies Limited
CIN:L30007KA1977PLC031660

Vijay V. Chowgule

Chairman

DIN No.00018903

P. Prabhudev

Chief Financial Officer

Mumbai

Santosh L. Chowgule

Managing Director

DIN No.00097736

Ms. Shalu Tibra

Company Secretary

Membership No.A34873

Dated : 12 May 2023

Notes to financial statements for the year ended March 31, 2023

Particulars	(₹ in Lakhs)									
	Freehold Land	Leasehold Land	Freehold Buildings	Furniture, Fittings & Equipment	Plant and machinery	Laboratory Equipment	Office Equipment	Vehicles	Total	
Gross Block										
Balance as at 1st April, 2021	152.44	21.90	2,596.84	203.55	4,291.71	26.05	168.00	235.19	7,695.68	
Additions / Adjustments	168.90	-	1,085.92	3.24	939.96	4.98	19.48	25.51	2,247.99	
Disposals / Adjustments	-	-	-	-	131.23	-	-	-	131.23	
Balance as at 31st March, 2022	321.34	21.90	3,682.76	206.79	5,100.44	31.03	187.48	260.70	9,812.44	
Balance as at 1st April, 2022	321.34	21.90	3,682.76	206.79	5,100.44	31.03	187.48	260.70	9,812.44	
Additions / Adjustments	-	-	38.10	24.67	357.24	4.53	41.37	15.53	481.45	
Disposals / Adjustments	-	-	0.14	0.20	60.19	0.43	92.55	8.68	(162.19)	
Balance as at 31st March, 2023	321.34	21.90	3,720.72	231.26	5,397.49	35.13	136.30	267.55	10,131.70	
Accumulated depreciation & impairment										
Balance as at 1st April, 2021	-	1.74	537.89	170.55	1,564.66	12.01	128.62	87.89	2,503.36	
Depreciation for the year	-	0.29	99.74	6.91	338.73	2.71	17.70	30.66	496.75	
Disposals / Adjustments	-	-	-	-	15.78	-	-	-	15.78	
Balance as at 31st March, 2022	-	2.03	637.63	177.46	1,887.61	14.72	146.32	118.55	2,984.33	
Balance as at 1st April, 2022	-	2.03	637.63	177.46	1,887.61	14.72	146.32	118.55	2,984.33	
Depreciation for the year	-	0.29	135.07	7.85	376.06	3.18	18.52	27.85	568.82	
Disposals / Adjustments	-	-	0.06	0.20	41.75	0.19	92.30	8.68	143.17	
Balance as at 31st March, 2023	-	2.32	772.64	185.11	2,221.92	17.71	72.54	137.72	3,409.97	
Net carrying value										
Balance as at 31st March, 2022	321.34	19.87	3,045.13	29.34	3,212.82	16.30	41.16	142.15	6,828.11	
Balance as at 31st March, 2023	321.34	19.58	2,948.08	46.15	3,175.57	17.42	63.76	129.83	6,721.72	

(i) Property, plant and equipment pledged as security

Property plant and equipment pledged as securities for borrowing as detailed in Note No.33

(ii) Contractual obligationsRefer to **Note 31** (commitments) for disclosure of contractual commitments for the acquisition of property, plant and equipment.**(iii) Revaluation**

No revaluation of any class of assets is carried out during the year.

KELTECH ENERGIES LIMITED

Notes to financial statements for the year ended March 31, 2023 (Contd..)

(₹ in Lakhs)

Capital Work In Progress

Particulars	Amount
Balance as at 1st April, 2021	568.30
Additions / Adjustments	1,509.56
Capitalised during the year	(2,000.52)
Balance as at 31st March, 2022	77.34
Balance as at 1st April, 2022	77.34
Additions / Adjustments	283.22
Capitalised during the year	(260.99)
Balance as at 31st March, 2023	99.57

For Capital-work-in progress, following is the ageing schedule :

(₹ in Lakhs)

Capital Work In Progress	Amount in CWIP for a period of				Total*
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2022					
Projects in Progress	76.29	-	1.05	-	76.29
Total	76.29	-	1.05	-	76.29
As at March 31, 2023					
Projects in Progress	99.57	-	-	-	99.57
Total	99.57	-	-	-	99.57

(i) Capital work-in-progress

Capital work-in-progress mainly comprises of D-Fuse & PETN Plant at Garamsur, Detonator Project at Garamsur and Ammonium Nitrate Godown at Vishwasnagar.

(ii) Capitalised Borrowing Cost

- The amount of borrowing cost capitalised during the year was Rs.NIL (P.Y. Rs.121.58 lakhs); and
- The capitalisation rate used to determine the amount of borrowing costs eligible for capitalisation was Rs.Nil (P.Y.Nil).

Note 3A: Right of use Assets (ROU)

(₹ in Lakhs)

Particulars	Lease Asset
Gross Carrying Value (At Cost)	
Balance as at 1st April, 2021	202.87
Additions / adjustments	-
Disposals / adjustments	-
Balance as at 31st March, 2022	202.87
Balance as at 1st April, 2022	202.87
Additions / adjustments	-
Disposals / adjustments	-
Total	202.87
Accumulated Depreciation	
Balance as at 1st April, 2021	60.59
Depreciation for the year	28.19
Disposals / adjustments	-
Balance as at 31st March, 2022	88.78
Balance as at 1st April, 2022	88.78
Depreciation for the year	27.96
Disposals / adjustments	-
Balance as at 31st March, 2023	116.74
Net Carrying Value	
Balance as at 31st March, 2022	114.09
Balance as at 31st March, 2023	86.13

Note :- Refer Note-35

Notes to financial statements for the year ended March 31, 2023 (Contd..)
(₹ in Lakhs)
Note 4: Intangible assets

Particulars	Computer Software	Technical Know-how	Total
Gross carrying amount			
Balance as at 1 April 2021	71.34	66.10	137.44
Additions / Adjustments	-	-	-
Disposals / Adjustments	-	-	-
Balance as at 31st March, 2022	71.34	66.10	137.44
Balance as at 1st April 2022	71.34	66.10	137.44
Additions / Adjustments	43.01	-	43.01
Disposals / Adjustments	-	-	-
Balance as at 31st March, 2023	114.35	66.10	180.45
Accumulated amortisation			
Balance as at 1 April 2021	47.54	36.28	83.82
Amortisation charge for the year	21.34	8.03	29.37
Balance as at 31st March, 2022	68.88	44.31	113.18
Balance as at 1st April 2022	68.88	44.31	113.19
Amortisation charge for the year	0.09	8.36	8.44
Balance as at 31st March, 2023	68.97	52.67	121.63
Net carrying amount			
Balance as at 31st March, 2022	2.46	21.79	24.26
Balance as at 31st March, 2023	45.39	13.43	58.82

Note 5: Financial assets
5(a) Current investments
(₹ in Lakhs)

Particulars	As on 31 March 2023	As on 31 March 2022
Investments in Mutual Funds (Fair value through P & L)		
Investments in Mutual Funds	1,048.48	712.39
Total	1,048.48	712.39
Aggregate amount of quoted investments and market value thereof	1,048.48	712.39

5(b) Trade receivables
(₹ in Lakhs)

Particulars	As on 31 March 2023	As on 31 March 2022
Trade Receivables:		
(a) Trade receivables considered good-Secured		
(b) Trade receivables considered good-UnSecured	6,142.98	4,624.95
(c) Trade receivables which have significant increase in Credit Risk	44.33	-
(d) Trade receivables-credit impaired	-	-
Receivables from related parties [refer note 29 (d)]	84.51	84.51
Sub-Total	6,271.82	4,709.46
Expected Credit Loss on above	(83.93)	(86.98)
Total	6,187.89	4,622.48
Current portion	6,187.89	4,622.48
Non-current portion	-	-

KELTECH ENERGIES LIMITED

Notes to financial statements for the year ended March 31, 2023 (Contd..)

(₹ in Lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment FY 2022-23					Total
		Less than 6 months	6 months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade Receivables - Considered Good	4490.09	1547.92	44.25	139.01	-	6.23	6227.48
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	44.33	-	-	-	-	44.33
(iii) Disputed Trade Receivables- Considered Good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-	-
(v) Disputed Trade Receivables-Credit Impaired	-	-	-	-	-	-	-
(vi) Unbilled	-	-	-	-	-	-	-
Less: Expected Credit Loss (ECL)	0	25.32	46.99	11.12	-	0.50	83.93
Total	4490.09	1522.60	41.59	127.89	-	5.73	6187.89

Particulars	Not Due	Outstanding for following periods from due date of payment FY 2021-22					Total
		Less than 6 months	6 months- 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade Receivables - Considered Good	4391.13	93.34	137.54	25.94	49.95	11.56	4709.46
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables- Considered Good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-	-
(v) Disputed Trade Receivables-Credit Impaired	-	-	-	-	-	-	-
(vi) Unbilled	-	-	-	-	-	-	-
Less:- Expected Credit Loss (ECL)	-	23.65	11.89	13.11	28.01	10.32	86.98
Total	4391.13	69.69	125.65	12.83	21.94	1.24	4622.48

(i) The credit period for trade receivable is average 60 days.

(ii) No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Trade or other receivables are also not due from firms or private companies respectively in which any Director is a Partner, a Director or a Member, expect those disclosed in note 29(2).

(iii) Before accepting any new customer, the Company has appropriate levels of control procedures which ensure the potential customer's credit quality. Credit limits scoring attributed to customers are reviewed periodically by the Management;

(iv) Security details refer note no.33

(v) Details for the trade receivables whose credit risk has been assessed individually

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Notes to financial statements for the year ended March 31, 2023 (Contd..)

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Trade receivables on which credit risk assessed on Individual basis	44.33	-
Less: Loss allowance on above	44.33	-
Total	-	-

Allowance of Expected Credit Loss is calculated based on the ECL model as described under INDAS - 109. Refer Note No.26 for the Company's accounting policy and basis of calculating ECL Allowance.

(vi) Movement in the expected credit loss allowance

Particulars	As at 31st March, 2023	As at 31st March, 2022
Balance at the beginning of the year	86.98	145.34
Add: Provision during the year	-	-
Less: Reversal during the year	-3.05	-58.36
Balance at the end of the year	83.93	86.98

5 (d) Cash and cash equivalents

(₹ in Lakhs)

Particulars	As on 31 March 2023	As on 31 March 2022
Balances with banks		
- in current accounts	407.66	104.58
- in Flexi fixed deposit accounts	-	-
Deposits with original maturity of less than three months	268.52	-
Cheques, drafts on hand	-	-
Cash on hand	2.89	2.54
Total cash and cash equivalents	679.07	107.12

5 (e) Bank balances other than cash and cash equivalents

(₹ in Lakhs)

Particulars	As on 31 March 2023	As on 31 March 2022
(i) Earmarked Balances with banks		
Unpaid dividend accounts	9.19	9.91
(ii) Balances with banks to the extent held as margin money	-	-
Margin Money kept as deposits with original maturity of more than 12 months (against Bank Guarantee)		
(iii) Bank deposit with original maturity of more than 3 months but less than 12 months	199.72	536.48
(iv) Other Bank deposits	-	0.52
Total Bank balances other than cash and cash equivalents	208.91	546.91

5 (f) Other financial assets

(₹ in Lakhs)

Particulars	As on 31 March 2023		As on 31 March 2022	
	Current	Non- current	Current	Non- current
(ii) Others				
Bank deposits with original maturity of more than 12 months	-	72.32	-	-
Interest Receivables	5.11	-	0.87	-
Security Deposits	42.04	167.85	7.10	156.85
Total other financial assets	47.16	240.17	7.97	156.85

Security deposits are primarily in relation to public utility services, tender deposits and rental properties.

Note 6 : Deferred tax Liability / (Assets)
The balance comprises temporary differences attributable to:

Particulars	As on 31 March 2023	As on 31 March 2022
Accelerated Depreciation and fair value of assets for tax purpose	465.78	406.95
Expense allowable payment basis	(203.57)	(173.39)
Allowance for doubtful debts – trade receivables	(21.13)	(21.89)
Other items giving rise to temporary difference	(5.32)	0.06
Net Deferred tax Liability / (Assets)	235.76	211.73

Movement in deferred tax Liability / (Assets)

Particulars	Opening balance as on 1st April, 2022	43B Items	Depreciation adjustment	Defined benefit obligation - Prior Period	Allowance for doubtful debt	Other items	Total
Deferred tax Liability	406.95	-	-	-	-	-	406.95
Recognised in profit or loss	-	-	58.83	-	-	-	58.83
Recognised in other comprehensive income	-	-	-	-	-	-	-
Deferred tax on basis adjustment	-	-	-	-	-	-	-
	406.95	-	58.83	-	-	-	465.78
Deferred tax Asset	195.22	-	-	-	-	-	195.22
Recognised in profit or loss	-	35.12	-	-	(0.77)	0.45	34.80
Recognised in other comprehensive income	-	-	-	-	-	-	-
Deferred tax on basis adjustment	-	-	-	-	-	-	-
	195.22	35.12	-	-	(0.77)	0.45	230.02
Net Deferred tax (asset)/liability as on 31st March, 2023	211.73	-35.12	58.83	-	0.77	-0.45	235.76

NOTE:- The Company has opted to pay tax under the New Tax Regime u/s. 115BBA of Income tax Act, 1961 and the revised rate of Income tax (25.17%) has been applied to compute Deferred Tax Assets/Liabilities.

Notes to financial statements for the year ended March 31, 2023 (Contd..)

(₹ in Lakhs)

Note 7: Non-current tax assets

Particulars	As on 31 March 2023	As on 31 March 2022
Advance payment of taxes [Net of provision for Tax of Rs.1118 Lakhs (P.Y. Rs.734 Lakhs)]	58.41	145.13
Total non-current tax assets	58.41	145.13

Note 8: Other non-current assets

(₹ in Lakhs)

Particulars	As on 31 March 2023	As on 31 March 2022
Capital advances	35.18	109.65
Advances other than capital advances		
Deposits and Balance with statutory/government authorities*	131.43	249.74
Long term Prepaid expenses	38.60	23.46
Long term Deferred Finance Charges	3.01	5.99
Total other non-current assets	208.22	388.84

*Out of this, Rs.36.13 Lakhs (P.Y. Rs.36.13 Lakhs) has been adjusted by the tax authorities against CST demands, which has been disputed by the Company.

Note 9 : Inventories

(₹ in Lakhs)

Particulars	As on 31 March 2023	As on 31 March 2022
Raw materials (Valued at cost, arrived on weighted average method (WAM)) (including goods in transit of Rs. 1048.31 Lakhs (P.Y. Rs. 415.80 Lakhs)	2,776.95	2,400.78
Finished goods (Valued at lower of cost (arrived on WAM) or Net realisable value) (including goods in transit of Rs. 226.79 Lakhs (P.Y. Rs.210.79 Lakhs)	865.02	912.98
Traded goods (Valued at lower of cost (arrived on FIFO basis) or Net realisable value)	166.68	121.94
Stores and spares (Valued at cost, arrived on weighted average method (WAM))	202.05	168.00
Inventory for services	2.52	15.12
Total inventories	4,013.22	3,618.82

NOTES:

(a) All Inventories are mortgaged as security against cash credit facility.

KELTECH ENERGIES LIMITED

Notes to financial statements for the year ended March 31, 2023 (Contd..)

(₹ in Lakhs)

Note 10: Other current assets

Particulars	As on 31 March 2023	As on 31 March 2022
Advances other than capital advances		
Advance to suppliers	325.17	240.68
Others (specify nature)		
Prepaid expenses	209.37	85.48
Deposits and Balance with statutory/government authorities	302.79	51.99
Advance to Employees	36.75	16.85
Deferred Finance Charges	1.92	1.88
Total other non-current assets	876.00	396.88

Note 11: Equity share capital

(₹ in Lakhs)

Authorised share capital

Particulars	As on 31 March 2023	As on 31 March 2022
Authorised - Equity share capital		
10,00,000 (31st March 2022 :- 10,00,000) Equity shares of Rs. 10 par value	100.00	100.00
Total (A)	100.00	100.00

Authorised - Unclassified share capital

Particulars	As on 31 March 2023	As on 31 March 2022
10,00,000 (31st March 2022 :- 10,00,000) Equity shares of Rs. 10 par value	100.00	100.00
Total (B)	100.00	100.00
Total Authorised share capital (A+B)	200.00	200.00

Issued share capital

Particulars	As on 31 March 2023	As on 31 March 2022
10,00,000 (31st March 2022 :- 10,00,000) Equity shares of Rs. 10 par value	100.00	100.00
Total	100.00	100.00

(i) Subscribed & fully paid share capital

Particulars	As on 31 March 2023	As on 31 March 2022
9,99,900 (31st March 2022 :- 9,99,900) Equity shares of Rs. 10 par value fully paid up	99.99	99.99
Total	99.99	99.99

Notes to financial statements for the year ended March 31, 2023 (Contd..)
(₹ in Lakhs)
(ii) Subscribed & but not fully paid share capital

Particulars	As on 31 March 2023	As on 31 March 2022
100 (31st March 2022 :- 100)Equity shares of Rs. 10 par value not fully paid (Rs.250 received on application)	0.01	0.01
Total	0.01	0.01

Terms and 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 shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The final dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(ii) Details of shareholders holding more than 5% shares in the company

Particulars	As on 31 March 2023		As on 31 March 2022	
	Number of shares	% holding	Number of shares	% holding
Chowgule & Co. Private Limited	409,940	40.99%	409,940	40.99%
Dolphin Investment Limited	93,601	9.36%	93,601	9.36%

(iii) Details of the shares held by the promoters

Name of the Promoters/Promoter Group	No. of Shares held at the end of the year [As on March 31, 2023]		No. of Shares held at the end of the year [As on March 31, 2022]		% Change during the year
	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	
Chowgule & Co. Private Limited	409,940	40.99%	409,940	40.99%	-
Shri.Vijay Vishwasrao Chowgule	39,722	3.97%	38,722	3.87%	2.58%
Shri.Ashok Vishwasrao Chowgule	20	-	20	-	-
Dolphin Investment Limited	93,601	9.36%	93,601	9.36%	-
Total	543,283	54.33%	542,283	54.23%	2.58%

Note 12 (a) Reserves and surplus
(₹ in Lakhs)

Particulars	As on 31 March 2023	As on 31 March 2022
General Reserve	4,699.80	4,699.80
Retained earnings	3,498.62	2,321.49
Total reserves and surplus	8,198.42	7,021.29

KELTECH ENERGIES LIMITED

Notes to financial statements for the year ended March 31, 2023 (Contd..)

(₹ in Lakhs)

(ii) General Reserve

Particulars	As on 31 March 2023	As on 31 March 2022
Opening balance	4,699.80	4,699.80
Movement	-	-
Closing balance	4,699.80	4,699.80

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

(iii) Retained earnings

(₹ in Lakhs)

Particulars	As on 31 March 2023	As on 31 March 2022
Opening balance	2,321.49	1,673.49
Net profit for the period	1,192.13	663.00
Opening Adjustment	-	-
Items of other comprehensive income recognised directly in retained earnings		
Remeasurements of post-employment benefit obligation, net of tax	-	-
Transfer to General Reserve	-	-
Dividends	(15.00)	(15.00)
Closing balance	3,498.62	2,321.49

Note 12 (b) Other Reserves

(₹ in Lakhs)

Particulars	As on 31 March 2023	As on 31 March 2022
Remeasurements of Defined benefit plans (Net of tax)		
Opening Balance	(87.12)	(86.10)
During the year	-89.14	(1.02)
Closing balance	(176.26)	(87.12)

Dividends:

The following dividends were declared and paid by the Company during the year:

(₹ in Lakhs)

Particulars	31-Mar-23	31-Mar-22
Final Dividend of INR 1.50 per equity share (31 March 2022 INR 1.50)	15.00	15.00
	15.00	15.00

After the reporting dates the following dividends were proposed by the directors subject to the approval at the annual general meeting; the dividends have not been recognised as liabilities.

(₹ in Lakhs)

Particulars	31-Mar-23	31-Mar-22
Final Dividend of INR 1.50 per equity share (31 March 2022: INR 1.50)	15.00	15.00
	15.00	15.00

Note 13: Borrowings

13(a) Non-current borrowings

Particulars	As on 31 March 2023	As on 31 March 2022
Secured - at amortised cost		
Term Loans		
-From Banks	951.00	1,109.74
- From other parties	-	-
Unsecured - at amortised cost	-	-
Total	951.00	1,109.74

Sr. No.	Nature of Security	Rate of Interest	Terms of repayment	As at 31st March, 2023	As at 31st March, 2022
1	Term Loan From Banks: Towards COVID 19 (SBI) Prime Security Hypothecation of Stock & Receivables Collateral Security Extension of Equitable Mortgage on Factory Land & Buildings	7.40%	Feb 21 to July 22	-	18.00
2	Towards PETN Project (Canara Bank) Prime Security Project Assets Collateral Security Existing EMT of Land and Factory Building	11.85%	Aug 22 to Aug 26	515.93	514.82
3	Towards GECL- Canara Bank - I Prime Security Hypothecation of Book Debts Collateral Security Existing EMT of Land and Factory Building	7.95%	May 24 to May 27	110.00	-
4	Towards PETN Project (SBI) Prime Security Plant & Machinery at Garamsur Collateral Security Extension of Equitable Mortgage on Factory Land & Buildings	10.50%	July 22 to June 26	130.30	190.78
5	Towards purchase of Cars Prime Security Hypothecation of Assets Collateral Security Existing EMT of Land and Factory Building	11.95%	March 19 to August 24	17.96	29.12

KELTECH ENERGIES LIMITED

Notes to financial statements for the year ended March 31, 2023 (Contd..)

(₹ in Lakhs)

Note 13: Borrowings - 13(a) Non-current borrowings (Contd..)

Sr. No.	Nature of Security	Rate of Interest	Terms of repayment	As at 31st March, 2023	As at 31st March, 2022
6	Towards purchase of Pump Truck Prime Security Hypothecation of Assets Collateral Security Existing EMT of Land and Factory Building	10.85%	May 22 to May 25	63.11	-
7	Towards COVID 19 Prime Security Hypothecation of Stock & Receivables Collateral Security Extension of Equitable Mortgage on Factory Land & Buildings	8.05%	Jan 21 to June 22	-	16.50
8	Towards Expansion of Slurry Plant Prime Security Project Assets Collateral Security Existing EMT of Land and Factory Building	11.95%	Jan 20 to July 25	196.18	283.47
9	Towards GECL- SBI Prime Security Hypothecation of Stock & Receivables Collateral Security Extension of Equitable Mortgage on Factory Land & Buildings	9.25%	Nov 21 to October 24	42.70	74.92
10	Towards GECL- Canara Bank Prime Security Hypothecation of Book Debts Collateral Security Existing EMT of Land and Factory Building	9.25%	Nov 20 to Nov 24	145.55	232.89
11	Towards Expansion of Slurry Plant- SBI Prime Security Slurry Plant at Garamsur, Nagpur Collateral Security Extension of Equitable Mortgage on Factory Land & Buildings	9%	July 21 to Dec 25	216.38	308.29
12	Towards GECL- SBI Prime Security Hypothecation of Stock & Receivables Collateral Security Extension of Equitable Mortgage on Factory Land & Buildings	8.90%	June 23 to May 26	177.13	-
	Total Borrowings			1,615.24	1,668.79
	Less: Current Maturities of Long Term Borrowings			664.24	559.05
	Non-current borrowings			951.00	1109.74

Notes to financial statements for the year ended March 31, 2023

(₹ in Lakhs)

Note 13: Borrowings -

13(b) Current borrowings

(₹ in Lakhs)

Particulars	Coupon/ Interest rate	As on 31 March 2023	As on 31 March 2022
Loans repayable on demand (Secured)			
a) From banks			
Cash credit facility	9.35%	1,452.72	1,258.35
Current maturities of long-term debt		664.24	559.05
Total Current borrowings		2,116.95	1,817.40

Secured borrowings and assets mortgaged/ hypothecated as security

- (a) All secured borrowings are secured by mortgage of assets and hypothecation of vehicles
- (b) The carrying amounts of financial and non-financial assets mortgaged/ hypothecated as security for current and non-current borrowings are disclosed in **note 34**.
- (c) Working Capital Loan availed to meet the Liquidity mismatch arising out of Covid-19 out-break.
- (d) Term Loans were used fully for the purpose for which the same were obtained.
- (e) The Company is adequately submitting monthly statements of current assets to the banks which are as per the books of accounts maintained by the company.

Quarter ended	Nature of Bank	Details of Security Provided	Amount as per Books	Amount reported in Quarterly Returns	Amount of Difference	Reasons of material discrepancies
Jun-22	Consortium of Banks led by Canara Bank and State Bank of India	Inventory	3,284.48	3,055.56	228.92	None
		Receivable	5,266.09	5,254.89	11.20	
Sep-22		Inventory	2,527.15	2,425.88	101.27	
		Receivable	5,562.16	5,538.24	23.92	
Dec-22		Inventory	2,506.68	2,297.77	208.91	
		Receivable	6,829.72	6,738.97	90.75	
Mar-23		Inventory	2,347.45	2,177.01	170.44	
		Receivable	6,187.89	6,212.27	-24.38	

* considered upto 10% of amount reported in quarterly returns.

KELTECH ENERGIES LIMITED

Notes to financial statements for the year ended March 31, 2023 (Contd..)

(₹ in Lakhs)

13(c) Other Financial Liabilities

Particulars	As on 31 March 2023	As on 31 March 2022
Current		
Interest accrued but not due on borrowings	8.50	6.76
Capital creditors	17.46	112.57
Unpaid dividends*	9.18	9.91
Deposits from dealers	6.60	6.60
Outstanding liabilities	1,513.73	579.87
Total Other Current Financial Liabilities	1,555.47	715.71

* All amounts required to be transferred to the Investor Education and Protection fund by the Company have been transferred within the time prescribed for the same.

** Refer Note No.35

13(d) Trade payables

(₹ in Lakhs)

Particulars	As on 31 March 2023	As on 31 March 2022
Total Outstanding dues of Micro Enterprises and Small Enterprises	142.80	71.56
Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	5,659.59	5,436.79
Total trade payables	5,802.39	5,508.35

Disclosure under Sec. 22 of MSMED Act, 2006

(Chapter V - Delayed payment to Micro, Small and Medium Enterprises)

Micro, Small and Medium Enterprises

Information in respect of Micro, Small and Medium Enterprises Development Act, 2006; based on the information available with the company. The required disclosures are given below:

Particulars	As on 31 March 2023	As on 31 March 2022
The Principal amount and Interest remaining unpaid to any supplier as at the end of the each accounting year	-	-
The amount of interest paid by the buyer in terms of Section 16. of the Micro, Small and Medium Enterprises Development Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payments (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprises Development Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year: and	-	-
The amount of further interest remaining due and payable even in the succeeding years until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act 2006	-	-

Trade Payables ageing schedule

Particulars	Not due	Outstanding for following periods from due date of payment FY 2022-23				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) MSME	142.80	-	-	-	-	142.80
ii) Others	5043.08	614.54	0.02	1.95	-	5,659.59
iii) Disputed dues - MSME	-	-	-	-	-	-
iv) Disputed dues -Others	-	-	-	-	-	-
v) Unbilled	-	-	-	-	-	-
Total	5185.88	614.54	0.02	1.95	-	5,802.39

Particulars	Not due	Outstanding for following periods from due date of payment FY 2021-22				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) MSME	71.56	-	-	-	-	71.56
ii) Others	4596.36	838.08	2.35	-	-	5,436.79
iii) Disputed dues - MSME	-	-	-	-	-	-
iv) Disputed dues -Others	-	-	-	-	-	-
v) Unbilled	-	-	-	-	-	-
Total	4667.92	838.08	2.35	-	-	5,508.35

13(e) Non-current Lease Liabilities

(₹ in Lakhs)

Particulars	As on 31 March 2023	As on 31 March 2022
Lease Liabilities	87.45	95.57
Total non-current Lease Liabilities	87.45	95.57

13(e) Current Lease Liabilities

(₹ in Lakhs)

Particulars	As on 31 March 2023	As on 31 March 2022
Lease Liabilities	19.82	37.90
Total Current Lease Liabilities	19.82	37.90

KELTECH ENERGIES LIMITED

Notes to financial statements for the year ended March 31, 2023 (Contd..)

(₹ in Lakhs)

Note 14: Provisions

Particulars	As on 31 March 2023			As on 31 March 2022		
	Current	Non-Current	Total	Current	Non-Current	Total
(i) Provision for employee benefits						
Leave encashment (i)	48.37	160.68	209.05	59.10	148.62	207.72
Gratuity (ii) *	167.76	431.99	599.75	99.50	361.95	461.45
(ii) Provision for powder factor deduction \$	712.59	-	712.59	286.91	42.58	329.49
(iii) Provision for Warranties	19.45	-	19.45	-	-	-
Total	948.17	592.67	1,540.85	445.51	553.15	998.66

* Including Rs.49.19 lakhs (P.Y. Rs.41.95 Lakhs) towards Gratuity liability of Contract Labourers based on management estimate.

Provisions

(i) Movements in provisions

Movements in each class of provision during the financial year, are set out below:

Particulars	As on 31 March 2023		As on 31 March 2022	
	Powder factor deduction (Rs. in Lakhs)	Warranties (Rs.in Lakhs)	Powder factor deduction (Rs. in Lakhs)	Warranties (Rs.in Lakhs)
Opening Provision	329.49	-	42.58	-
Charged/(credited) to profit or loss				
additional provisions recognised	506.21	19.45	286.91	-
unused amounts reversed	-	-	-	-
unwinding of discount	-	-	-	-
Amounts used during the year	123.10	-	-	-
Closing Provision	712.59	19.45	329.49	-

\$ Provision for Powder Factor Deduction

a) The provision for powder factor deduction is due to non achievement of the required performance of the product. The provision is based on estimates made from technical evaluation and historical data associated with similar services.

b) The Company's main clients are PSUs where in Powder Factor deduction is determined after a substantial period of time, the consequential claims and counterclaims on performance bonus/deductions affect the trade receivables on account of which the substantial part of balances outstanding as trade receivables are not confirmed by them. However, the management is confident that such receivables are stated at their realizable value and adequate provisions are made in the accounts, wherever required.

Provision for warranties -

Letter received from M/s. Manganese Ore India Limited towards risk purchase with holding of Rs.63.78 lakhs, against which Rs.44.33 lacs has been provided under Expected Credit Loss and Rs.19.45 lakhs provided under Claims & Warranties, which is on account of non supply of Explosives to M/s.Manganese Ore India Limited. This contract is for 1 year from 1st July 22 till 30th June 23. If the Company would have supplied the quantity as per Contract then the Company would have met with a loss of Rs.154 lakhs.

Provision for employee benefits
**(i) Other Long Term Employee Benefits
Compensated Absences**

The Compensated Absences cover the company's liability for earned leave.

The amount of the provision of Rs. 48.37 Lakhs (P.Y. Rs. 59.10 Lakhs) is presented as current, since the company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is expected to be taken or paid within the next 12 months.

Particulars	31 March 2023	31 March 2022
Current leave obligations expected to be settled within the next 12 months	48.37	59.10

(ii) Post-employment benefit plans
Gratuity

The company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of completed years of service. The gratuity plan is a partly funded plan and the company makes contributions to Insurer managed funds in India. The company does not fully fund the liability.

(iii) Defined Contribution plans

The company also has certain defined contribution plans. Contributions are made to provident fund, Employers Contribution to Employees' State Insurance & super annuation schemes in India for employees. The Provident Fund and the State defined Contribution plans are operated by the Regional Provident Fund Commissioner and the Superannuation Fund is funded to LIC of India. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is Rs. 225.15 Lakhs (P.Y. Rs. 217.81 Lakhs).

Balance sheet amounts – Gratuity

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation gratuity over the year are as follows:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
1 April 2022	521.95	102.46	419.49
Current service cost	33.61		33.61
Net Interest expense	34.43		34.43
Net Interest income		6.27	-6.27
Past service cost	-	-	-
Total amount recognised in profit or loss	68.04	6.27	68.04
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	-2.99	2.99
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	3.03	-	3.03
Experience (gains)/losses	110.76	-	110.76
Total amount recognised in other comprehensive income	113.79	-2.99	116.78
Contributions :			
Employer	-	47.49	(47.49)
Plan participants	-	-	-
Benefit payments	81.21	81.21	-
Adjustment to Opening Fair Value of Plan Assets		-	-
31 March 2023	622.57	72.02	556.82

KELTECH ENERGIES LIMITED

Notes to financial statements for the year ended March 31, 2023 (Contd..)

(₹ in Lakhs)

The net liability disclosed above relates to funded and unfunded plans are as follows:

Particulars	As on 31 March 2023	As on 31 March 2022
Present value of funded obligations	404.79	317.07
Fair value of plan assets	72.02	102.46
Deficit of funded plan	332.77	214.61
Present value of Unfunded obligations	217.79	204.88
Deficit of gratuity plan	550.56	419.49

Post-Employment benefits

Significant estimates: actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:	31 March 2023	31 March 2022
Discount rate	7.22%	7.33%
Attrition Rate	1%	1%
Salary Escalation or inflation (%)	5.53 to 8.83%	1.08 to 19.54%
Mortality Rates	IALM(2012-14) Ult	IALM(2012-14) Ult

Employee benefit obligations

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Impact on defined benefit obligation

(₹ in Lakhs)

Particulars	31 March 2023			
	Discount Rate		Salary Escalation Rate	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(38.36)	42.95	42.95	(38.32)

Particulars	31 March 2022			
	Discount Rate		Salary Escalation Rate	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(32.22)	37.28	36.58	(32.57)

Sensitivity analysis is determined based on the expected movement in liability if the assumptions were not proved to be true on different count.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Employee benefit obligations

The major categories of plans assets are as follows:

(₹ in Lakhs)

Particulars	As on 31 March 2023	As on 31 March 2022
Unquoted Investments :		
Gratuity Fund maintained by LIC of India	72.02	102.46
Total	72.02	102.46

Notes to financial statements for the year ended March 31, 2023 (Contd..)

Employee benefit obligations

Risk exposure

The defined benefit plans expose the company to actuarial risk, such as longevity risk, interest rate risk and market (investment) risk. Specific class of employees are covered by the company for the purpose of gratuity obligations by investing in group gratuity scheme of LIC of India and for rest of the employees, though not covered by funded obligation, liability has been created based on actuarial valuation. In case of employees at one of the unit the liability is based on management's estimate amounting to Rs.49.28 lacs.

(iv) Employer Contributions

Expected contributions to post-employment benefit plans for the year ending 31 March 2023 are Rs. 35 Lakhs

The weighted average duration of the defined benefit obligation is 6.14 years (2022 – 7.16 years) for employees who are covered under group gratuity scheme of LIC of India and 6.75 years (2022 – 7.33 years) for employees who are not covered by group gratuity scheme of LIC of India.

Note 15: Other Current Liabilities

(₹ in Lakhs)

Particulars	As on 31 March 2023	As on 31 March 2022
Statutory tax payables	48.65	46.90
Advance from Customers	53.28	171.08
Total other Current Liabilities	101.94	217.99

Note 16: Current tax liabilities (Net)

(₹ in Lakhs)

Particulars	As on 31 March 2023	As on 31 March 2022
Provision for Tax [Net of Advance Tax of Nil Lakhs (P.Y.Nil Lakhs)].	-	-
Total non-current tax assets	-	-

Note 17 : Revenue from Operations

The company derives the following types of revenue:

(₹ in Lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Sale of Products:		
Manufactured goods	52,373.15	32,447.42
Traded goods	2,284.55	1,433.42
	54,657.70	33,880.84
Sale of Services		
Freight	1,191.49	1,001.53
Other Services (Site Contract Income)	344.10	312.23
	1,535.59	1,313.76
Other operating revenue :	91.47	267.75
Consultancy services	36.34	33.56
Sale of Scrap	8.26	48.94
Others	46.86	185.25
Total revenue from continuing operations	56,284.76	35,462.35

Refer Note 40

KELTECH ENERGIES LIMITED

Notes to financial statements for the year ended March 31, 2023 (Contd..)

(₹ in Lakhs)

Note 18: Other income

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest income from financial assets at amortised cost		
On Bank deposits	17.17	12.94
On Loans and Advances	0.01	0.10
Other Interest	9.39	6.10
Exchange Gain (Net)	98.82	54.03
Duty Draw Back	41.16	13.80
Liabilities/ Provisions no longer required written back	3.05	58.36
Net gain on disposal of property, plant and equipment	-	-
Powder Factor deduction and Bonus Provision Written back	22.35	-
Other balances Written Back	0.96	7.80
Insurance Claim Received	16.25	0.40
Net fair value Gain on Investments carried at fair value through P & L(FVTPL)	36.09	12.39
Total other income	245.26	165.92

Note 19: (a) Cost of Materials Consumed

(₹ in Lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
(i) Opening stock		
Raw material	1,939.23	1,116.52
Packing material	461.55	354.85
	2,400.78	1,471.37
(ii) Add : Purchases		
Raw material	42,580.34	25,895.83
Packing material	1,928.02	2,017.25
	44,508.36	27,913.08
(iii) Less : Closing stock		
Raw material	2,421.29	1,939.23
Packing material	355.66	461.55
	2,776.95	2,400.78
(iv) Consumption		
Raw material	42,098.28	25,073.12
Packing material	2,033.91	1,910.55
Total	44,132.20	26,983.67

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Notes to financial statements for the year ended March 31, 2023 (Contd..)

(₹ in Lakhs)

(b) Purchase of stock in trade

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Traded Goods	1,694.77	1,153.23
Total	1,694.77	1,153.23

(c) Changes in inventories of work-in-progress, stock-in-trade and finished goods

(₹ in Lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
(i) Manufactured finished goods		
Opening stock	912.98	329.53
Less : Closing stock	865.02	912.98
	47.96	(583.45)
(ii) Traded finished goods		
Opening stock	121.94	67.42
Less : Closing stock	166.68	121.94
	(44.74)	(54.51)
(iii) Work in Progress - (Inventory for Services)		
Opening stock	15.12	-
Less : Closing stock	2.52	15.12
	12.61	(15.12)
Total	15.82	(653.09)

Note 20: Employee benefit expense

(₹ in Lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries, wages and bonus	1,655.92	1,479.88
Contribution to provident fund, State Insurance & Superannuation scheme	162.10	153.67
Gratuity expenses	70.93	64.05
Staff welfare expenses	156.50	96.78
Total employee benefit expense	2,045.45	1,794.38

Note 21: Depreciation and amortisation expense

(₹ in Lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation of property, plant and equipment - (Refer Note -3)	572.58	496.75
Depreciation on Right of use Assets -(Refer Note - 3A)	27.96	28.19
Impairment Losses	-	-
Amortisation of intangible assets (Refer Note-4)	4.68	29.36
Total depreciation and amortisation expense	605.22	554.30

KELTECH ENERGIES LIMITED

Notes to financial statements for the year ended March 31, 2023 (Contd..)

(₹ in Lakhs)

Note 22: Other expenses

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Consumption of stores and spares	373.48	320.70
Power & Fuel	581.42	395.94
Repairs and maintenance		
Plant and Machinery	238.60	99.83
Buildings	82.58	29.33
Others	64.15	36.78
Rental charges	40.44	30.44
Rates and taxes	40.96	30.88
Legal and professional fees	241.86	227.87
Travel and Conveyance	505.77	324.16
Insurance	65.69	53.96
Communication Expenses	13.72	20.61
Sales commission	414.59	410.44
Director's sitting fees	4.90	6.80
Freight & Forwarding	1,292.67	1,201.99
Establishment Expenses	858.41	690.79
Claims against Warranties	567.24	286.91
Bad debts	20.92	22.58
Expected Credit Loss	-	-
Handling & Transport	195.68	193.11
Drilling & Blasting Expenses	-	138.76
Corporate social responsibility expenditure (refer note 22(b) below)	12.87	12.66
Payments to auditors (refer note 22(a) below)	11.00	11.30
Miscellaneous expenses	184.94	138.64
Gain/Loss on fair valuation of Investments through P & L	-	
Net Loss on disposal of Property, Plant and Equipment	19.20	2.25
Total other expenses	5,831.11	4,686.73

Note 22(a): Details of payments to auditors

(₹ in Lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Auditor*	9.50	9.50
For Taxation matters	1.00	1.00
For Other Services	0.50	0.50
Total payments to auditors	11.00	11.00

* Includes INR 1 lakh paid to Previous Auditors during year ended March 31, 2023

Note 22(b): Corporate social responsibility expenditure

The average Profit before tax of the Company for the last three financial years was Rs.612.22 Lakhs, basis on which the Company was required to spend Rs.12.24 Lakhs towards Corporate Social Responsibility (CSR) activities for the current financial year.

a) Amount spent during the year on : (₹ in Lakhs)

Particulars	31-Mar-23			31-Mar-22		
	Amount Spent	Amount Unpaid / Provision	Total	Amount Spent	Amount Unpaid / Provision	Total
Construction / acquisition of any asset	-	-	-	-	-	-
On purpose other than (i) above	12.87	-	12.87	12.66	-	12.66

b) In case of Section 135(5) unspent amount :

In case of Section 135(5) unspent amount: (₹ in Lakhs)

Opening Balance	Amount deposited in Specified Fund of Sch. VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing Balance
-	-	-	-	-

Note:

c) In case of Section 135(5) Excess amount spent (₹ in Lakhs)

Opening Balance	Amount required to be spent during the year	Amount spent during the year	Closing Balance
NIL	12.24	12.87	-0.63

Note: Rs.0.63 Lakhs was spent over and above the prescribed CSR Budget of Rs.12.24 Lakhs for the financial year 2022-23.

d) In case of Section 135(6) Details of ongoing projects (₹ in Lakhs)

Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance	
With Company	In Separate CSR Unspent Account		From Company's Bank Account	From Separate CSR Unspent Account	With Company	In Separate CSR Unspent Account
0	0	0	-	-	-	-

e) Nature of CSR activities

CSR activities for promotion of quality education, healthcare & Covid 19 relief

f) Details of Retaled Party Transactions- NIL

KELTECH ENERGIES LIMITED

Notes to financial statements for the year ended March 31, 2023 (Contd..)

Note 23: Finance costs

(₹ in Lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest and finance charges on financial liabilities measured at amortised cost	338.39	142.80
Other borrowing cost	187.32	102.73
Interest on Lease Liabilities	11.70	13.72
	537.40	259.25
	-	-
Finance costs expensed in profit or loss	537.40	259.25

Note 24: Income tax expense

(₹ in Lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
(a) Income tax expense		
Current tax		
Current tax on profits for the year	421.00	190.00
Adjustments for current tax of prior periods	-	-
Total current tax expense	421.00	190.00
Deferred tax		
deferred tax expense/(income)	54.92	(3.21)
Total deferred tax expense/(benefit)	54.92	(3.21)
Income tax expense	475.92	186.79
Income tax expense is attributable to:		
Profit from continuing operations	475.92	186.79
Profit from discontinued operation	-	-

(c) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

Particulars	31 March 2023	31 March 2022
Profit from continuing operations before income tax expense	1,668.05	849.79
	1,668.05	849.79
Tax at the Indian tax rate of 25.17% (2021-2022 25.17%)	419.85	213.89
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Donation / CSR	4.23	3.79
Penalty fine paid	1.73	-
Actual rent paid during the year (INDAS 116)	-	-
Interest on Leases (INDAS 116)	-	-
Interest on late payment of tax	3.50	-
Other difference	46.61	(30.89)
Income Tax Expense	475.92	186.79

i) The Company has opted for New Tax Regime under 115BAA and has applied the revised rate of 25.17% to compute income tax expense.

Notes to financial statements for the year ended March 31, 2023 (Contd..)

Note 25: Financial instruments

A. Calculation of Fair Values

The fair values of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate the fair values of financial instruments:

- (i) The fair value of the long-term borrowings carrying floating-rate of interest is not impacted due to interest rate changes and will not be significantly different from their carrying amounts as there is no significant change in the under-lying credit risk of the Company (since the date of inception of the loans).
- (ii) Cash and cash equivalents, trade receivables, investments in term deposits, other financial assets, trade payables, and other financial liabilities have fair values that approximate to their carrying amounts due to their short-term nature.

B Fair Value Measurement Hierarchy:

(₹ in Lakhs)

Particulars	As on 31 March 2023			As on 31 March 2022				
	Carrying Amount	Level of input used in			Carrying Amount	Level of input used in		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Financial assets								
At FVTPL								
Investments in Mutual Funds	1,048.48	1,048.48	-	-	712.39	712.39	-	-
At Amortised cost								
Trade receivables	6,187.89	-	-	-	4,622.48	-	-	-
Loans	-	-	-	-	-	-	-	-
Cash and cash equivalents	679.07	-	-	-	107.12	-	-	-
Bank deposits with more than 12 months maturity	72.32	-	-	-	-	-	-	-
Bank balances other than above	208.91	-	-	-	546.91	-	-	-
Security deposits	209.89	-	-	-	163.96	-	-	-
Loan to employees	-	-	-	-	-	-	-	-
Loans & Advances to employees - Short term	-	-	-	-	-	-	-	-
Interest receivable	5.11	-	-	-	0.87	-	-	-
Total financial assets	8,411.68	1,048.48	-	-	6,153.72	712.39	-	-

KELTECH ENERGIES LIMITED

Notes to financial statements for the year ended March 31, 2023 (Contd..)

(₹ in Lakhs)

B Fair Value Measurement Hierarchy: (Contd..)

Particulars	As on 31 March 2023			As on 31 March 2022		
	Carrying Amount	Level of input used in		Carrying Amount	Level of input used in	
		Level 1	Level 2		Level 3	Level 1
Lease Liability	107.27	-	-	133.46	-	-
Borrowings	951.00	-	-	1,109.74	-	-
Cash credit facility	1,452.72	-	-	1,258.35	-	-
Current maturities of long term debt & interest accrued	672.74	-	-	565.80	-	-
Unpaid dividend	9.18	-	-	9.91	-	-
Trade payables	5,802.39	-	-	5,508.35	-	-
Capital creditors	17.46	-	-	112.57	-	-
Deposit from dealers	6.60	-	-	6.60	-	-
Outstanding liabilities	1,513.73	-	-	579.87	-	-
Total financial liabilities	10,533.09	-	-	9,284.64	-	-

The fair value of financial instruments as referred to in note (B) above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

- i Level 1: Quoted prices for identical instruments in an active market;
- ii Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and
- iii Level 3: Inputs which are not based on observable market data

During the reporting period ending 31st March, 2023 and 31st March, 2022, there was no transfer between level 1 and level 2 fair value measurement.

Note 26: Financial Risk Management

The company's activities expose it to market risk, liquidity risk and credit risk. Market risk is the risk of loss of future earnings, fair value or future cashflows that may result from a change in the price of the financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivable and payables and loans and borrowings.

If the risk exposure is significant then senior management reviews the position and takes decision regarding hedging/other risk strategies to mitigate such risk exposures.

(i) **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 the market interest rate. The company is not exposed to significant interest rate risk as at the respective reporting dates.

(ii) **Foreign Currency Risk:** The Company is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies. These exposures are unhedged.

Foreign Currency Exposure	31-Mar-23			31-Mar-22		
	USD	Closing Rate	INR	USD	Closing Rate	INR
Trade Receivable	6.86138	82.15	563.69	4.78304	75.51	361.17
Trade Payable	0.87750	82.16	72.10	6.22575	75.51	470.11
	Pounds	Closing Rate	INR	Pounds	Closing Rate	INR
Trade Payable	-	-	-	-	-	-
	Euros	Closing Rate	INR	Euros	Closing Rate	INR
Trade Payable	0.07400	89.10	6.59	0.13650	84.09	11.48

Foreign Currency Sensitivity: 5% increase or decrease in foreign exchange rates will have the following impact on profit before tax. Trade Receivable

Currencies		2022-23		2021-22	
		5% increase	5% decrease	5% increase	5% decrease
	USD	86.26	78.05	79.29	71.73
USD	Increase/(decrease) in net profit before tax	28.18	-28.18	18.06	-18.06

Trade Payable

Currencies		2022-23		2021-22	
		5% increase	5% decrease	5% increase	5% decrease
USD	USD	86.27	78.05	79.29	71.73
	Increase/(decrease) in net profit before tax	(3.60)	3.60	(23.51)	23.51
Pounds	Pounds	-	-	-	-
	Increase/(decrease) in net profit before tax	-	-	-	-
Euros	Euros	93.56	84.65	88.29	79.88
	Increase/(decrease) in net profit before tax	(0.33)	0.33	-0.57	2.31

Note 26: Financial Risk Management (Contd..)

(iii) **Credit Risk:** Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

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

- (i) Actual or expected significant adverse change in business
- (ii) Actual or expected significant change 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 increases in credit risk on other financial instruments of the same counterparty

A default on a financial asset is when the counterparty fails to make contractual payments within 1095 days of when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

Financial assets are written off when there is no reasonable expectation of recovery. Where loans or receivables have been written off, the Company may engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

The carrying amounts of financial assets represent the maximum credit risk exposure

Exposure to Credit Risk	31-Mar-23	31-Mar-22
Cash & Cash Equivalent	676.18	104.58
Other Bank balance	208.91	546.39
Bank deposits with more than 12 months maturity	-	0.52
Loans & Advances to employees - Short term	36.75	16.85
Financial risk for which loss allowance is measured using Lifetime expected Credit Losses (ECL)	83.93	86.98
Trade Receivables	6,271.82	4,709.46

(iv) **Trade Receivables & Other Receivables :** Customer credit is managed by each business unit subject to company's established policies, procedures and control relating to customer credit risk management. Trade Receivables are non interest bearing and are generally on 60 days credit term.

An impairment analysis is performed at each reporting date on an individual basis for major clients.

The Company measures the Expected Credit Loss of Trade Receivables 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. Expected credit loss is computed on a collective basis as receivables are in similar category & amount of individual trade receivables are not individually significant except those as disclosed in Note 5C. Based on management estimation and data available there is no significant increase in credit risk/credit impaired for individual trade receivables except those disclose in note 5C.

In computation of the expected credit loss, there is no specific provisioning / write off policy for outstanding for more than certain period. There are no specific forward looking information estimated by the management.

The ageing analysis of the receivables (gross of provision) has been considered from the date the invoice falls due.

Notes to financial statements for the year ended March 31, 2023 (Contd..)

Note 26: Financial Risk Management (Contd..)
31-Mar-23

Particulars	(₹ in Lakhs)									
	Not due	0-90 days past due	91-180 days past due	181-360 days past due	360 days and above	100% Provided	Total			
Gross carrying amount (A)	4,490.09	1,407.82	140.10	44.25	145.23	44.33	6,271.82			
Expected loss rate (B)	-	1.50%	3.00%	6.00%	8.00%	100.00%	-			
Expected credit losses (Loss allowance provision) (C=A*B)	-	21.12	4.20	2.66	11.62	44.33	83.93			
Carrying amount of trade receivables (net of impairment)	4,490.09	1,386.70	135.90	41.59	133.61	-	6,187.89			

Particulars	(₹ in Lakhs)												
	Not due	0-90 days past due	91-180 days past due	181-270 days past due	271-360 days past due	361-450 days past due	451-540 days past due	541-630 days past due	631-720 days past due	721-810 days past due	811-900 days past due	More than 900 days past due	Total
Gross carrying amount (A)	4,484.49	77.29	54.20	7.96	18.48	0.49	5.02	2.35	11.58	1.02	35.01	11.56	4,709.45
Expected loss rate (B)	-	12.94%	25.19%	36.19%	48.76%	51.03%	57.68%	62.52%	73.33%	77.34%	77.76%	89.29%	-
Expected credit losses (Loss allowance provision) (C=A*B)	-	10.00	13.65	2.88	9.01	0.25	2.90	1.47	8.49	0.79	27.22	10.32	86.98
Carrying amount of trade receivables (net of impairment)	4,484.49	67.29	40.55	5.08	9.47	0.24	2.12	0.88	3.09	0.23	7.79	1.24	4,622.47

The Company does not otherwise require collateral in respect of trade receivables and loans. The Company does not have trade receivable and loans for which no loss allowance is recognised because of collateral.

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

Particulars	Amount
As on 31.3.2022	86.98
Provided during the year	83.93
Reversal of provisions	(86.98)
As on 31.3.2023	83.93

(v) 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. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the company's net liquidity position through rolling forecasts on the basis of expected cash flows.

KELTECH ENERGIES LIMITED

Notes to financial statements for the year ended March 31, 2023 (Contd..)

(₹ in Lakhs)

Note 26: Financial Risk Management

(I) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	31 March 2023	31 March 2022
Floating rate		
a) Expiring within one year (bank overdraft and other facilities)	747.28	541.65
b) Expiring beyond one year (bank loans)	-	-
c) No Expiry Period*	-	-
	747.28	541.65

*Management is confident that the same will be drawn within one year.

Maturity Profile of Financial Liabilities:

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

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
As on 31.03.2023				
Current borrowings	1,452.72	-	-	1,452.72
Unsecured Loans from Related Party	-	-	-	-
Trade payables	5,802.39	-	-	5,802.39
Other financial liabilities (including Current Maturities of Long Term Borrowings)	1,555.47	-	-	1,555.47
Term loan - from banks	-	1,615.24	-	1,615.24
Lease Liabilities	5.08	36.18	66.02	107.28
As on 31.03.2022				
Current borrowings	1,258.35	-	-	1,258.35
Unsecured Loans from Related Party	-	-	-	-
Trade payables	5,508.35	-	-	5,508.35
Other financial liabilities (including Current Maturities of Long Term Borrowings and Lease Liabilities)	715.71	-	-	715.71
Term loan - from banks	-	1,109.74	-	1,109.74
Lease Liabilities	4.88	64.36	64.21	133.45

Note 27: Capital Management

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's Capital Management is to maximise shareholder value. The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial statements

The company monitors capital using gearing ratio, which is total debt divided by total capital plus debt. (₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
Total debt	3,067.95	2,927.13
Total equity	8,022.15	7,034.16
Debt to equity ratio	38%	42%

Notes to financial statements for the year ended March 31, 2023 (Contd..)

(₹ in Lakhs)

Note 27: Capital Management

(i) **Loan Covenants:** Under the terms of the major borrowing facilities, there are no financial covenants which are required to be complied by the company.

(ii) Dividends

Particulars	31 March 2023	31 March 2022
(i) Equity shares		
Final dividend for the year ended 31 March 2022 of INR 1.50 (31 March 2021 – INR 1.50) per fully paid share	15.00	15.00
(ii) Proposed Dividend approved by the Board of Directors at the end of the reporting period but pending approval at the ensuing Annual General Meeting.	15.00	15.00

Note 28: Segment information

An operating segment is a component of the entity that engages in business activities from which it may earn revenue and incur expenses, including revenue & expenses that relate to transactions with any of the company's other components, and for which discrete financial information is available. All operating segments is evaluated based on profit or loss and is measured consistently with the profit or loss in the financial statements & are reviewed regularly by the entity's Managing Director to make decisions about resources to be allocated to the segments and access their performance.

For management purposes, the Company is organised into business units based on its products and services and has 2 reportable segment as follows:-

- 1) Explosives segment which manufactures cartridge explosives, bulk emulsion explosives.
- 2) Perlite segment which manufactures cryogenic insulation, industrial filter-aid, horticulture products etc.,

Summary of the Segmental Information as at and for the year ended 31st March, 2023 is as follows: (₹ in Lakhs)

Particulars	For the year ended 31st March, 2023			For the year ended 31st March, 2022		
	Explosives	Perlite	Total	Explosives	Perlite	Total
Revenue						
External Revenue	50,257.80	4,744.00	55,001.80	30,888.32	3,304.75	34,193.07
Less:- Inter-segment Revenue	-	-	-	-	-	-
Add:- Un-allocable Income	-	-	1,282.96	-	-	1,345.31
Total Revenue	50,257.80	4,744.00	56,284.76	30,888.32	3,304.75	35,538.38
Results						
Segment result	1,390.45	561.98	1,952.43	1,041.11	(21.95)	1,019.16
Less:- Interest & Financing charges	334.04	16.06	350.10	245.99	13.26	259.25
Add: Interest Revenue	-	-	26.57	-	-	19.13
Add: Misc Income	-	-	39.15	-	-	70.75
Profit before Tax			1,668.05			849.79
Less:- Tax Expense			475.92			186.79
Profit after tax			1,192.13			663.00
Other information						
Segment assets	14,497.79	3,001.08	17,498.87	13,164.81	2,339.08	15,503.89
Unallocated assets	-	-	3,034.90	-	-	2,243.29
Total Assets	14,497.79	3,001.08	20,533.77	13,164.81	2,339.08	17,747.18
Segment liabilities	7,378.00	220.41	7,598.41	6,457.60	155.22	6,612.82
Unallocated liabilities	-	-	4,813.21	-	-	4,100.20
Total Liabilities	7,378.00	220.41	12,411.62	6,457.60	155.22	10,713.02
Capital expenditure	370.60	0.11	370.71	2,144.40	4.25	2,148.65
Unallocated Capital Expenditure	-	-	13.79	-	-	175.63
Depreciation & amortisation	480.50	94.25	574.75	401.78	94.97	496.75
Unallocated Depreciation & Amortisation	-	-	30.47	-	-	57.55

KELTECH ENERGIES LIMITED

Notes to financial statements for the year ended March 31, 2023 (Contd..)

(₹ in Lakhs)

Note 28: Segment information

Revenues from external customers comprises of sale of explosives & perlite related services.

Revenue from external customers

Particulars	31 March 2023	31 March 2022
Domestic	51,797.20	32,784.49
Export	3,204.60	1,408.58
Total	55,001.80	34,193.07

Customers amounting to 10% or more of entity's revenue is NIL

Break-up of non-current assets based on geographical segment is as under:-

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
India	7,473.04	7,734.62
Outside India	-	-
Total non-current assets	7,473.04	7,734.62

Reconciliation of Revenue

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
Total Revenue from reportable segments	56,284.76	35,538.38
Revenue for other segments	-	-
Elimination of inter segment revenue	-	-
Elimination of revenue of discontinued operations	-	-
Total Revenue as per Statement of Profit & Loss	56,284.76	35,538.38

Reconciliation of Profit after tax

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
Total Profit after tax from reportable segments	1,192.13	663.00
Total Profit after tax from other segments	-	-
Elimination of inter segment profits	-	-
Elimination of profit of discontinued operations	-	-
Total Profit After Tax as per Statement of Profit & Loss	1,192.13	663.00

Reconciliation of Segment Assets

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
Assets from reportable segments	17,498.87	15,503.89
Property, Plant & Equipment	190.64	107.48
Cash & Cash Equivalent	679.07	107.12
Bank balance other than cash & cash Equivalent	9.19	9.91
Investments	1,048.48	712.39
Others	1,107.52	1,306.39
Total Assets as per Balance Sheet	20,533.77	17,747.18

Reconciliation of Segment Liabilities

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
Liabilities from reportable segments	7,598.41	6,612.82
Borrowings	493.35	510.40
Deferred tax liability	235.76	211.73
Others	4,084.10	3,378.07
Total Liabilities as per Balance Sheet	12,411.62	10,713.02

Notes to financial statements for the year ended March 31, 2023 (Contd..)

(₹ in Lakhs)

Note 29: Related party transactions

Information in accordance with the requirements of Indian Accounting Standard 24 on Related Party Disclosures

A. List of related parties and relationships

(i) Key Managerial Personnel

a) Executive Directors:

Santosh L Chowgule-Managing Director

(b) Other Key Managerial Personnel

Vijay V Chowgule - Non Executive Director

Ramesh L Chowgule-Non Executive Director

Prashant K Asher- Independent Director

Mrs.Arati Saran-Independent Director

Ashvin Chaddha-Independent Director

Mahesh Vijay Wataney - Chief Executive Officer

S Sujay- Vice-President

P Prabhudev-Chief Financial Officer

Mrs.Shalu Tibra-Company Secretary

(ii) Entity controlled by Key Managerial Personnel

(₹ in Lakhs)

Name of the Party	Relationships
Chowgule & Co. Pvt. Ltd.	Major shareholder
Chowgule Brothers Pvt Ltd	Key management personnels is able to Exercise significant infulence
Chowgule Construction Chemcials Pvt Ltd	Key management personnels is able to Exercise significant infulence
Kolhapur Oxygen & Acetylene Private Limited	Key management personnels is able to Exercise significant infulence
Dharini Educational Foundation	Key management personnels is able to Exercise significant infulence
Santosh Chowgule HUF	Key management personnels is able to Exercise significant infulence

(c) Key management Personnel Compensation

(₹ in Lakhs)

Particulars	31 March 2023	31 March 2022
Short-term employee benefits	311.01	276.93
Post-employment benefits	23.86	22.87
Long-term employee benefits	-	-
Termination benefits	-	-
Employee share-based payment	-	-
Total compensation	334.87	299.80

KELTECH ENERGIES LIMITED

Notes to financial statements for the year ended March 31, 2023 (Contd..)

(₹ in Lakhs)

Note 29: Related party transactions (Contd..)

(d) Disclosures of Transactions between Companies and Related Parties and outstanding balance as on 31st March, 2023

(₹ in Lakhs)

Name of the Party	Nature of Transactions	Transactions during the Year		Balance at the year end	
		31st March 2022	31st March 2023	31st March 2022	31st March 2023
Chowgule & Co. Pvt. Ltd.*	Services Rendered	151.56	-	84.51	84.51
Chowgule & Co. Pvt. Ltd.*	Rent	-	19.80		
Chowgule Constructions Chemcials Pvt Ltd	Services Received	5.22	6.26		-
Chowgule Constructions Chemcials Pvt Ltd	Services Rendered	2.55	-		
Chowgule Brothers Private Ltd	Services Received	18.49	26.82		3.53
Kolhapur Oxygen & Acetylene Private Limited	Purchase of Vehicle		5.21		
Dharini Educational Foundation	Expenses toward CSR	4.06	-		
Santosh Chowgule HUF	Rent paid	8.26	8.26		
Santosh L Chowgule	Travelling Expenses	2.17	2.44		
Vijay V Chowgule	Sitting Fees	0.60	0.80		-
Ramesh L Chowgule	Sitting Fees	0.60	0.60		-

Note : a) The related party relationship identified by the management & relied upon by auditors.

: b) There have been no write-off or write-back in case of any related party.

Note 30: Contingent liabilities and contingent assets

a) Contingent Liabilities

(₹ in Lakhs)

Particulars	As on 31 March 2023	As on 31 March 2022
a) Claims against the Company not acknowledged as debts	-	-
b) Claims against the Company regarding Value Added Tax/ Service Tax/ Central sales Tax not admitted, against which the company has preferred appeals	174.81	118.01
c) Pending Income tax demand in appeal	298.55	298.55
d) Letter of credits and bank guarantees issued to suppliers / customers	3,742.57	4,030.96
e) Claims against the Company on account of other legal cases pertaining to labour laws, not acknowledged as debts	-	-

Management is of the view that above matters are not likely to have any impact on financial position of the company

- Disputed demand in respect of Service tax at vishwasnagar. Amount aggregating Rs. 39.42 Lakhs, Refunded by the Department -Rs.1.32 Lakhs (P.Y. Rs.39.42 Lakhs) is paid under protest against such demand
- Disputed demand in respect of Central sales tax in Maharashtra for the year 2008-09. Amount aggregating Rs.3 Lakhs (P.Y. Rs. 3 Lakhs) is paid under protest against such demand
- Based on the inquiry conducted by Directorate of Revenue Intelligence ('DRI'), the company has paid anti-dumping duty along with interest on import of ammonium nitrate by one of the suppliers of the company between FY 2017-2019 which has been shown in the Financial Year 2020-21 as exceptional item. Further the Company has received show cause notice from DRI of Rs.56.81 lakhs and the company has suitably replied on the same. Further, the company is exploring its options including legal notice on the supplier from whom the imports were made
- Disputed demand of income tax for the assessment year 2015-16, 2016-17, 2017-18, 2018-19 & 2019-2020. Amount aggregating Rs.36.98 Lakhs (Rs.36.98 Lakhs) is paid under protest against such demand.
- Letter of credits and bank guarantees issued to suppliers/customers

Notes to financial statements for the year ended March 31, 2023 (Contd..)

(₹ in Lakhs)

Note 30: Contingent liabilities and contingent assets

b) Contingent Assets - NONE

Particulars	As on 31 March 2023	As on 31 March 2022
	-	-

Note:

- a) The company has process in place to identify the impacts of the ongoing litigations on the Financial Statements.
- b) The company does not have any long term contract (including Derivatives) on which there would be foreseeable losses.

Note 31: Capital Commitments:

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

(₹ in Lakhs)

Particulars	As on 31 March 2023	As on 31 March 2022
Property, plant and equipment	2,660.29	125.40
Investment property	-	-
Intangible assets	-	-
Estimated amount of contracts remaining to be executed on Capital Account and not provided for (Net of advances)	2,544.03	25.35

Note:

The company does not have any long term contract (including Derivatives) on which there would be foreseeable losses.

Note 32: Earnings per share

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

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year and are adjusted for the effect of all dilutive potential equity shares.

i. Profit attributable to Equity holders of Company

(₹ in Lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit attributable to equity holders of the Company for basic and diluted earnings per share	1,192.13	663.00

ii. Weighted average number of ordinary shares

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Issued equity shares at 1st April (In lakhs)	99.99	99.99
Weighted average number of shares at March 31 for basic and diluted earnings per shares (Face Value Rs. 10/- per share)	10	10
Basic and Diluted earnings per share (Rs.)	119.22	66.31

KELTECH ENERGIES LIMITED

Notes to financial statements for the year ended March 31, 2023 (Contd..)

(₹ in Lakhs)

Note 33: Assets Pledged /Mortgaged /Hypothecated as security

The carrying amounts of assets mortgaged/hypothecated as security for current and non-current borrowings are:

Particulars	As on 31 March 2023	As on 31 March 2022
Current		
Financial assets		
First charge		
Book debts	6,187.89	4,622.48
Stock of raw material	2,776.95	2,400.78
Inventory for services	2.52	15.12
Stock of consumable stores	202.05	168.00
Stock of Finished goods	865.02	912.98
Stock of Traded goods	166.68	121.94
Total current assets mortgaged/hypothecated as security	10,201.11	8,241.29
Non-current		
First charge		
Freehold land	321.34	321.34
Leasehold land	19.58	19.87
Freehold buildings	2,948.08	3,045.13
Laboratory Equipments	17.42	16.30
Other Plant & Equipment	3,175.57	3,212.82
Office Equipment	63.76	41.16
Furniture & Fixtures	46.15	29.34
Vehicles	129.83	142.15
Total non-currents assets mortgaged/hypothecated as security	6,721.73	6,828.11
Total assets mortgaged/hypothecated as security	16,922.85	15,069.41

Note 34: Disclosure in terms of Ind AS 115 on the accounting of revenue from Contracts with Customers

	Particulars	As on 31 March 2023	As on 31 March 2022
i	Disaggregated revenue information for Revenue from Contracts with Customers		
	Types of Goods or Services		
	Sales of Goods	5,4657.70	3,3880.84
	Sales of Services	1,627.06	1,581.51
	Total	56,284.76	35,462.35
	Sales by Geographical region		
	India	52,880.11	32,784.49
	Outside India	3,404.65	1,408.58
	Total	56,284.76	35,462.35
	Timing of Revenue recognition		
	Goods / services transferred at a point of time	55,940.66	35,150.12
	Goods / services transferred at a over a period of time	344.10	312.23
	Total	56,284.76	35,462.35
Sales Channels			
Directly to consumers	56,284.76	35,462.35	
Through intermediaries			
Total	56,284.76	35,462.35	
Sales by Performance Obligations			
Upon Shipment / Dispatch	56,284.76	35,462.35	
Upon Delivery			
Total	56,284.76	35,462.35	
ii	Reconciliation of the revenue from contracts with the amounts disclosed in the segment information		
	Total revenue from contracts with customer	56,284.76	35,462.35
	Total revenue as per Segment - Explosive/Perlite/Others	56,284.76	35,462.35
iii	Reconciliation between revenue with customers and contract price as per Ind AS 115:		
	Revenue as per Contracted price	56,363.18	35,417.75
	Less: Adjustments for Price such as Discounts, incentives, performance bonuses	78.42	44.60
	Revenue from contracts with customers	56,284.76	35,462.35
iv	Contract Balances as at:		
	Trade Receivables	6,187.89	4,622.48
	Contract Liabilities	53.28	171.08

v Revenue recognised from Contract liability (Advances from Customers)

The Contract liability outstanding at the beginning of the year has been recognised as revenue during the year ended 31st March, 2022 and 31st March, 2023.

- vi Trade receivables are non-interest bearing and are generally on 60 days credit term. In 31st March, 2023 Rs.83.93 lakhs (31st March, 2022: Rs. 86.98 lakhs) was recognised as provision for expected credit losses on trade receivables. Credit limits are established for all customers based on internal rating criteria. Outstanding customer receivables are regularly monitored.

KELTECH ENERGIES LIMITED

Notes to financial statements for the year ended March 31, 2023 (Contd..)

(₹ in Lakhs)

Note 35: Adoption of Ind AS 116-Leases

(a) The changes in the carrying value of right of use (ROU) assets and Lease Liability for the year ended 31st March, 2023 are disclosed in Note 3A.

Particulars	Amounts	
	3/31/2023	3/31/2022
ROU Balance at the beginning of the year		
Opening balance Reclassified on account of adoption of Ind AS 116 (Refer Note 3A)	114.09	142.28
Additions (Refer Note 3A)	-	-
Amortisation cost accrued during the year (Refer Note 3A)	27.96	28.19
Deletions	-	-
ROU Balance at the end of the year	86.13	114.09
Lease Liabilities at the beginning of the year	133.47	156.87
Additions	-	-
Interest cost accrued during the year	11.70	13.72
Payment of lease liabilities	37.90	37.12
Deletion	-	-
Lease Liabilities at the end of the year	107.27	133.47
Current Lease Liabilities	19.82	37.90
Non-current Lease Liabilities	87.45	95.57
Total Lease Liabilities	107.27	133.47

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

(b) The table below provides details regarding the contractual maturities of lease liabilities as of 31st March, 2023 on an undiscounted basis:

(₹ in Lakhs)

Particulars	Amounts	
	3/31/2023	3/31/2022
Not later than one year	5.08	4.88
Later than one year and not later than five years	36.18	64.36
Later than five years	66.02	64.21

(c) Amounts recognised in statement of Profit or Loss

(₹ in Lakhs)

Particulars	Amounts	
	3/31/2023	3/31/2022
Depreciation	27.96	28.19
Interest on lease liabilities	11.70	13.72
Variable lease payments not included in the measurement of lease liabilities	-	-
Expenses relating to short term leases	-	-

Notes to financial statements for the year ended March 31, 2023 (Contd..)

(₹ in Lakhs)

Note 35: Adoption of Ind AS 116-Leases (Contd..)

(d) Amount recognised in statement of Cash flows

Particulars	Amounts	
	3/31/2023	3/31/2022
Total cash outflow for leases	37.90	37.12

Note 36: Relationship with Struck off Companies (based on available information)

(₹ in Lakhs)

Name of the Struck off Company	Nature of transactions	Balance Outstanding (In Rs.)*	Relationship with the struck off company, if any to be disclosed
Pioneer Commercial Company Private Limited	Shareholder	2000	Shareholder
Fairgrowth Investments Limited	Shareholder	3500	Shareholder

***Note:** In the absence of purchase price of share held by above Companies, Face value is considered for reporting purpose

Note 37: The disclosure on the following matters required under Schedule III as amended not being relevant or applicable in case of the Company, same are not covered such as

- a) The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- b) There are no transaction which have not been recorded in the books.
- c) 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 there under.
- d) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- e) The Company has not entered into any scheme of arrangement.
- f) No Registration or satisfaction of charges are pending to be filed with Register of Companies (ROC).
- g) The provision relating to compliance with number of layers of Companies prescribed under clause (87) of section 2 of the Companies Act is not applicable to the Company.

- Note 38:**
- (a) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) No funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

KELTECH ENERGIES LIMITED

Notes to financial statements for the year ended March 31, 2023 (Contd..)

(₹ in Lakhs)

Note 39: Dividend distributed to Equity Shareholders:

The Board has proposed a final dividend of ₹ 1.50 per equity share for financial year ended 31 March 2023 in the Board of Directors meeting held on 12th May, 2023.

Accounting Period	Net Profit for the accounting period (Rs./Lakhs)	Rate of dividend (%)	Amount of Dividend (Rs./Lakhs)	Dividend Payout ratio (%)
FY 2022-23	1,192.13	15%	15.00	1.26%

No significant adjusting events have occurred between the reporting date 31st March, 2023 and the report release date 12th May, 2023.

Note 40: Ratios: The following are analytical ratios for the year ended 31 March 2023 and 31 March 2022:

Particulars	Numerator	Denominator	As on 31st March 2023	As on 31st March 2022	Variance	Reason for deviation
Current Ratio	Current Assets	Current Liabilities	1.24	1.15	8%	
Debt-Equity Ratio	Total Debt	Shareholders' Equity	0.38	0.42	(-10)%	
Debt Service Coverage Ratio	Earnings available for debt service(1)	Debt Service(2)	2.30	2.43	(-5)%	
Return on Equity Ratio	Net Profits after Taxes	Average Shareholders' Equity	0.16	0.10	57%	Increase is due to increase in the revenue as compared to Previous Year.
Inventory turnover ratio	Cost of Goods Sold	Average Inventory	12.01	12.63	(-5)%	
Trade Receivable Turnover ratio	Revenue	Average Trade Receivable	10.41	8.28	26%	Increase is due to increase in the sales
Trade Payable Turnover ratio	Purchases or purchases or other services	Average Trade Payables	8.17	6.21	32%	Increase is due to increase in production
Net Capital Turnover Ratio	Revenue	Working Capital	29.74	55.98	(-47)%	due to increase in the sales
Net Profit Ratio	Net Profit	Revenue	2.12%	1.87%	13%	
Return on Capital Employed	Earning before interest and taxes	Capital Employed	19.90%	10.90%	83%	Increase is due to higher profits.
Return on Investment	Interest/Gain	Investments	4.42%	2.03%	118%	Increase is due to gain on Investments.

Notes:

(1) Net Profit after taxes + Non Cash Operating Expenses + Interest + Other Adjustments like loss on sale of assets

(2) Intsalments made for borrowings and lease liabilities along with interest.

Notes to financial statements for the year ended March 31, 2023 (Contd..)**(₹ in Lakhs)****Note 41: Events occurring after the reporting period :**

No significant adjusting events have occurred between the reporting date 31st March, 2023 and the report release date 12th May, 2023.

As per our attached report of even date
For and on behalf of

CNK & Associates LLP

Chartered Accountants

ICAI Firm Registration No. 101961W/W-100036

Himanshu Kishnadwala**Partner** Membership No: 037391

Mumbai Dated: 12 May 2023

As per our attached report of even date

Keltech Energies Limited

CIN:L30007KA1977PLC031660

Vijay V. Chowgule**Chairman**

DIN No.00018903

P. Prabhudev**Chief Financial Officer**

Mumbai

Santosh L. Chowgule**Managing Director**

DIN No.00097736

Ms. Shalu Tibra**Company Secretary**

Membership No.A34873

Dated: 12 May 2023

KELTECH ENERGIES LIMITED

To
M/s. Canbank Computer Services Ltd.
218, 1st Floor, J. P. Royale, 2nd Main
Sampige Road, Malleshwaram
Bangalore - 560 003.

Dear Sirs,

FORM FOR ELECTRONIC CLEARING SERVICES FOR PAYMENT OF DIVIDEND

Please fill in the information in CAPITAL LETTERS in ENGLISH only. Please Tick a wherever applicable.
For share held Physical form

Master
Folio No.

FOR OFFICE USE ONLY	
Master	<input type="text"/>
Folio No.	<input type="text"/>

Name of First Holder

Bank Name

Branch Name

Branch Code

(9 Digits Code Number appearing on the MICR Band of the cheque by the Bank). Please attach a photo copy of a cheque of your bank duly cancelled for ensuring accuracy of the bank's name, branch name and code number.

Account Type

Savings	<input type="checkbox"/>
---------	--------------------------

Current	<input type="checkbox"/>
---------	--------------------------

Cash Credit	<input type="checkbox"/>
-------------	--------------------------

A/c No. (as appearing in the cheque book)

Effective date of this mandate

I, hereby, declare that the particulars given are correct and complete. If any transaction is delayed or not effected at all for reasons of incompleteness, M/s. Canbank Computer Services Ltd./ M/s. Keltech Energies Ltd. will not be held responsible. I agree to avail the ECS facility provided by RBI, as and when implemented by M/s. Keltech Energies Ltd.

I further undertake to inform the Company any change in my Bank / Branch and Account Number.

(Signature of Shareholder(s))

Date :

Note : * On dematerialisation of your share, the details registered with your Depository Participant will be considered for payment through ECS.

* This form duly filled in and signed may be returned to M/s. Canbank Computer Service Ltd.