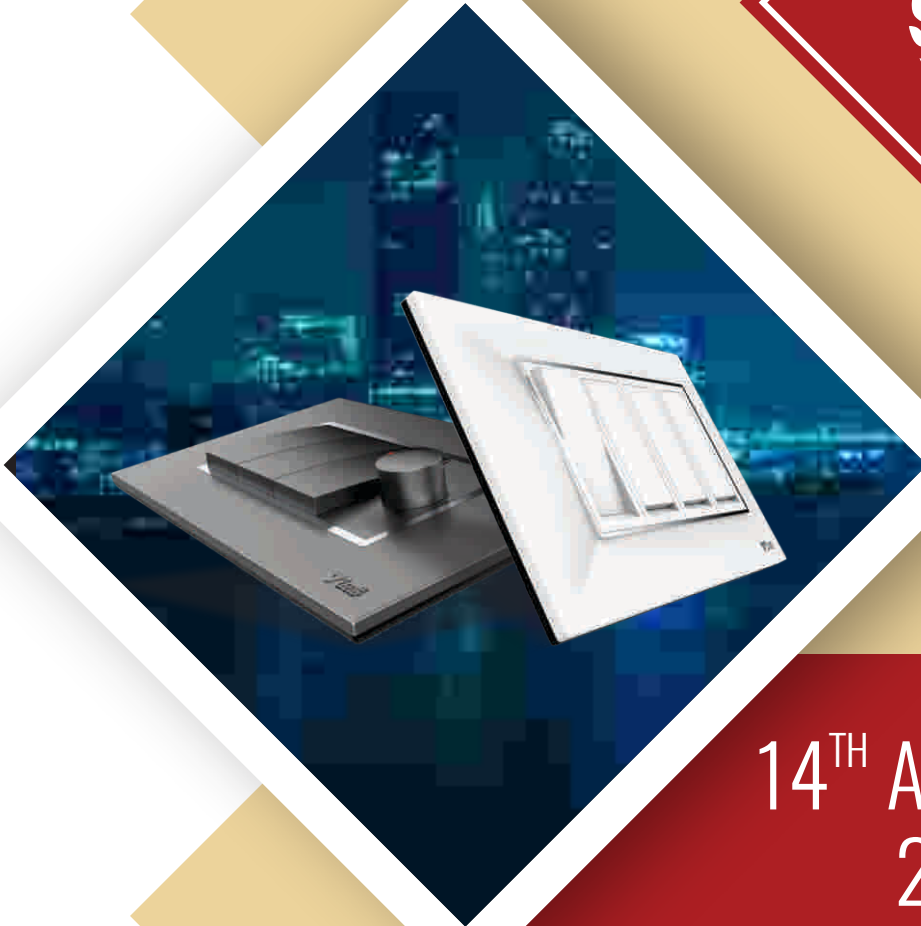




SINCE 1967
ALL ELECTRICAL SEGMENT



14TH ANNUAL REPORT 2020-2021

GOOD IDEAS !
FOR LUXURY LIVING !!

Date: 04th September, 2021

To,

BSE Limited
Corporate Relation Department
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai -400001

National Stock Exchange Limited
Exchange Plaza, 5th Floor,
Plot No. C/1, G-Block,
Bandra-Kurla Complex, Bandra (East)
Mumbai -400051

SCRIP CODE: 539331; VETO

Dear Sir/Madam,

SUB: Annual Report for FY 2020-21 alongwith Notice of AGM

In terms of Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, we enclose herewith copy of 14th Annual report for the Financial Year 2020-21, along with the Notice of 14th Annual General Meeting of the Company.

The Integrated Annual Report containing the Notice is also uploaded on the Company's website www.vetoswitchgears.com.

Kindly take the same on your record.

Thanking You.

for VETO SWITCHGEARS AND CABLES LIMITED

Sd/-

Varsha Rane Choudhary
Company Secretary cum Compliance Officer

Encl: As above



VETO SWITCHGEARS AND CABLES LIMITED

Regd. Office: 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West), Mumbai, Maharashtra -400058;

CIN: L31401MH2007PLC171844;

Tel No. : 0141-6667777/750;

Website: www.vetoswitchgears.com;

Email: info@vetoswitchgears.com, cs@vetoswitchgears.com

Notice is hereby given that the 14th Annual General Meeting (AGM) of the members of Veto Switchgears and Cables Limited will be held on Wednesday, the September 29th, 2021 at 03.00 P.M. through Video Conferencing (VC) or Other Audio Visual Means (OAVM), to transact the following business:

ORDINARY BUSINESS:

- 1. To receive, consider and adopt the audited financial statements of the company (including audited consolidated financial statements) for the financial year ended on 31st March, 2021, together with the Reports of the Board of Directors and Auditors thereon.**
- 2. To declare a Final Dividend of Rs. 1/- per equity share having face value of Rs. 10/- each of 10% of F.V., for the financial year ended on 31st March, 2021**
- 3. To re-appoint Mr. Narain Das Gurnani (DIN: 01970599) as a director, who retires by rotation and being eligible offers himself for re-appointment.**

SPECIAL BUSINESS:

- 4. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to M/s Rajesh Goyal & Co., Cost Accountants having Firm Registration No. 000031 appointed by the Board of Directors of the company as Cost Auditors to conduct the audit of the cost records of the company for the financial year 2021-2022, amounting to Rs. 15,000/- (Fifteen Thousand Rupees only) inclusive of Goods and Service tax as applicable and re-imburement of out of pocket expenses incurred by them in connection with the aforesaid audit, as recommended by the Audit Committee and approved by the Board of Directors of the company, be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts and deeds as may be necessary to give effect to this resolution.”

- 5. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**

“RESOLVED THAT pursuant to recommendation of the Nomination and Compensation Committee, and approval of the Board and subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule- V of the Companies Act, 2013 and Articles of Association of the Company, approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. Akshay Kumar Gurnani, (DIN: 06888193) as the Managing Director and CEO of the Company for a period of five years with effect from August 26, 2022 to August 25, 2027, not liability to retire by rotation, on the remuneration and other terms and conditions as detailed in the explanatory statement pursuant to section 102 of the Act, annexed hereto forming part of this notice.

RESOLVED FURTHER THAT if in any financial year during the tenure of Mr. Akshay Kumar Gurnani, (DIN: 06888193) as a Managing Director cum CEO, the Company has no profit or its profits are inadequate, the Company shall pay remuneration by way of salary and perquisites as mentioned in the explanatory statement, as minimum remuneration.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to revise the remuneration payable to Mr. Akshay Kumar Gurnani (DIN: 06888193) as Managing Director cum CEO, from time to time subject to the ceiling laid down in Section 197 and Schedule V of the Companies Act, 2013 without further approval of the Members of the Company but with such other approvals, sanctions or permissions if any, required for such revision in the remuneration.

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.”

6. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to recommendation of the Nomination and Compensation Committee, and approval of the Board and subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule- V of the Companies Act, 2013 and Articles of Association of the Company, approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. Narain Das Gurnani (DIN:01970599), as Whole-time Director cum CFO of the Company for a period of five years with effect from September 28, 2021 to September 27, 2026, with a liability to retire by rotation subject however that any retirement by rotation and re-appointment thereof not to be considered as a break in his office, on the remuneration and other terms and conditions as detailed in the explanatory statement pursuant to section 102 of the Act, annexed hereto forming part of this notice.

RESOLVED FURTHER THAT if in any financial year during the tenure of Mr. Narain Das Gurnani (DIN:01970599), as Whole-time Director cum CFO of the Company, the Company has no profit or its profits are inadequate, the Company shall pay remuneration by way of salary and perquisites as mentioned in the explanatory statement, as minimum remuneration.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to revise the remuneration payable to Mr. Narain Das Gurnani (DIN: 01970599), as Whole-time Director cum CFO of the Company, from time to time subject to the ceiling laid down in Section 197 and Schedule V of the Companies Act, 2013 without further approval of the Members of the Company but with such other approvals, sanctions or permissions if any, required for such revision in the remuneration.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.”

7. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 185 and all other applicable provisions, if any of the Companies Act, 2013 read with the Companies (Amendment) Act, 2017 and Rules made thereunder, including any statutory modification(s) thereto or re-enactment(s) thereof, for the time being in force, and subject to such other consents, permissions, approvals, as may be required in that behalf, the approval of the

members of the Company be and is hereby accorded to authorize the Board of Directors of the Company to advance any loan including any loan represented by a book debt, or give any guarantee or provide any security in connection with any loan taken by any entity which is a subsidiary or associate or joint venture of the Company or any other person in whom any of the Directors of the Company is interested/deemed to be interested, up to limits of the Company u/s 186 of the Companies Act, 2013, from time to time, in their absolute discretion as may be deemed beneficial and in the interest of the Company, provided that such loans are utilized by the borrowing company for its principal business activities.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to file necessary returns/ forms with the Registrar of Companies and to do all such acts, deeds and things as may be considered necessary, incidental and ancillary in order to give effect to this Resolution.”

Regd. Office:

By order of the Board

**506, 5th Floor Plot No. B-9, Landmark Building
New Link Road, Andheri (West),
Mumbai, Maharashtra 400058**

For Veto Switchgears And Cables Limited

Sd/-

Akshay Kumar Gurnani

(DIN: 06888193)

(Managing Director & CEO)

Place: Jaipur

Date: 4th September 2021

NOTES

1. Amidst the present COVID-19 pandemic, the ministry of corporate affairs (“MCA”) pursuant to Circular No. 20/2020 dated 5th May, 2020 read with circular No. 14/2020 dated 8th April, 2020 and Circular No. 17/2020 dated 13th April, 2020, Circular no. 02/2021 dated January 13, 2021 and 23rd June, 2021 (“MCA Circulars”), SEBI Circular dated 12th May, 2020, SEBI Circular dated January 15, 2021 and other applicable circulars issued by the Securities and Exchange Board of India (SEBI) (“SEBI Circulars”), permitted holding of Annual General Meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM) without the physical presence of Members at a common venue. Hence, Members can attend and participate in the ensuing AGM through VC/OAVM in compliance with the provisions of the Companies Act, 2013, (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars. The deemed venue for the AGM shall be the registered office of the Company.
2. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence proxy form and attendance slip are not annexed to this Notice. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
3. Institutional/Corporate Members (i.e. other than individuals/ HUF/ NRI, etc.) are required to send a scanned copy of its Board Resolution/Authorization/POA etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting.
4. 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.

5. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
 6. All documents referred to in the accompanying Notice and the Explanatory Statement will be available for inspection in electronic mode. Members can inspect the same by sending an e-mail to cs@vetoswitchgears.com.
 7. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business under Item No.4,5,6 & 7 to be transacted at the Annual General Meeting (AGM) is annexed hereto.
 8. Details as required in Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 ('Listing Regulations') in respect of the Directors seeking appointment / re-appointment at the AGM is attached as Annexure forming part of this Notice.
 9. The Board of Directors of the Company had appointed M/s. K. M. Tulsian & Associates (Firm Registration No. 111075W), as the Statutory Auditor(s) of the Company for a period of five years commencing from the conclusion of the 10th Annual General Meeting till the conclusion of 15th Annual General Meeting to be held in the year 2022, subject to the ratification by members at every Annual General Meeting to be held subsequent to the 10th Annual General Meeting on such remuneration as may be mutually agreed upon by the Board of Directors and the Auditors. **(Company shall place the matter relating to such appointment for ratification by members at every annual general meeting:-Omitted by the Companies (Amendment) Act, 2017- Amendment Effective from 7th May 2018 therefore no ratification by member in AGM)**
 10. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
- B.** Pursuant to Section 91 of the Companies Act, 2013 and Rule 10 of the Companies (Management and Administration) Rules, 2014 read with Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the **Register of Members and Share Transfer Books** of the Company will remain closed from **Thursday, September 23, 2021 to Wednesday, September 29, 2021 (both days inclusive)**.
12. The Dividend for the Year ended March 31, 2021, as recommended by the Board, if approved at the AGM, will be paid within thirty days from the date of declaration of dividend to –
 - a) as Member in the Register of Members of the Company/Registrar & Share Transfer Agent after giving effect to valid share transmissions, if any, in physical form lodged with the Company as at the end of business hours on **22nd September, 2021, and**
 - b) as Beneficial Owner as at the end of business hourson **22nd September, 2021**, as per the lists to be furnished by National Securities Depositories Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form.
 13. Further pursuant to the amendments introduced in the Income-tax Act, 1961 ('the Act') vide Finance Act, 2020, w.e.f. April 1, 2020, dividend declared, paid or distributed by a Company on or after April 1, 2020, shall be taxable in the hands of the shareholders. The Company shall, therefore, be required to

deduct TDS/ WHT at the time of payment of dividend at the applicable tax rates. The rates of TDS/ WHT would depend upon the category and residential status of the shareholder as briefed hereunder:

A. RESIDENT SHAREHOLDERS:

A.1 No tax will be deducted on payment of dividend to the RESIDENT INDIVIDUAL SHAREHOLDER if the total dividend, paid during Financial year ('FY'), does not exceed INR 5,000/-.

A.2 Tax deductible at source for RESIDENT SHAREHOLDER (OTHER THAN RESIDENT INDIVIDUAL SHAREHOLDER RECEIVING DIVIDEND NOT EXCEEDING INR 5,000/- DURING FY).

Sl. No.	Particulars	Withholding tax rate	Declaration(s)/ document(s) required
1.	Valid PAN updated with the Depository Participant in case shares are held in dematerialized form; or Registrar and Transfer Agent ('RTA') in case shares are held in physical form and no exemption sought by Resident Shareholder	10%	N.A.
2.	No/ Invalid PAN with the Depository Participant in case shares are held in dematerialized form; or RTA in case shares are held in physical form and no exemption sought by Shareholder	20%	N.A.
3.	Availability of lower/ nil tax deduction certificate issued by Income Tax Department under section 197 of the Act	Rate specified in Lowertax withholding certificate obtained from Income Tax Department	<ul style="list-style-type: none"> • Copy of PAN card; and • Copy of lower tax withholding certificate obtained from Income Tax Department

A.3 NIL TAX-DEDUCTIBLE AT SOURCE/ NIL WITHHOLDING on dividend payment to Resident Shareholders if the Shareholders submit documents mentioned in the below table with the Company/ RTA:

Sl. No.	Particular	Declaration(s)/ document(s) required
1.	An Individual furnishing Form 15G/ 15H	<ul style="list-style-type: none"> • Copy of PAN card • Declaration in Form No 15G (applicable to an individual who is less than 60 years)/ Form 15H (applicable to an Individual who is 60 years and above), fulfilling prescribed conditions.
2.	Shareholders to whom section 194 of the Act	<ul style="list-style-type: none"> • Copy of PAN card

	does not apply such as LIC,GIC, etc.	<ul style="list-style-type: none"> • Self-declaration*, along with adequate documentary evidence (e.g., registration certificate), to the effect that the no tax withholding is required as per provisions of section 194 of the Act.
3.	Shareholder covered u/s 196 of the Act such as Government, RBI, Mutual Funds specified under section 10(23D), corporations established by Central Act and exempt from Income Tax.	<ul style="list-style-type: none"> • Copy of PAN card • Self-declaration*, along with adequate documentary evidence, substantiating applicability of 196 of the Act.
4.	Category I and II Alternative Investment Fund (AIF)	<ul style="list-style-type: none"> • Copy of PAN card • Self-declaration* that AIF's income is exempt under Section 10(23FBA) of the Act and they are governed by SEBI regulations as applicable to Category I or Category II AIFs, along with copy of registration certificate.
5.	Any other entity exempt from withholding tax under the provisions of section 197A of the Act (including those mentioned in Circular No. 18/2017 issued by CBDT)	<ul style="list-style-type: none"> • Copy of PAN card • Self-declaration* along with adequate documentary evidence, substantiating the nature of the entity. • Copy of the lower tax withholding certificate obtained from Income Tax Department (except those covered by Circular 18/2017)

B. NON-RESIDENT SHAREHOLDERS:

Tax deductible at source/ tax withholding for non-resident shareholders.

Sl. No.	Category	With holding tax rate	Declaration(s)/ document(s) required
1.	Foreign Institutional Investors(FIIs)/ Foreign Portfolio Investors (FPIs)	20% (plus applicable surcharge and cess) or tax treaty rate which ever is beneficial	<ul style="list-style-type: none"> • Copy of PAN card (if available) • Self-declaration* along with adequate documentary evidence substantiating the nature of the entity • To avail beneficial rate of tax treaty, tax documents as mentioned in SI. No. 3 below would be required to be submitted
2.	Alternative Investment Fund – Category III located in International	10% (plus applicable surcharge and cess)#	<ul style="list-style-type: none"> • Copy of PAN card (if available) • Self-declaration* along with adequate documentary evidence substantiating the nature of the entity

	Financial Services Centre		
3.	Other Non-resident share holders (except those who are tax residents of Notified Jurisdictional Area)	20% (plus applicable surcharge and cess) or tax treaty rate which ever is beneficial	To avail beneficial rate of tax treaty following tax documents would be required: <ul style="list-style-type: none"> • Copy of PAN card (if available) • Copy of Tax Residency certificate issued by revenue authority of country of residence of shareholder for the financial year 2020-21 (covering the period from April 1, 2020 to March 31, 2021) • Self-declaration* in Form 10F • Self-declaration* for no permanent establishment/ fixed base/business connection in India, place of effective management, beneficial ownership and eligibility to avail tax treaty benefit [on share holder's letterhead] (Note: Application of beneficial Tax Treaty Rate shall depend up on the completeness and satisfactory review by the Company of the documents submitted by the non-resident shareholders. In case the documents are found to be incomplete, the Company reserves the right to not consider the tax rate prescribed under the tax treaty).
4.	Non-Resident Shareholders who are tax residents of Notified Jurisdictional Area as defined u/s 94A(1) of the Act	30%	N. A.
5.	Sovereign Wealth funds and Pension funds notified by Central Government u/s 10 (23FE) of the Act	NIL	<ul style="list-style-type: none"> • Copy of the notification issued by CBDT substantiating the applicability of section 10(23FE) of the Act issued by the Government of India • Self-declaration* that the conditions specified in section 10(23FE) have been complied with
6.	Subsidiary of Abu Dhabi Investment Authority (ADIA) as prescribed u/s	NIL	<ul style="list-style-type: none"> • Self-declaration* substantiating the fulfillment of conditions prescribed under section 10(23FE) of the Act

	10(23FE) of the Act		
7.	Availability of Lower/ NIL tax deduction certificate issued by Income Tax Departmentu/s 195 or 197 of the Act	Rate specified in Lower tax with holding certificate obtained from Income Tax Department	• Copy of the lower tax withholding certificate obtained from Income Tax Department

* Formats for the Self-declarations referred to hereinabove are available at the website of the RTA which can be accessed at

https://bigshareonline.com/docs/Form_15G.pdf, & https://bigshareonline.com/docs/Form_NO_15H.pdf

In case PAN is not updated with the Company's RTA or depository or PAN is not available and information sought in the declaration is not provided, high errate of withholding tax as per section 206AA shall be applied.

- (1) Duly completed and signed documents should be provided to the Company/ RTA. Incomplete and/ or unsigned forms and declarations will not be considered by the Company. Further, in case, where copy of documents (such as, PAN card, Registration certificate, etc.) is provided, the copy should be self-attested by the Shareholder or its authorized signatory. For all documents being uploaded by the Member, the Member undertakes to send the original document(s) on the request of the Company.
- (2) The aforesaid documents such as Form 15G/ 15H, documents under sections 196, 197A, FPI Registration Certificate, Tax Residency Certificate, Lower Tax certificate etc. can be Email on this id tds@bigshareonline.com on or before Wednesday, 29th September, 2021 to enable the Company to determine the applicable TDS rate.
Any communication in relation to tax rate determination/ deduction received post Wednesday, 29th September, 2021 shall not be considered.
It is advisable to upload the documents at the earliest to enable the Company to collate the documents to determine the appropriate TDS rates.
- (3) Determination of withholding tax rate is subject to necessary verification by the Company of the shareholder details as available with the Depository Participant in case shares are held in dematerialized form; or RTA in case shares are held in physical form, as **on the Record Date** and other documents available with the Company/ RTA. Shareholders holding shares under multiple accounts under different residential status/ category and single PAN, may note that, higher of the tax rate as applicable to different residential status/ category will be considered for their entire shareholding under different accounts.
- (4) In case of any discrepancy in documents submitted by the shareholder, the company will deduct tax at higher rate as applicable, without any further communication in this regard.
- (5) In case withholding tax is deducted at a higher rate, an option is still available with the shareholder to file the return of income and claim an appropriate refund. No claim shall lie against Company for any taxes deducted by the Company.
- (6) You will also be able to view the credit of TDS in Form 26AS, which can be downloaded from your e-filing income tax portal at <https://www.incometaxindiaefiling.gov.in/home>
- (7) In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by the shareholder, the shareholder

- will be responsible to indemnify the Company and also, provide the Company with all information/ documents and co-operation in any tax proceedings.
- (8) This Communication is not exhaustive and does not purport to be a complete analysis or listing of all potential tax consequences in the matter of dividend payment. Shareholders should consult their tax advisors for requisite action to be taken by them.
- (9) In case of any query in the matter please reach out at <http://www.bigshareonline.com/InvestorLogin.aspx>
14. Notice of 14th AGM and Annual Report (including Board's report, Auditor's report or other documents required to be attached therewith) for FY 2020-21, are being sent only through email to all members as **on 4th September, 2021**. (i.e. based on 03.09.2021 Benpose report) after the Board Meeting in which notice is approved on their registered email id with the company and no physical copy of the same would be dispatched.
15. 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.vetoswitchgears.com**. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at **www.bseindia.com** and **www.nseindia.com** respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. **www.evotingindia.com**.
16. Members holding the shares in physical form are requested to notify any update/change of address and/or details of PAN and Bank account to Bigshare Services Private Limited, the Registrar and Share Transfer Agent of the Company. In case shares held in dematerialised form, the information regarding change/update of address, details of bank and PAN should be given to their respective Depository Participant.
17. Members who have not opted for ECS (Electronic Clearing Services) facility earlier are requested to fill up the enclosed KYC form and return it to the Corporate Office of the Company, to avail the ECS facility otherwise they are requested to intimate their Savings Account/ Current Account No. and the name of Bank with whom such account is held. Please refer to the KYC Form being enclosed with this Notice.
18. Queries proposed to be raised at the Annual General Meeting may be sent to the company by email at cs@vetoswitchgears.com at least seven days prior to the date of Annual General Meeting. The same shall be replied suitably by the Company.
19. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. **September 22, 2021**, may obtain the login ID and password by sending a request at evoting@cdsl.co.in However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote.
20. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on

first come first served basis. However, this number does not include the large Shareholders i.e. 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.

21. 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, the Company is providing facility for voting by electronic means for all its Members to enable them to cast their vote electronically and the business may be transacted through such e-voting.
 - A member may exercise his/her vote at the General Meeting by electronic means and the Company may pass any resolution by electronic voting system in accordance with the provisions of the aforesaid Rule.
 - For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized agency.
 - The facility of casting votes by a member using remote e-voting system as well as e-voting on the day of the AGM will be provided by CDSL.
 - The Members attending the AGM who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.
 - The Members who have cast their vote by remote e-voting prior to the Meeting may also attend the AGM but shall not be entitled to cast their vote again.
22. The remote e-voting period commences on **26th September, 2021, Sunday (9.00 am) and ends on 28th September, 2021 Tuesday (5:00 pm)**.
 - Members of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date i.e. 22nd September, 2021**, Wednesday may opt for remote e-voting and cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on cut-off date only shall be entitled to avail the facility of remote e-voting or e-voting at the Meeting.
 - Member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again.
23. The Company has appointed Ms. Manisha Kalra, Practicing Company Secretaries, to act as Scrutinizer for conducting the e-voting process in accordance with the law and in a fair and transparent manner.
24. The Scrutinizer shall after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting and e-voting on the date of the AGM in the presence of at least two witnesses, who are not in employment of the company and make a Scrutinizer's report of the votes cast in favor of or against, if any, forthwith to the Chairman of the company.
25. The results declared along with the scrutinizer's report shall be placed on the website of the Company www.vetoswitchgears.com, and on RTA's or CDSL's, website within two days of passing of

resolution at the Annual general meeting of the company held on September 29th, 2021. The same shall be communicated by the Company to the stock exchanges i.e. BSE Limited and National Stock Exchange of India Limited.

26. The recorded transcript of the forthcoming AGM on 29th September, 2021, shall also be made available on the website of the Company www.vetoswitchgears.com in the Investor Relations Section, as soon as possible after the Meeting is over.
27. The annual accounts of the subsidiary companies along with the related detailed information are available for inspection at the Corporate Office of the Company and of the subsidiaries concerned and copies will be made available to Shareholders of Veto switchgears and cables Limited and its subsidiary companies upon request.
28. The Securities Exchange Board of India (SEBI) mandates the submission of Permanent Account Number (PAN) by every participant in securities market. The Companies Act, 2013 and rules made thereunder also require the further details to be submitted to the Company like email address, Father's/Mother's/ Spouse's name. Members holding shares in electronic form are, therefore requested to submit PAN and other details to their Depository Participants with whom they are maintaining demat accounts. Members holding shares in physical form can submit their PAN and other details to the Company's Registrar and Share Transfer Agent.
29. Pursuant to Section 72 of the Companies Act, 2013 read with Rule 19(1) of the Rules made thereunder, Shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests to the Secretarial Department in the prescribed form.

E-VOTING

THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

- (i) The voting period begins on **Sunday, the 26th September 2021 9:00 A.M. and ends on Tuesday, the 28th September 2021 5:00 P.M. (both inclusive)**. During this period shareholders' of the company, holding shares either in physical form or in dematerialized form, as on the **cut-off date (record date) of 22nd September 2021** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Members who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.
- (v) Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1) Users 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 URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access E-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication,

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

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

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

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

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

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

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (vii) After entering these details appropriately, click on “SUBMIT” tab.
- (viii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu

wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (ix) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant <Veto Switchgears and Cables Limited> on which you choose to vote.
- (xi) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to **www.evotingindia.com** and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to **helpdesk.evoting@cdslindia.com**
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to **helpdesk.evoting@cdslindia.com** and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; **cs@vetoswitchgears.com**, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

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

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

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

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e -Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022 - 23058542/43.

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

Regd. Office:

By order of the Board

**506, 5th Floor Plot No. B-9, Landmark Building
New Link Road, Andheri (West),
Mumbai, Maharashtra 400058**

For Veto Switchgears And Cables Limited

Sd/

Akshay Kumar Gurnani

(DIN: 06888193)

(Managing Director & CEO)

Place: Jaipur

Date: 4th September 2021

EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4

The Board, on the recommendation of the Audit Committee, in its Meeting held on 17th June 2021 has approved the appointment and remuneration of M/s Rajesh Goyal & Co., as the Cost Auditors of the company having Firm Registration No. 000031 to conduct the audit of the cost records of the company for the financial year 2021-22 at a fee of Rs. 15,000 per annum subject to TDS, Service Tax etc., as applicable.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the company.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2022.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the Resolution set out at Item No. 4 of the Notice.

The Board recommends the Resolution set out at Item No. 4 of the Notice for approval by the shareholders.

ITEM NO. 5

The existing tenure of Mr. Akshay Kumar Gurnani (DIN: 06888193), as the Managing Director and the CEO of the Company is to expire on 25th August, 2022 .Mr. Akshay Kumar Gurnani is associated with the Company for nearly 7 years and has provide immense contribution in growth of the Company.

The Board of Directors upon the recommendation of the Nomination and Remuneration Committee, in its Meeting held on 4th September, 2021, and subject to the approval of Members of the Company, re-appointed Mr. Akshay Kumar Gurnani as the Managing Director and the CEO of the Company for a further period of 5 (Five) years commencing from 26th August, 2022 to 25th August, 2027.

Pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Board recommends the re-appointment of Akshay Kumar Gurnani as the Managing Director and the CEO of the Company, to the Members for their approval.

In terms of Section 196 of the Companies Act, 2013 the details of appointment, terms and conditions and remuneration during his tenure from 26th August, 2022 to 25th August, 2027 .

- Salary, Perquisites and Allowances: Upto Rs. 2,00,000/- per month
- Gratuity not exceeding half a month's salary for each completed year of service.
- Mr. Akshay Kumar Gurnani shall be entitled to reimbursement of all or any expenditure actually and properly incurred for Company's business. He shall not be entitled to any sitting fee for attending meeting of the Board of Director's or Committees thereof.
- The appointment may be terminated by either party giving to the other party, three months' notice in writing.

He is a brother of Mrs. Jyoti Gurnani and nephew of Mr. Narain Das Gurnani. None of other Director(s) and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the Resolution set out at Item No. 5 of this Notice.

Disclosure u/r 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is set out in the Annexure to the Explanatory Statement. Other details as required under ICSI Secretarial Standard SS-2 are also included in the Corporate Governance Report of the Annual Report of the Company.

ITEM NO. 6

In terms of the Corporate Governance Guidelines of the Company and as per the relevant provisions of the Act, Mr. Narain Das Gurnani (DIN: 01970599), Whole-time Director and CFO of the Company, was last appointed by the shareholders in the Annual General Meeting (AGM) held on 28th September 2016 for a term of 5 (Five) years w.e.f. 28th September 2016 till 27th September 2021.

The Board of Directors upon the recommendation of the Nomination and Remuneration Committee, in its Meeting held on 4th September, 2021, and subject to the approval of Members of the Company, re-appointed Mr. Narain Das Gurnani (DIN: 01970599), Whole-time Director and CFO of the Company of the Company for a further period of 5 (Five) years commencing from 28th September, 2021 to 27th September, 2026.

Pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Board recommends the re-appointment of Mr. Narain Das Gurnani (DIN: 01970599), Whole-time Director and CFO of the Company, to the Members for their approval.

In terms of Section 196 of the Companies Act, 2013 the details of appointment, terms and conditions and remuneration during his tenure 28th September, 2021 to 27th September, 2026.

- Salary, Perquisites and Allowances: Upto Rs. 1,00,000/- per month
- Mr. Narain Das Gurnani shall be entitled to reimbursement of all or any expenditure actually and properly incurred for Company's business. He shall not be entitled to any sitting fee for attending meeting of the Board of Director's or Committees thereof.
- The appointment may be terminated by either party giving to the other party, three months' notice in writing.

Except Mr. Narain Das Gurnani, no other Director and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the Resolution set out at Item No. 6. Of this Notice.

Disclosure under applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are set out in the annexure to the Explanatory Statement. Other details as required under ICSI Secretarial Standard SS-2 are also included in the Corporate Governance Report of the Annual Report of the Company.

ITEM NO. 7

As per the provisions of Section 185 of the Companies Act, 2013, no company shall, directly or indirectly, advance any loan including any loan represented by a book debt, to any of its Directors or to any other person in whom the Director is interested or give any guarantee or provide any security in connection with any loan taken by him or such other person.

In terms of the amended Section 185 of the Act, a company may advance any loan, including any loan represented by a book debt, to any person in whom any of the Directors of the Company is interested or give any guarantee or provide any security in connection with any loan taken by any such person, subject to the condition that approval of the shareholders of the Company is obtained by way of passing a Special Resolution. The management is of the view that the Company may be required to invest surplus funds, if available in its subsidiary Companies or to any other body corporate(s) in which the Directors of the Company are interested, as and when required.

Hence, as an abundant caution, the Board decided to seek approval of the shareholders pursuant to the amended provisions of Section 185 of the Act to advance any loan, including any loan represented by book debt, to its subsidiary company(ies) (Indian or overseas) or other body corporate(s) in whom any of the Directors of the Company is interested or to give guarantee or provide any security in connection with any loans/ debentures / bonds etc. raised by its subsidiary company(ies) (Indian or overseas) or other body corporate(s) in whom any of the Directors of the Company is interested up to an aggregate amount, under Section 186 of the Company Act, 2013 the limit of 60% of the paid-up share capital, free reserves and securities premium account of the Company or 100% of free reserves and securities premium account of the Company, whichever is more.

The Board of Directors recommends resolution as set out in item No. 7 for approval of the members of the Company by way of passing a Special Resolution.

Except Mr. Akshay Kumar Gurnani, none of the Directors, Key Managerial Personnel of the Company or their relatives or any of other officials of the Company as contemplated in the provisions of Section 102 of the Companies Act, 2013 is, in any way, financially or otherwise, concerned or interested in the resolution.

Regd. Office:

**506, 5th Floor Plot No. B-9, Landmark Building
New Link Road, Andheri (West), Mumbai,
Maharashtra 400058**

Place: Jaipur

Date: 04th September 2021

By order of the Board

For Veto Switchgears And Cables Limited

Sd/-

Akshay Kumar Gurnani

(DIN: 06888193)

(Managing Director & CEO)

Annexure to the Notice
DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT/APPOINTMENT AT
14TH ANNUAL GENERAL MEETING (AGM)

Name of the Director & DIN	Ms. Akshay Kumar Gurnani (DIN: 0688193)
Date of Birth	27/02/1993
Date of the Appointment	27/08/2014
Qualification	He is qualified post graduate in the fields of Commerce and Business Administration as well as having Qualification of International Hotel Management from Les Roches, Switzerland
Brief Profile / Expertise in Specific field of areas	He is a Director of our Company. He plays vital role in every era of management right from building of infrastructure to development of every department which includes marketing, planning, production etc. He possesses expertise in managing the manufacturing and marketing
Directorship held in other public Companies as on 31.03.2021 (excluding foreign Companies and Private Companies)	Veto Switchgears and Cables Limited
Membership/Chairmanship of Committees of other public Companies (as on 31.03.2021)*	None
Number of shares held in the Company (as on 31.03.2021)	778722
Relationship with other Directors, Managers and other Key Managerial Personnel of the Company	He is brother of Mrs. Jyoti Gurnani
Terms and conditions of appointment or re-appointment	Appointment as an executive director and is not liable to retirement by rotation.

Annexure to the Notice
DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT/APPOINTMENT AT
14TH ANNUAL GENERAL MEETING (AGM)

Name of the Director	Mr. Narain Das Gurnani (DIN: 01970599)
Date of Birth	15/10/1957
Date of the Appointment	24/05/2016
Qualification	He is Under Graduate by qualification but possesses specific skills in finance.
Brief Profile / Expertise in Specific field of areas	He is a Director of our Company. He has over 40 years of experience in the field of electrical industry. Besides, he has experience of manufacturing in the same field. He has handled finance and costs in other group companies.
Directorship held in other public Companies as on 31.03.2021 (excluding foreign Companies and Private Companies)	He has no Directorships in any other public companies.
Membership/Chairmanship of Committees of other public Companies (as on 31.03.2021)*	None
Number of shares held in the Company (as on 31.03.2021)	13200
Relationship with other Directors, Managers and other Key Managerial Personnel of the Company	He is uncle of Mr. Akshay Kumar Gurnani & Jyoti Gurnani
Terms and conditions of appointment or re-appointment	Appointment as an executive director and is liable to retirement by rotation.

VETO SWITCHGEARS AND CABLES LTD.

Regd. Office : 506, 5th Floor, Landmark Building, Link Road
Andheri (W), Mumbai - 400053 (INDIA)

CIN : L31401MH2007PLC171844 • GSTIN No.: 08AACCV4990K1ZR

Dear Member,

Sub: Updation of KYC Details in the Master Data

In order to ensure that all communications and monetary benefits are received promptly by all Shareholders holding shares in physical form, the Company, through periodic communiques, advises such shareholders to notify to the Company their PAN details and any change/ updation in their address/ bank details/ email id etc. under the signatures of sole/ first named joint holder along with relevant supporting documents.

SEBI vide its Circular dated 20th April, 2018 had also greatly emphasized on collection of the Bank Account details and the PAN details of the shareholders in order to enable Companies/ RTAs to raise standards and provide improved services to the Shareholders.

In this background, we are attaching herewith a KYC Form for all the shareholders holding shares in physical form to get all their details updated in the Master Data.

Kindly note that this Form is only for the purpose of master data Updation of Shareholders holding Shares in Physical form.

In case of Dematerialised Shareholding, the Company takes note of the details furnished only by the Depositories, whenever such information is available. You are therefore requested to provide such information only to your Depository Participant(DP), in case the shares are held in demat form.

We recommend and request you to get your details updated in the master data and submit the attached KYC Form to the RTA or Company at its Corporate Office.

Assuring you of our best services.

Thanking you.

Yours faithfully,

For **VETO SWITCHGEARS AND CABLES LIMITED**

(Varsha Ranee choudhary)

Company Secretary

Corporate Office:

4th Floor, Plot No. 10, Days Hotel, Airport Plaza Scheme, Behind Hotel Radisson Blu, Tonk Road,
Durgapura, Jaipur-302018 (Rajasthan) Tel: 0141-6667777 Extn. 775

Email: info@vetoswitchgears.com, vetoswitchgears@yahoo.co.in, Website: www.vetoswitchgears.com

Factory: Plot No. 65-67 & 74-77, Sector – 5, IIE, SIDCUL, Ranipur, Haridwar – 249403

KYC FORM
(Only for physical shareholding)

To,
The Secretarial Department
Veto Switchgears and Cables Ltd.
4th Floor, Plot No. 10, Days Hotel, Airport Plaza Scheme
Behind Hotel Radisson Blu, Tonk Road,
Jaipur-302018 (Raj.)

Date: ____/____/____

Folio No: _____

No of Shares: _____

Dear Sir/ Madam,

We wish to update the KYC and in this matter are forwarding herewith the required supporting documents by ticking in the appropriate checkbox below

A For registering PAN of the registered and/ or joint shareholders (as applicable)

Registered shareholder Joint holder 1 Joint holder 2 Joint holder 3

Please attach self- attested legible copy of PAN card (exempted for Sikkim Shareholders).

B For registering Bank details of the registered shareholder**1. In cases wherein the original cancelled cheque leaf has the shareholder's name printed**

Aadhar/ Passport/ utility bill Original cancelled cheque leaf

2. In cases wherein the cancelled cheque leaf does NOT contain the shareholder's name printed on it

Aadhar/ Passport/ Utility bill Original cancelled cheque leaf Bank Passbook/ Bank Statement

Please note that bank passbook/ Bank Statement should be duly attested by the officer of the same bank with his signature, name, employee code, designation, bank seal & address stamp, phone no. and date of attestation.

C For updating the Specimen Signature of the registered and/ or joint shareholders**1. In cases wherein the original cancelled cheque leaf has the shareholder's name printed**

Affidavit Banker verification Original cancelled cheque leaf

2. In cases wherein the cancelled cheque leaf does NOT contain the shareholder's name printed on it

Affidavit Banker verification Original cancelled cheque leaf Bank Passbook/ Bank Statement

- The format of Banker Verification is available on the website of the Company www.vetoswitchgears.com under shareholder's corner in investor relations section.

- Please note that Bank passbook/ Bank Statement should be duly attested by the officer of the same bank with his signature, name, employee code, designation, bank seal & address stamp, phone no. and date of attestation.

D For Updating the email id for the purpose of receiving all communications in electronic mode

E For updating the Mobile No

--	--	--	--	--	--	--	--	--	--

I/We hereby state that the above mentioned details are true and correct and we consent towards updating the particulars based on the self-attested copies of the documents enclosed with this letter by affixing my/our signature(s) to it

Sign: _____
Registered holder

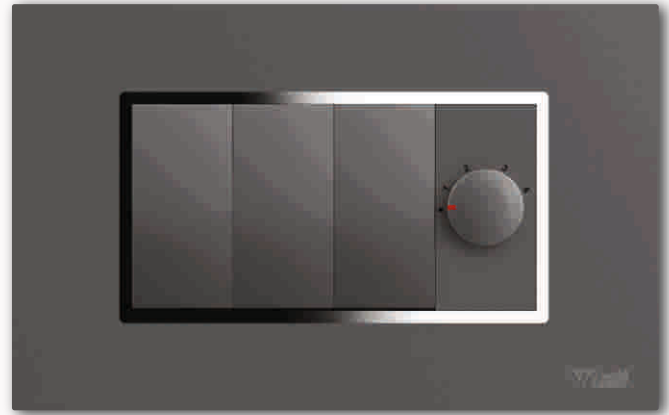
Sign: _____
Joint holder 1

Sign: _____
Joint holder 2

Sign: _____
Joint holder 3



**GOOD IDEAS !
FOR LUXURY LIVING !**



VYOMA MODULAR



**MODULAR SWITCHES | WIRES & CABLES | LED LIGHTING
FANS | MCB & DISTRIBUTION BOARDS**



WHAT'S INSIDE?



Introduction

Corporate Overview ...

Our Pride and Pedigree	28
Board of Directors	29
Leadership Team	30
Corporate Information	31
Board's Committees	32
Board's Profile	33
Performance Highlights	35
Message from the CEO's	36
Our Vision, Mission & Core Values	37

Statutory Reports ...

Director's Report	38
Management Discussion and Analysis	58
Annexure of Director's Report	66
Corporate Governance Report	71
Corporate Social Responsibility	93
Extract of Annual Return	97
Secretarial Audit Report	111
Other Certificates	119

Financial Statements ...

Report on the Audit of the Consolidated Financial Statements	123
Consolidated Financial Statements	130
Report on the Audit of the Standalone Financial Statements	177
Standalone Financial Statements	187
Progress at a Glance of last 10 Years	228

Our Pride and Pedigree

Where we come from and what we have achieved

"The entrepreneur always searches for change, responds to it, and exploits it as an opportunity."

"Peter Drucker"

Veto Group has started its operation of manufacturing Electrical Accessories, Wires and Cables in the year 1967.

During the course of time and the efforts applied by the team, the group has expanded to its manifold and achieved the set targets.

Throwing back to the Year 2007, M/s Veto Switchgears and Cables, Partnership Firm, through its Existing partners mutually agreed to register the business into the form of a Company under Companies Act, 1956 as a Private Limited Company.

And, in the Year 2012, the company came up with an Initial Public Offer and got listed at National Stock Exchange of India Limited (NSE) through SME platform. On February 2015, the Company migrated from SME Platform to NSE Main Board and in the same year, it got listed on Bombay Stock Exchange Limited (BSE).

With the passage of time, in the month of October, 2015, the company incorporated a wholly owned subsidiary company in UAE (Dubai) in the name of VETO Overseas Private F.Z.E. The company is leading with the continuous progressive results.

Another Wholly Owned Subsidiary Company in India in the name of Veto Electricals Private Limited which has its own manufacturing plant (100% Export Unit) at Light Engineering Zone, Mahindra SEZ, Jaipur. Its commercial production started from July, 2017 onwards.

Another newly incorporated on 8th November 2019 a wholly owned subsidiary company in India under the name of Veto LED Lightings Private Limited.

Now we, proudly announces this year acquired 95.5% stake in Vankon Modular Private Limited in the Month of Feb. 2021. Veto will be more strengthening in the market of Northern East as Vankon is having marker share in UP & Northern East State of the country which is engaged in manufacturing of Electrical Accessories, LED Lighting, Wires & Cables.

Over the years, we have diversified our products range, adopted high-end technology to reach out to more customers and scaled operations with standardized systems and platforms, all underpinned by a collaborative performance culture.

Coming together is a beginning, keeping together is a progress, and working together is a success. As this quote, our teamwork has played a pivotal role in shaping our sterling performance.

Board of Directors



AKSHAY KUMAR GURNANI
Managing Director cum Chief
Executive Officer



NARAIN DAS GURNANI
Whole-time Director cum
Chief Financial Officer



JYOTI GURNANI
Woman Director



GOVIND RAM THAWANI
Rt. Government Employee
Independent Director



DR. KANWARJEET SINGH
(M.B.B.S)
Independent Director



HARI KRISHAN MOTWANI
(Rtd. Deputy Manager in
United India Insurance Co. Ltd)
(Independent Director)

Leadership Team



MRS. VARSHA RANEE CHOUDHARY
(M.com ACS)
Company Secretary and Compliance Officer



Mr. Vasudev Lalwani
Vice President Marketing
(B.com)



Mr. Mohd. Khalid
Production Head
(B.tech)



Mr. Kapil Motiramani
Sr. Manager Accounts
(B.Com, C.A.)



Corporate Information...

Auditors

CAS & Co.
(Formerly known as K.M. Tulsian & Associates)
Chartered Accountant
A-703, Rajeshri Accord,
Telly Cross Lane, Off. S.N. Road, Andheri (East), Mumbai – 400069

Registrar and Share transfer Agents

Bigshare Services Pvt. Ltd.
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400059, Maharashtra.
Tel.: +91 22-6263 8200; Fax: +91 22 6263 8299 Email: info@bigshareonline.com;
Website : www.bigshareonline.com

Bankers

Indian Overseas Bank

Secretarial Auditor

Ms. Nisha Agarwal

Cost Auditor

Rajesh Goyal & Co.

Stock Exchanges where Company's Securities are Listed

National Stock Exchange of India Limited ,
BSE Limited

Registered Office

506, 5th Floor, Plot No. B-9 Landmark Building, New link Road, Andheri (West),
Mumbai Maharashtra – 400058

Corporate Office

4th Floor, Plot No. 10, Days Hotel, Behind Hotel Radisson Blu, Tonk Road,
Durgapura, Jaipur, Rajasthan – 302018

Website

www.vetoswitchgears.com

Corporate Identity Number

L31401MH2007PLC171844

Email Id

cs@vetoswitchgears.com



Board's Committees...

Audit Committee

Mr. Govind Ram Thawani (Chairman)
Mr. Hari Krishan Motwani (Member)
Mr. Narain Das Gurnani (Member)

Corporate Social Responsibility Committee

Mr. Govind Ram Thawani (Chairman)
Mr. Hari Krishan Motwani (Member)
Mr. Narain Das Gurnani (Member)

Nomination, Remuneration & Compensation Committee

Mr. Govind Ram Thawani (Chairman)
Mr. Kanwarjeet Singh (Member)
Mr. Hari Krishan Motwani (Member)

Stakeholders Relationship Committee

Mr. Govind Ram Thawani (Chairman)
Mr. Narain Das Gurnani (Member)
Mr. Hari Krishan Motwani (Member)



Board's Profile

Akshay Kumar Gurnani (DIN: 06888193)

Akshay Kumar Gurnani is the Managing Director cum Chief Executive Officer of our Company. He is qualified post graduate in the fields of Commerce and Business Administration as well as having Qualification of International Hotel Management. He plays vital role in every era of management right from building of infrastructure to development of every department which includes marketing, planning, production etc. He possesses expertise in managing the manufacturing and marketing segment of copper wires, cables lightning, fan and other electrical accessories. He aims at achieving the target of Rs. 1100 crores from sales in next Five years.

Other Directorships:

S. No.	Name of the Companies	Position
1	Vankon Modular Private Limited	Director
2	VNB Marketing Private Limited	Director
3	Kunal Buildestate Private Limited	Director
4	Gurnani Holdings Private Limited	Director
5	Veto Electropowers (India) Private Limited	Director
6	Veto Electric Components Private Limited	Director
7	Veto Power Products Private Limited	Director
8	Veto Retails Private Limited	Director
9	Veto Electricals Private Limited	Director
10	Jaipur Buildvision Private Limited	Director
11	Veto Lightings Private Limited	Director
12	Narayan Realhome Developers Private Limited	Director
13	Vankon Switchgears And Cables Private Limited	Director
14	V1 Infradevelopers Private Limited	Director
15	Veto Fincap Private Limited	Director
16	Gurnani Inn Private Limited	Director
17	Gurnani Resorts And Hotels Private Limited	Director
18	Liljas Hotels And Resorts Private Limited	Director
19	Veto LED Lightings Private Limited	Director

Narain Das Gurnani (DIN: 01970599)

Narain Das Gurnani is the Whole-time Executive Director in the Capacity of Chief Financial Officer. He is Under Graduate by qualification but possesses specific skills in finance. He has over 40 years of experience in the field of electrical industry. Besides, he has experience of manufacturing in the same field. He has handled finance and costs in other group companies. He always plays vital role in formulating business strategies and effective implementation programs for both domestic and international markets.

Other Directorships:

S. No.	Name of the Companies	Position
1	Veto Electropowers (India) Private Limited	Director
2	Esma Constructions Private Limited	Director
3	Veto LED Lightings Private Limited	Director

Jyoti Gurnani (DIN: 06953899)

Jyoti Gurnani is a Woman Director of our Company. She is Graduate by qualification and participates actively in the growth and development of the Company. She has no other Directorships. She is the Chairperson of Internal Complaint Committee.

Dr. Kanwarjeet Singh (DIN: 07813714)

Dr. Kanwarjeet Singh is Non- Executive Independent Director of our Company. He is a senior physician and practicing his profession since 40 years. He is affiliated with Life Insurance Corporation of India (LIC), Sindhu Welfare Society and Rajasthan Housing Board. His acumen, administrative power and experience act as a guiding role for growth of our organization. He has no other Directorships. He is member in Nomination, Remuneration & Compensation Committee of our Company.

Govind Ram Thawani (DIN: 06367093)

Govind Ram Thawani is Non- Executive Independent Director of our Company. He is an Arts Graduate and is managerial level retired government employee. He possesses over 40 years of experience in the fields of marketing and finance. He is a Chairman in all Board Committees of our Company.

Other Directorships:

S. No.	Name of the Companies	Position
1	Veto Electricals Private Limited	Director

Hari Krishan Motwani (DIN: 08570545)

Hari Krishan Motwani is Non- Executive Independent Director of our Company. He is a graduate and having very rich experience in Business Management and that his induction will ultimately strengthen the company by all means in development of its business. He is a Rtd. Deputy Manager in United India Insurance Co. Ltd. He has no other Directorships. He is a member in Audit Committees, Corporate Social Responsibility Committee, Nomination, Remuneration & Compensation Committee, and Stakeholders Relationship Committee of our Company.

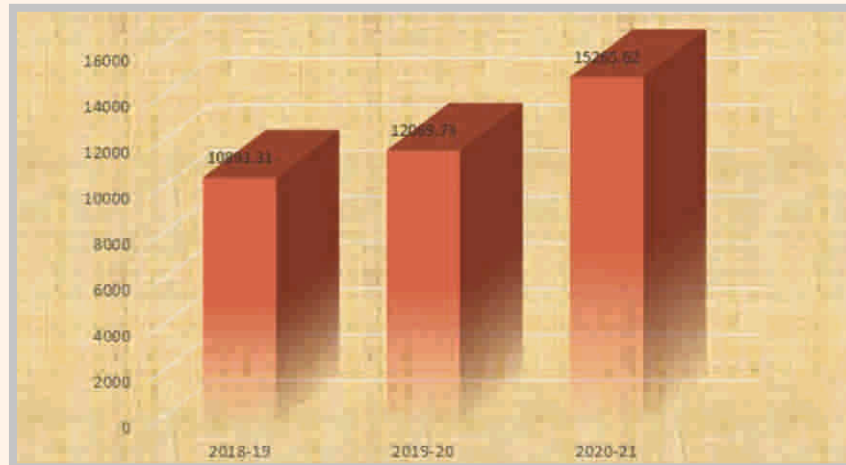
Notes:

1. Other Directorships and Committee Memberships of Directors are as on 31st March 2021.
2. No Changes in the composition of Director and the Committee in the relevant year.

Performance Highlights

Years of Consistent Progress and Perseverance (Standalone)

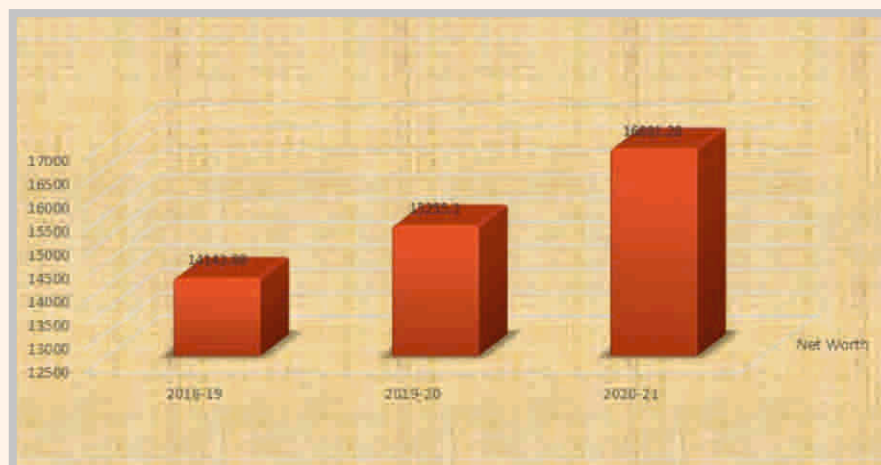
Revenue from Operations (in Lacs)



EBIDTA & Profit after Tax (in Lacs)



Net Worth (in Lacs)



Message from the CEO's



AKSHAY KUMAR GURNANI
Managing Director

“ The secret to success is good leadership, and good leadership is all about making the lives of your team members or workers better.

”

Steve Jobs

Dear Stakeholders,

It is truly an excellent opportunity for learning under your guidance. We are delighted to have you as our stakeholders, and on behalf of the Company, I would like to welcome you all.

With your fresh thoughts, optimistic approaches and gentle behavior, we are sure that this company is in good hands.

Veto Switchgears and Cables Limited works on one of the principles of Constitution of India which states that 'we are OF the people, FOR the people and BY the people' which means the Company is doing great because of its Members, for the Society and by the Management and Employees. We are trying hard to make the lives of our team members / workers better in every way.

“Your attitude is more important than your capabilities. Similarly, your decision is more important than your capabilities!”

Veto's decision to acquire M/s. Vankon Switchgears and Cables Private Limited proved the above statement absolutely correct. Our one decision proved our capabilities and built an iconic image in the eyes of our stakeholders.

Last year was a challenging environment for the entire economy and it continued this year as well. The pandemic proved that the time does not remain same.

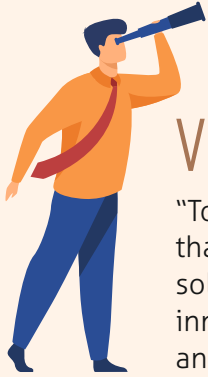
Never complain about the difficulties in life, people keep complaining all their life and keep blaming the situations around for their Failure, In the midst of the Corona crisis, our Company was able to achieve EBIT of Rs. 2325.14 lacs in Financial Year 2020-21. In this achievement, major contribution is by Lighting & Fittings Segment.

We not only thrive out for best of our team but we also work for the betterment of the society. Veto came up and contributed **oxygen concentrator of 25 & 1100 Mask** to the needy people.

At the end, I would like to thank our management and staff members for their hard work and contribution. Their continuous support during this hard time gave us strength in attaining progressive success and realizing our vision and goals. I would also like to take the opportunity to express my gratitude to our partners, suppliers, invaluable consumers, our bankers, government authorities and to all our shareholders for the unwavering trust and support reposed in us. We will be delighted if you continue accompanying us in our journey as we work towards building the Veto of tomorrow.

Thanking You

With warm regards,
Akshay Kumar Gurnani
Managing Director Cum CEO
DIN: 06888193

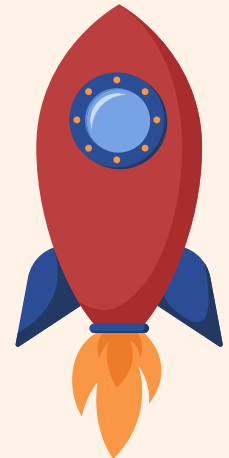


VISION

"To be a globally recognized corporation that provides best electrical and lighting solutions, by pursuing excellence and innovation through committed team work and ethical business practices."

MISSION

"To provide the people of our nation offer low priced, high quality eco-friendly products, our employees a great work environment with utmost satisfaction and growth opportunities while treating each other with respect and dignity, our investors the highest possible returns and ultimately contribute to our communities and our environment in a positively transparent way."



CORE VALUE



@Commitment

By our hard work, open communication and team work we will be the most relevant, innovative and insightful company in India.

@ Honesty

We continue with our fair and transparent business in our operations to meet our obligations, sustain our growth and reach our goals.

@Team Work

To bring a positive change by satisfying the demands of the Customers in an Eco-Friendly manner. Our vision unites us as one organization focused on delivering best results.

@Passion

The soul of VETO is in its passion to innovate, outperform benchmarks and deliver the best consistently.

@ Optimistic Approach

We continue to drive forward, offering new technology and products to our customers. Our vision is to achieving sale target of more than Rs. 1100 Crores in next Five Years

I. DIRECTORS' REPORT

Dear Members,

The Board of Directors have the pleasure of presenting the **14th Annual Report** of the business and operations of your Company along with the Audited Financial Statements for the Financial Year ended 31st March, 2021 and other accompanying reports, notes and certificates. The Consolidated performance of the Company and its subsidiaries has been referred to wherever required.

FINANCIAL RESULTS

Your Company is growing expeditiously. The Company's financial performance (standalone and consolidated) for the year ended March 31, 2021 is summarised below:

(Rs. In Lakhs)

Particulars	Consolidated		Standalone	
	2020-21	2019-20	2020-21	2019-20
Revenue from Operations (including other Income)	18272.00	15090.30	15536.81	12634.38
Less Expenses :				
(a) Cost of materials consumed	7521.25	5026.17	6212.31	4402.88
(b) Purchases of stock-in-trade	5770.00	4759.72	4765.39	3857.42
(c) Changes in inventories of finished goods, and stock-in-trade	(519.14)	699.55	(626.60)	(91.59)
(d) Employee benefits expense	1246.89	1099.83	1091.50	1032.00
(e) Finance costs	186.28	373.17	174.68	371.51
(f) Depreciation and amortisation expense	199.82	189.89	179.64	175.47
(g) Other expenses	1741.89	1550.35	1505.42	1316.60
Total expenses	16146.99	13698.68	13302.34	11064.29
Profit before tax and exceptional items	2125.01	1391.62	2234.47	1570.09
Less: Exceptional items	13.85	-	-	-
Profit before tax	2138.86	1391.62	2234.47	1570.09
Less: Tax Expense	655.30	463.63	622.54	464.52
Less: Minority interest		-		-
Profit after tax	1483.56	927.99	1611.93	1105.57

The year started with an unexpected nation-wide lockdown due to a pandemic which negatively impacted economic activities across the globe. Economic activities gradually started picking up from mid May 2020. Our Company backed by manufacturing strength, robust supply chain management and strong distribution network made a strong comeback. In Spite of COVID-19 pandemic situation, the Company achieved more than 20% growth in top line and Bottom line on Year to Year Basis. Uncertain challenges and partial lockdowns are still faced by the economy due to COVID-19 across the country. However, we as an

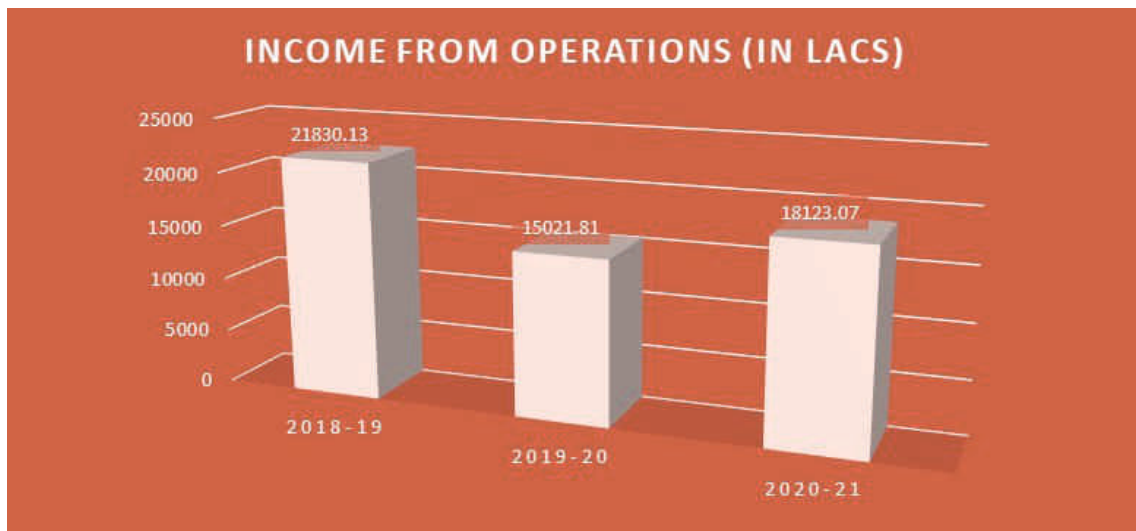
organization remain vigilant to the ground developments with confidence and optimism to manage emerging scenarios.

FINANCIAL PERFORMANCE

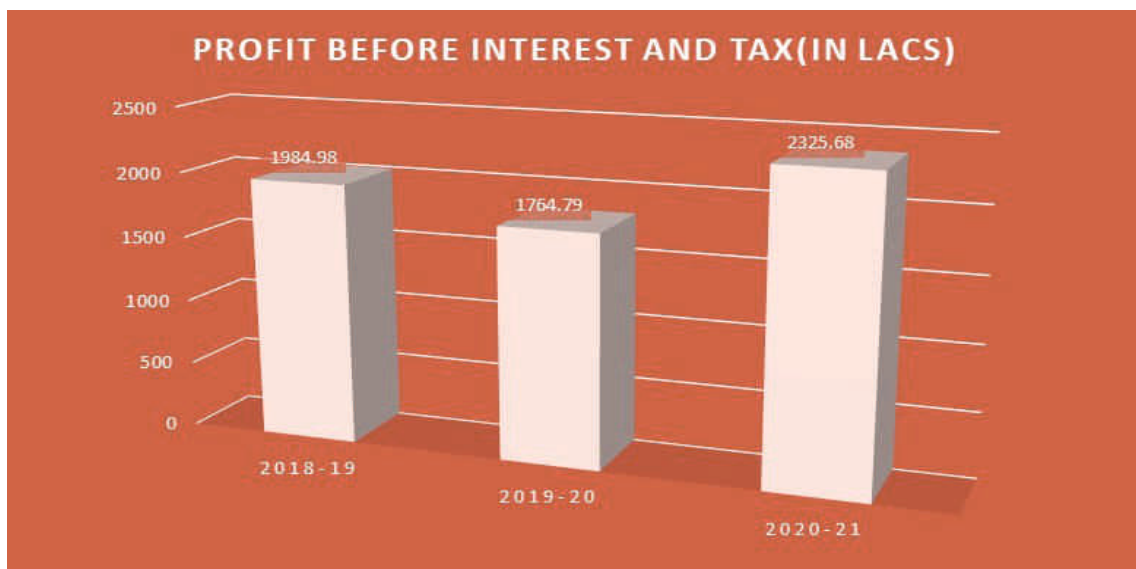
CONSOLIDATED FINANCIAL RESULTS

During the year under review on consolidated basis our Company earned profit before tax and exceptional items of Rs.2125.01 Lacs against Rs. 1391.62 Lacs in the previous year. The Company earned profit after tax of Rs. 1483.56 Lacs as compare to Rs. 927.99 Lacs in the previous year. The Company had Income from operations of Rs.18123.07 Lacs as compared to Rs. 15021.81 Lacs in previous year. The Profit before Interest/Depreciation/Tax (PBDIT) was Rs. 2511.11 Lacs as compared to Rs. 1954.68 Lacs in previous year.

Income from Operations (In Lacs)



Profit Before Interest and Tax (In Lacs)



Profit Before Tax (In Lacs)



Profit After Tax (In lacs)



STANDALONE FINANCIAL RESULTS

During the year under review on standalone basis our Company earned a profit before tax and exceptional items of Rs. 2234.47 Lacs against Rs. 1,570.09 Lacs in the previous year. The Company earned profit after tax of Rs. 1611.93 Lacs as compare to Rs. 1105.57 Lacs in the previous year. The Company had Income from operation of Rs. 15265.62 Lacs as compared to Rs. 12069.73 Lacs in previous year. The Profit before Interest/Depreciation/Tax (PBDIT) was Rs.2588.79 Lacs as compared to Rs.2117.07 Lacs in previous year.

Keeping pace with growth trajectory and its efforts to improve efficiency, productivity and profitability the management seeks the trust of shareholders in future growth of the Company and enhancement of shareholders wealth.

INDIAN ACCOUNTING STANDARDS

Indian Accounting Standards (IND AS) had replaced the Indian GAAP prescribed under Section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014 pursuant to the notification issued by the Ministry of Corporate Affairs (MCA) and since then the Indian Accounting Standards (IND AS) is applicable on the Company for the accounting periods beginning on or after 1st April, 2017.

FINANCIAL STATEMENTS

In accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations') and Section 136 of the Companies Act, 2013 read with Rule 10 of the Companies (Accounts) Rules, 2014, the Annual Report containing salient features of the financial statements, including consolidated financial statements, for the financial year 2020-21, along with statement containing salient features of the Directors' Report (including Integrated Reporting and Management Discussion & Analysis and Corporate Governance Report) is being sent only by electronic mode to members whose e-mail addresses are registered with the Company or with the Depository participant and uploaded on the website of the Company also be accessed from the websites of the Stock Exchanges i.e. BSE Ltd and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively

Annual Report 2020-21 containing complete Balance Sheet, Statement of Profit & Loss, other statements and notes thereto, including consolidated financial statements, prepared as per the requirements of Schedule III to the Companies Act, 2013.

DIVIDEND

The Board of Directors of your company pleased to recommend a final Dividend of Rs. 1/- per share having face value of Rs. 10/- each of 10% of F.V. for the Financial Year ended on 31st March 2021. The proposed Dividend, subject to approval of Shareholders in the ensuing Annual General Meeting of the Company, will be paid to members within the period stipulated by the applicable Companies Act. The dividend would be payable to all Shareholders whose names appear in the Register of Members as on the Book Closure Date. The Register of Members and Share Transfer books shall remain closed from 23rd September 2021, Thursday to 29th September, 2021, Wednesday (both days inclusive).

RESERVES

Rs. 1626.17 lakhs has been transferred to reserves and surplus account during the current year.

SHARE CAPITAL

The Authorised Capital of the company is Rs. 25,00,00,000/- (Rupees Twenty Five Crores Only) divided into 2,50,00,000 (Two Crores Fifty Lacs) equity shares of Rs. 10/- each and Issued, Subscribed and Paid-up capital is Rs. 19,11,49,550/- (Rupees Nineteen Crores Eleven Lacs Forty Nine Thousand Five Hundred Fifty Only) divided into 1,91,14,955 (One Crores Ninety One Lacs Fourteen Thousand Nine Hundred Fifty Five) equity shares of Rs. 10/- during the year.

There has been no change in the Authorized Share Capital, Issued, Paid up and Subscribed Capital of the company during the year.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There being no change in the nature of business during the financial year ended 31st March, 2021.

Material changes if any affecting the financial position of the Company which have occurred between the ends of the financial year of the company to which the financial year relates and the date of the report.

- Veto Switchgears and Cables Limited acquired 95.5% stake in Vankon Modular Private Limited, and above information intimated to Stock Exchanges.

Now Vankon Modular Private Limited deemed Subsidiary Company of Veto Switchgears and Cables Limited.

The Vankon Modular Private Limited is in the same line of business. Veto Switchgears and Cables Limited will be benefited by this acquisition due to integration benefits. And due to this network of Dealer of the company become from 2500 dealers to 4000 dealers.

The Management Discussion and Analysis Report of the financial condition and results of operations of the Company for the year under review as required under regulation 34(2) (e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is being given separately and forms part of this board report .

PARTICULARS OF LOAN, GUARANTEE AND INVESTMENTS

The details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the respective notes to the Standalone Financial Statements of the Company.

DEPOSITS

During the year under review, the Company has neither accepted nor renewed any deposits in terms of Chapter V of the Companies Act, 2013 and Rules framed thereunder.

BUSINESS OPERATIONS / STATE OF COMPANY'S AFFAIRS

In the last month of FY 2020 the COVID-19 pandemic developed rapidly into a global crisis forcing governments to enforce lock-downs of all economic activity.

Pandemic is posing formidable and unprecedented challenges across the business value chain. **Team Veto** was focus immediately shifted to ensuring the health and well-being of all employees and on minimizing disruption to services for all our customers globally.

Most of the non-essential operational expenditure and Capital expenditures were curtailed and sufficient liquidity was maintained without affecting payments to stakeholders. The plans for Capital expenditures were minimized, still maintaining the continuity of projects in hand. Cross-functional teams were formed with senior leadership across the country focusing on different aspects of the Company such as Manufacturing, Branch operations, Supply chain, Go to Market etc. for swift decision making & execution during an unprecedented & uncertain environment.

In Spite of COVID-19 pandemic situation, the Company achieved more than 20% growth in top line and Bottom line on Year to Year Basis .

The company and individuals carry the same objective of not only improving, but empowering people's lives with our unique repertoire of products and services, backed by time tested technology and advanced Research & Development methods. With persistent focus on innovation, prompt capitalization of opportunities, building up credibility through strategic thinking, operational expertise, well planned investments and business integrity, we aim to continue our journey without any reduction in intensity or strength. The company envisages an organization that is truly global in every way i.e. technology, policies and possibilities and it can be seen with its world-wide tie-ups, collaborations and import-export relations. Your company has been developing as a distinctive brand of leadership well equipped to address critical challenges faced by industry and society. Our ambition is being recognized as one of the major competitors globally in the electrical accessories industry.

Veto Switchgears and Cables Limited is one of the most respectable cable manufacturers in India. Brand Veto is committed to quality, safety and service with no compromise. The Company is an ISO 9001:2008 certified company, engaged in manufacturing and selling wires & cables along with other electrical accessories in India.

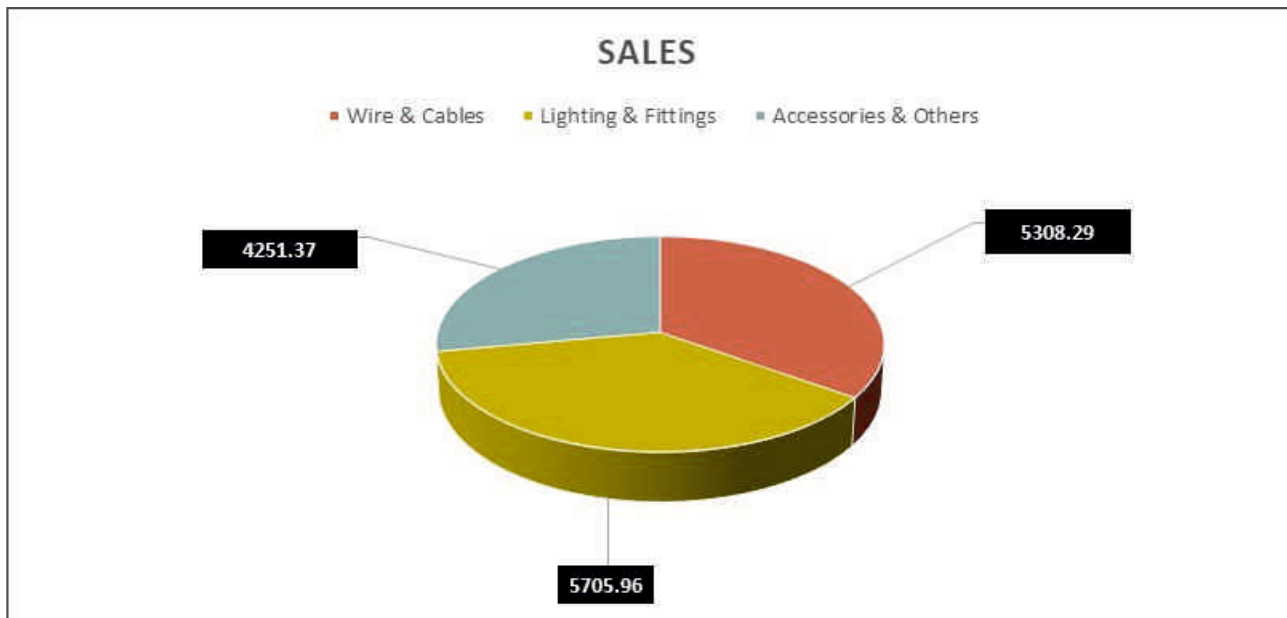
The brand VETO came into existence in 1967 and since then holds a major sector of electrical accessories in India. The company has built powerful and efficient team of marketing professionals, dealers and distributors. Result of which can be seen through its increasing sales. Production has reached its manifold several times since its inception. We aim at providing “**Best Quality at Competitive Prices.**”

The product portfolio ranges from industrial cables, stand cables to telephone & co-axial wires, from general switches to modular switches, from ceiling fans to rechargeable fans, compact fluorescent lamps, LED bulbs and other electrical accessories such as switch socket, MCB, bell and all other electrical accessories that are used for household purposes and manufacturing of wires and cables. Cable range starts from 0.75 mm to 10 mm. The Company also manufactures LED panel Lights, LED Flood Light, Slim Panel Light, LED strip Light and has also received tremendous response from selling the same.

The products are supplied under the brand name “VETO” and “VIMAL POWER” through large network of dealers and distributors to its valuable customers in India as well as Abroad.

VIMAL POWER is a part of Veto group and continues to reinforce a successful international presence and enhance its enviable reputation for innovation. Measures taken for continuous research and development ensures in developing world beating range of cables for satisfying or surpassing the requirements of Indian Standards.

Its major distribution in India covers more than 15 states including major sale in **Rajasthan, Uttar Pradesh, Gujarat, Haryana, Himachal Pradesh, Punjab, JNK, Uttarakhand, Jharkhand, Bangalore, Assam, Karnataka, Kerala, Tamil Nadu, Andhra Pradesh and Madhya Pradesh.**



Raw Material

Our Company’s present and proposed consumption of Raw material is as under:

(Qty. in kg)

Product category	Existing (2020-21)	Proposed (2021-22)
Copper	360961032	379009083
PVC Resin	33053796	34706486
Aluminium	8119232	8525194

Infrastructure facilities

- **Power:** Presently 400 KVA of power supply is sanctioned by Uttarakhand Power Corporation Limited of which approximately 325 KVA have been utilized for our present business operations. Addition to this, the Company has installed a DG set of 250 KVA capacity to avoid any disruption in the power supply. Therefore, we envisage that our further requirement of power for our proposed modernization plans can easily be met from the present supplies.

- **Fuel:** Our Company mainly requires HSD for operating the DG sets. The present monthly consumption of HSD is about 1000 litres. The HSD is being supplied by retail outlets of IOC, HPCL and BPCL.
- **Water:** Water is an essential need and is basically required for drinking and other domestic purpose. Presently, about 7000 litres per day (after proposed modernization) is required at our Haridwar unit. Requirement of water is met from our own borewell. The water supply is regular and sufficient to meet entire requirements. There arise no difficulty in obtaining water because of the presence of number of borewell and the water level in the area being high due to proximity to nearby canal and River Ganga.
- **Manpower:** Our Company has adequate manpower at all levels and does not envisage any difficulty in getting the requisite personnel for our business operations at existing locations. Details of manpower are as follow:

Category	Nos.
Top management	3
Managerial & Supervisory staff	10
Office staff	120
Skilled workers	41
Unskilled workers	229
Total	403

- **Effluent Treatment and Disposal:** Our Company does not generate any industrial effluents which is hazardous to the environment. The waste produced during the manufacturing operation is re-used and/or recycled.
- **Environmental Clearance:** We have got all the necessary approvals from the local authorities to operate our business.
- **Safety Standards:** Quality and safety are the hallmarks of our diverse range of products, which are designed and manufactured to the very highest standards such as ISO 9001 and approved by the leading organizations nationally and internationally.
- **Our Strategy:** Company's goal is to enhance the competitiveness in the market by adopting several techniques such as continuous research and development, product engineering to ensure the best manufacturing process for our products. Research and development in electrical accessories and other allied products will better enable a competitive position in the market. Further enhancement of operations by improving the existing assets to yield better output. Installation of new assets to enhance and attract new markets is also in the horizon.
- **Capacity and capacity utilization**

Particulars	Projected		Actual
	FY 2020-21	FY 2021-22	FY 2020-21
Wires & Cables			
Installed Capacity	20.00 Lacs Bundles	20.00 Lacs Bundles	20.00 Lacs Bundles
Capacity Utilization (in %)	45%	45%	30.37%
Production	9.00 Lac Bundles	9.50 Lac Bundles	6.07 Lac Bundles
Electrical Accessories			
Installed Capacity	600 Lac pieces	600 Lac pieces	600 Lac pieces
Capacity Utilization (in %)	45%	30%	16.45%
Production	270 Lac pieces	285 Lac pieces	98.70 Lac pieces

- **Insurance**

Our Company has taken up a range of insurance policies including:

1. Fire policies for our units, buildings and offices, raw materials, work-in-progress and finished goods as well as entire stock maintained at all our Depot's;
2. Marine policy for transit of raw materials and finished products in India and Marine Export policy;
3. Accidental & Health insurance facility for field staff;
4. Gratuity policy.

These insurance policies are reviewed annually to ensure that the coverage is adequate. All the policies are in existence and the premiums have been paid thereon.

- **Internal Control System**

- The Company has an adequate system of internal control commensurate with its size and nature of business. These systems provide a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes, safeguarding of assets of the Company and ensuring compliance with corporate policies. The Audit Committee reviews adherence to internal control systems and internal audit reports.
- Preparation and issuance of financial reports to the shareholders and in the market, including the Annual Report and consolidated financial statements, is reviewed by the Audit Committee. The Company's financial reporting process is controlled using documented accounting policies and reporting formats, supplemented by detailed instructions and guidance on reporting requirements. The Company's processes support the integrity and quality of data, including appropriate segregation of duties. The financial information of the parent entity and all its subsidiary entities which form the basis for the preparation of the consolidated financial statements are subject to scrutiny by Group level senior management. The Company's financial reports, financial guidance, Annual Report and consolidated financial statements are also reviewed by the Audit Committee of the Board prior of presenting to the Board of Directors for their consideration and approval.
- Detailed budgetary process includes identification of risks & opportunities which is ultimately approved at Board level.
- Board approved the capital expenditure and Audit Committee approved the treasury policies which clearly defines authorization limits and procedures.
- An internal audit function reviews key financial / business processes and has full & unrestricted access to the Audit Committee.
- A risk management programme is placed throughout the Company whereby Risk Management executive reviews and monitors the controls in place both financial and non-financial, to manage the risks facing the business.

SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES

As on 31st March 2021, The Company has 4 (Four) subsidiary companies. One is registered outside India and three are registered in India:

S.No	Name of the Entity	Relationship
1.	Veto Electricals Private Limited	Wholly own Subsidiary
2.	Veto LED Lighting Private Limited	Wholly own Subsidiary
3.	Veto Overseas Private F.Z.E.	Wholly own Subsidiary
4.	Vankon Modular Private Limited	Subsidiary

The details with respect to subsidiary Companies are provided in the **Annexure-I** to the Directors' Report of the Company.

A separate statement containing the salient features of **financial statements** of all the subsidiaries of your Company forms part of Annual Report in the prescribed Form AOC-1 as **Annexure II** in compliance with Section 129 and other applicable provisions, if any, of the Companies Act, 2013.

The Financial Statements of the subsidiary companies and related information are available for inspection by the Members at the Registered Office of the Company during the business hours up to the date of the Annual General Meeting (AGM) as required under Section 136 of the Companies Act, 2013. Further in line with the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and in accordance with IND AS – 110, Consolidated Financial Statement prepared by the Company includes financial information of its subsidiaries.

The standalone annual accounts of the subsidiary companies and the detailed related information shall be made available to Shareholders of the Company and of its subsidiary companies upon request and it shall also be made available on the website of the Company i.e. www.vetoswitchgears.com

Names of Companies which have become or ceased to be its Subsidiaries, Joint Ventures or Associate Companies during the year:

Veto acquired 95.5% stake in Vankon Modular Private Limited, now it's become subsidiary of Veto. Vankon Modular Private Limited do the same line of business. Same has been disclosed in **Annexure-I**.

MANAGERIAL REMUNERATION

A) Information has been laid down under Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules,

The Nomination and Remuneration Committee continuously reviews the performance of the Managing Director, Whole Time Director and Other Directors.

1. Remuneration paid to Directors

Name of Director	Title	Remuneration in Year 2020-21	Remuneration in Year 2019-20	% increase in Remuneration in comparison to last year	Ratio of Remuneration to MRE
Mr. Akshay Kumar Gurnani	Managing Director	24,00,000	19,50,000	23.08	8.91
Mr. Narain Das Gurnani	Whole-time Director/ CFO	12,00,000	12,00,000	0.00	4.46
Mrs. Jyoti Gurnani	Director	6,00,000	6,00,000	0.00	2.23

1. The remuneration disclosed here is upto 31st March 2021 as per the audited Financial Statements.
2. The Median Remuneration of Employees is Rs.1,34,669/- approx.
3. Median Remuneration is calculated on the basis on annualized salary, MRE – Median Remuneration of employees.
4. The median remuneration of employees was Rs. 1,34,669/- as on 31st March 2021 and Rs. 1,60,803/- as on 31st March, 2020. There is decrease in MRE during the financial year 2020-21 of 16.25%.
5. On 31st March 2021, the total number of permanent employees on the rolls of Company is 403 employees.
6. Average Salary decrease of non-managerial employees is (4.19) % and increase of managerial employees is 23.08% in financial year 2020-21.
8. Remuneration paid during the year ended 31st March 2021 is as per the Remuneration Policy of the Company.

Particulars of Employees

Your Directors confirmed that no employee fall under the particulars of Section 197 of the Companies Act, 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

CORPORATE GOVERNANCE REPORT

Corporate Governance refers to laws, regulations, and acceptable business practices that determine relationship between corporate owners and its managers on one hand and its investors on the other hand. The concept of Corporate Governance came to response the corporate failures, crises, and misdeeds. In several economies, corporate governance concentrates on at least four important factors: Ensuring disclosures of all relevant information to shareholders and creditors including business risk analyses; Building a system of rules and voluntary practices that will guide the board of directors; establishing independent audit committees composed of outside directors; Monitoring and controlling management. Developing economies focus on strengthening and improving the legal and regulatory systems that will ensure better enforcement of contracts and protection of property rights.

Your Company is committed to achieve and maintain high standards of Corporate Governance and places high emphasis on business ethics. Your Company has set up Remuneration Committee under Annexure 1-D of SME Equity Listing Agreement, which was later reconstituted under the name ‘Nomination and Remuneration Committee’ pursuant to provisions of Section 174 of the Companies Act, 2013.

A report on corporate governance confirming compliance of conditions as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 has been included in **Annexure III** of this report.

The Company has laid down well-defined Code of Conduct that fairly addresses the issues of integrity, conflict of interest, confidentiality and stress upon the need of ethical conduct which forms the basis of good Corporate Governance. This code is applicable to all members of the Board and the Senior Management Personnel. The declaration regarding compliance with Veto Switchgears and Cables Limited-Code of Conduct and Ethics for all Board Members and Senior Management Personnel of the Company has been included in **Annexure III** of this report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)**CHANGE IN DIRECTORS AND KMP DURING THE YEAR**

There being no change in the Directors during the Financial Year. On 29.06.2020 Mrs. Varsha Ranee Choudhary was appointed as a company secretary in place of Ms. Bhavna Giamalani.

The Shareholders of the Company at their 13th Annual general meeting (AGM) held 29th September, 2020 re-appointed Mrs. Jyoti Gurnani (DIN: 06953899) as Director whose office was liable to retire by rotation.

S. No.	Name of the Directors	Designation	Date of Appointment
1.	Mr. Akshay Kumar Gurnani	Executive Managing Director and CEO	27/08/2014
2.	Mr. Narain Das Gurnani	Whole-Time Director and CFO	24/05/2016
3.	Mrs. Jyoti Gurnani	Director	27/08/2014
4.	Mr. Govind Ram Thawani	Non-Executive Independent Director	22/08/2012
5.	Mr. Kanwarjeet Singh	Non-Executive Independent Director	06/05/ 2017
6.	Mr. Hari Krishan Motwani	Non-Executive Independent Director	28/09/2019

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, that of its Committees and individual Directors. Relevant details have been provided in the **Corporate Governance Report**.

REMUNERATION POLICY

Remuneration Policy of the Company has been laid down separately for:

1. labours
2. Office Staff

I. For labours

Labours Minimum Wages Act, 1948 is applicable for fixing the remuneration of the Labours. Remuneration is payable on Hourly basis.

II. For Office Staff

The Committee will recommend the remuneration to be paid to the Managing Director, Whole-time Director, KMP and Senior Management of the quantity required to run the Company successfully. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The Management of the Company may be provided in excess of remuneration on the basis of outstanding performance performed by the employee only, if the Company is not satisfied with the performance of the employee than the said increment can be restricted. The remuneration should also involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

a. Managing Director

The remuneration and commission to be paid to the Managing Director shall be in accordance with the provisions of the Companies Act, 2013, and the rules made thereunder. Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders.

b. Directors

The remuneration/compensation/commission etc. to be paid to the Directors will be determined by the Committee and recommend to the Board for approval.

c. Non-Executive Independent Directors

The Non-Executive Independent Director may receive remuneration by way of Sitting Fees for attending meetings of the Board thereof. Provided that the amount of such fees shall be subject to ceiling/limits as provided under Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

d. KMPs/ Senior Management Personnel

The Remuneration to be paid to KMPs/Senior Management Personnel shall be based on the experience, qualification and expertise of the related personnel and governed by the limits, if any prescribed under the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

e. Directors' and Officers' Insurance

Where any insurance is taken by the Company on behalf of its Directors, KMPs/Senior Management Personnel etc. for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

This Policy is updated based on the provisions of the Companies Act, 2013 and rules made thereunder and requirements of the relevant rules and regulations issued by SEBI from time to time.

In case of any subsequent changes in the provisions of the Companies Act, 2013 or any other regulations which makes any of these provisions in the policy inconsistent with the Act or regulations, then the provisions of the Act or regulations would prevail over the policy and the provisions in the policy would be modified in due course to make it consistent with Law.

This Policy shall be reviewed by the Nomination and Remuneration Committee as and when any changes are to be made in the policy due to change in regulations or as may be felt appropriate by the Committee. Any changes or modification in the policy as recommended by the Committee would be given for approval of the Board of Directors.

NO. OF MEETINGS OF THE BOARD

In total Ten (10) Board Meetings were held during the year 2020-2021 and the gap between two consecutive meetings did not exceed 120 days. Following is the schedule of Board Meeting:

Detail of Board Meetings held

S. No.	Date of Board Meeting
1.	29 th June 2020
2.	04 th September 2020
3.	14 th September 2020
4.	13 th November 2020
5.	18 th November 2020
6.	28 th November 2020
7.	15 th December 2020
8.	10 th February 2021
9.	12 th February 2021
10.	20 th February 2021

DECLARATION BY AN INDEPENDENT DIRECTOR(S) AND RE-APPOINTMENT, IF ANY

All Independent Directors of the Company have given declaration that they meet with the criteria of independence as laid down under Section 149 (6) of the Companies Act, 2013 and regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms & conditions for the appointment of Independent Directors are laid down on the website of the Company and have been separately disclosed in the Corporate Governance Report. <http://www.vetoswitchgears.com/investor/corporate-governance/independent-directors>.

COMMITTEES OF BOARD

Following are the four Committees of the Board namely:

- a) Audit Committee
- b) Nomination, Remuneration & Compensation Committee
- c) Corporate Social Responsibility (CSR) Committee
- d) Stakeholders' Relationship Committee

Detail of all the Committees along with their composition, charters duties, responsibilities, activities and meetings held during the year, have been provided in the “Report on Corporate Governance” as part of this Annual Report.

Name of Committee	Composition of Committee
Audit Committee	1. Mr. Govind Ram Thawani - Chairman 2. Mr. Hari Krishan Motwani 3. Mr. Narain Das Gurnani
Nomination and Remuneration Committee	1. Mr. Govind Ram Thawani - Chairman 2. Mr. Kanwarjeet Singh 3. Mr. Hari Krishan Motwani
Shareholders'/Investors' Grievance Committee	1. Mr. Govind Ram Thawani - Chairman 2. Mr. Narain Das Gurnani 3. Mr. Hari Krishan Motwani
Corporate Social Responsibility Committee	1. Mr. Govind Ram Thawani - Chairman 2. Mr. Hari Krishan Motwani 3. Mr. Narain Das Gurnani

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The constitution, composition, terms of reference, role, powers, rights, obligations of 'Corporate Social Responsibility Committee ['CSR Committee'] are in conformity with the provisions of Section 135 and all other applicable provisions of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. Relevant details have been provided in the Corporate Governance Report.

During the year under review, the Company has spent Rs.21.00 lacs on Corporate Social Responsibility as per the CSR policy of the Company.

The Annual report on CSR activities in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014 is set out as **Annexure IV** forming part of this Report.

RISK MANAGEMENT

The Company has framed and implemented Risk Management Policy to identify the various business risks. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The risk management policy defines the risk management approach across the enterprise at various levels including documentation and reporting.

DIRECTORS RESPONSIBILITY STATEMENT

The Board of Directors acknowledge the responsibility for ensuring compliances with the provisions of Section 134(3) (c) read with Section 134(5) of the Companies Act, 2013 in preparation of annual accounts for the year ended 31st March 2021 and state that :

- (a) in the preparation of the annual accounts for the financial year ended 31st March 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the Directors have selected such accounting policies, being applied them consistently and make judgments & estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2021 and profit of the Company for that period;
- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the annual accounts have been prepared on a going concern basis;
- (e) proper internal financial controls have been laid down which are adequate and are operating effectively;
- (f) proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

RELATED PARTY TRANSACTIONS

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business and that the provisions of Section 188 of the Companies Act, 2013 and the Rules made thereunder are not attracted. Thus, disclosure in form **AOC-2** in terms of Section 134 of the Companies Act, 2013 is not required. Further, there are no material related party transactions during the year under review with the Promoters, Directors or Key Managerial Personnel. The Company has developed a framework

through Standard Operating Procedures for the purpose of identification and monitoring of such Related Party Transactions.

All Related Party Transactions are placed before the Audit Committee and also to the Board for approval. Omnibus approval was obtained on yearly basis for transactions which are of repetitive nature. Transactions entered into pursuant to omnibus approval are audited and a statement giving details of all Related Party Transactions are placed before the Audit Committee and the Board for review and approval.

The Company has put in place a mechanism for certifying the Related Party Transactions Statements placed before the Audit Committee and the Board of Directors from an Independent Chartered Accountant. The policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the website of the Company viz. www.vetoswitchgears.com. None of the Directors has any pecuniary relationship or transactions vis-à-vis the Company.

Pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has framed Policy on Material Subsidiaries and it is also available on Company's website <http://vetoswitchgears.com/investor/corporate-governance/policies-and-related-documents> under the head Policy on Material Subsidiary.

However, a note on Related Party transactions may be referred to in the relevant notes of the Standalone Financial Statements.

LISTING OF SHARES

The shares of the Company are listed on recognized Stock Exchanges i.e. at Bombay Stock Exchange Limited & at National Stock Exchange of India Limited and the listing fee for the year 2020-21 has been duly paid.

PREVENTION OF INSIDER TRADING

In compliance with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Board has adopted a code of conduct and code of practices and procedures for fair disclosure of unpublished price sensitive information, to preserve the confidentiality of price sensitive information, to prevent misuse thereof and to regulate the trading by Insiders. The code of practice and procedures for fair disclosure of unpublished price sensitive information is also available on the Company's website i.e. www.vetoswitchgears.com.

EXTRACT OF ANNUAL RETURN

A copy of the Extracts of the Annual Return of the Company as required under section 134(3)(a) of the Companies Act, 2013, in Form MGT-9, as they stood on the close of the financial year i.e. 31st March, 2021 is furnished in **Annexure V** and forms part of this Report.

Further, a copy of the Annual Return of the Company containing the particulars prescribed u/s 92 of the Companies Act, 2013, in Form MGT-7, as they stood on the close of the financial year i.e. 31st March, 2020 is uploaded on Company's website: <http://www.vetoswitchgears.com/investor-zone/category/financial-information/reports/>

AUDITORS

STATUTORY AUDITORS

Upon the recommendation of the Audit Committee, The Company had appointed CAS & Co. Formerly known as M/s. K. M. Tulsian & Associates (Firm Registration No. 111075W) as the Statutory Auditor(s) of the Company for a period of 5 years commencing from the conclusion of the 10th Annual General Meeting till the conclusion of 15th Annual General Meeting to be held in the year 2022 on such remuneration as may be mutually agreed upon by the Board of Directors and the Auditors.

Our comments on financial statements referred to in the **Auditor's Reports** under Section 145 of the Companies Act, 2013 are given below:

- a) With regard to the Emphasis on Matter appearing in the Auditor's Report, your attention is drawn to the notes forming part of financial statements for the year which are self-explanatory.
- b) With respect to the comments of the Auditors in their report on the Consolidated Audit Report, our responses against it are provided in the Notes to the Financial Statements which is self-explanatory.

Details in respect of frauds reported by auditors:

There were no instances of fraud reported by the auditors.

COST AUDITORS

As per Section 148 of the Companies Act, 2013, the Company is required to have the audit of its cost records conducted by a Cost Accountant in practice.

The Board of Directors on the recommendation of Audit Committee were appointed M/s. Rajesh & Co., Cost Accountants (Firm Registration Number No. 000031) as Cost Auditor to audit the cost accounts of the Company for the Financial Year 2020-21, be paid a remuneration of Rs. 15000/- Plus Service tax . As required under the Companies Act, 2013, a resolution seeking member's approval for the remuneration payable to the Cost Auditor forms part of the Notice convening the Annual General Meeting for their ratification.

The due date for filing the Cost Audit Report of the Company for the financial year ended 31st March, 2020 was filed in XBRL mode by the Cost Auditor within due date.

SECRETARIAL AUDITORS

The Board has appointed Ms. Nisha Agarwal, Practicing Company Secretary, to conduct Secretarial Audit under the provisions of Section 204 of the Companies Act, 2013 for the Financial Year 2020-21. The Secretarial Audit Report for the Financial Year ended 31st March 2021 is annexed herewith marked as **Annexure VI** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

INTERNAL AUDITORS

The Board has appointed Mr. Kapil Motiramani as internal auditors of the Company for the Financial Year 2020-21.

For the year 2021-22, the Board in its meeting held on 17th June, 2021 has re-appointed Mr. Kapil Motiramani as Internal Auditor.

CORPORATE GOVERNANCE CERTIFICATE

The Company is continuously submitting a “Quarterly Compliance Report on Corporate Governance” as per SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges.

The certificate from the Practicing Company secretary, **Ms. Nisha Agarwal**, C.P. No. 8584, confirming compliance of conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 has been included in **Annexures VII** of this report.

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

There are no significant and material orders that are passed by the regulators or courts or tribunal impacting the going concern status and Company’s operations in future.

DETAILS WITH RESPECT TO ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has placed adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses have been observed.

DEPOSITORY SYSTEM

Our Company’s Equity Shares are in dematerialized form through The National Securities Depository Limited (NSDL) and The Central Depository Services (India) Limited (CDSL). The Company has already set the requisite facilities for dematerialization of its Equity Shares in accordance with the provisions of Depository Act, 1996 with National Securities Depository Limited and Central Depository Services (India) Limited. The Company had entered into agreements with both the Depositories. Accordingly, shares post IPO of the Company are held in demat form.

REPORT UNDER THE PREVENTION OF SEXUAL HARASSMENT ACT

As a good corporate citizen, Veto is committed to a gender friendly workplace. It seeks to enhance equal opportunities for men and women, prevents/stops/redresses sexual harassment at the workplace and institute good employment practices. Veto has established suitable processes and mechanisms to ensure and address issues on sexual harassment, if any, maintaining an open door for repartees. Veto encourages employees to report any harassment concern and is responsive to complaints about harassment or any other unwelcome and offensive conduct. An Internal Complaint Committee has been constituted to enquire into the complaints and recommend appropriate action, wherever required. Veto demands, demonstrates and promotes professional behavior and respectful treatment of all employees.

During the year, no complaints of sexual harassment were received.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EARNINGS & OUTGO

Disclosure pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 have been made.

(A) CONSERVATION OF ENERGY

Company has taken several steps to conserve energy through its “Sustainability” initiatives and the Company continues its endeavor to improve methods used for energy conservation and utilization. The Company has always been conscious of the need for conserving energy and has always been sensitive in making progress towards this end. Energy conservation measures have been implemented at all the plants and offices of the Company and special efforts are being made on undertaking specific energy conservation projects like:

1. Lighting: Continuous efforts are being made by the Company to reduce or optimize the lighting requirements at all the plants. Replacement of Conventional light fittings with LED light fixtures, Installation of CFL and LED indicators, Use of 54Wx4 T5 lamps for assembly areas lead to savings in power at office areas.
2. Replacement of old equipment with new / energy efficient equipment.
3. Optimization of Electrical Equipment: In addition to the existing controls on prime production equipment and existing prime utilities equipment, some electrical equipment modifications / additions being done for continuous monitoring of power factor of plant on daily basis and redesign of pay off fixtures in cable division to reduce energy consumption by 40%.
4. Company believes in sharing and implementing best practices across all plant. Stage wise replacement of all conventional light fittings to LED light fittings made across the manufacturing units. Impact of all the measures taken for reduction of energy consumption was seen.

The above measures have resulted in optimizing energy consumption and savings in cost of production, reduction in carbon emission and processing time.

Capital investment on energy conservation equipment's – Efforts have been made by Company to reduce or optimize the energy requirements at all the plants. Company encourages capital investment in energy-saving equipment's, plants or machinery and has invested a significant amount on the same.

(B) ENVIRONMENT, HEALTH AND SAFETY

VETO is committed towards caring for people and the planet by integrating environmental and safety principles in all the aspects of its business from procurement to material usage, from manufacturing of sustainable products to creating awareness through marketing or through innovation / R&D for better products and processes. We constantly monitor and innovate our environmental and occupational health and safety performance through our internal risk management mechanism. At the compliance level, your Company confirms to all applicable regulatory Environmental Health & Safety (EHS) requirements wherever it operates.

Our Company is sensitive towards environmental and resource conservation and its manufacturing philosophies which ensure safety of the workers and surroundings. Being in a non-polluting category of business, it causes minimal impact on the environment but has a huge positive impact on the local community. Restriction of Hazardous Substances (RoHS) compliance in all its products like CFLs, cables, PCBs, etc. ensures safety across the product life cycle. Our Company strongly believes and promotes energy conservation not only through its products but also within the premises. Energy conservation measures have been adopted at all the plants.

Our Company follows best practices for health and safety. Employees and workers are regularly trained by industry experts on issues of occupational and industrial health & safety, first-aid and environment management. Healthy lifestyle and well-being are also promoted as a culture at VETO. Our Company also

provides life insurance cover, personal accident cover and robust medical & health policies to all field staff against any unfortunate incident. VETO India strongly believes in maintaining a balanced work-life and therefore follows strict in-and-out work-timings. This has gone a long way in maintaining a healthy, happy and motivated workforce.

(C) TECHNOLOGY ABSORPTION

The Company is putting continuous efforts in acquisition, development, assimilation and utilization of technological knowledge through its wide advance engineering project portfolio. This has enabled the Company to keep abreast with the latest developments in product technology, manufacturing process and methods, quality assurance and improvement, marketing, management systems and benefited out of mutual experience. To develop our product pipeline we commit substantial time, efforts, funds and other resources for R&D. Our processes and products for such development are fully tested. There is a possibility that it may not perform as expected and may not be able to successfully and profitably produce and utilize such products or processes as thought. Therefore, our investments in R&D and new product launch could result in higher costs without a proportionate increase in revenues.

Company is carrying out the following activities to fulfill short term and long term business goals:

- Up gradation of existing products and processes to save cycle time, energy consumption and overall operational efficiency.
- Import substitution and identification of new raw materials for development.
- Technology support to all plants to improve efficiency that enables business growth.
- Optimization of products and processes to minimize waste generation and address environmental and safety concerns.
- Development of smart test methods to speed up testing of incoming raw materials.
- Development of in house domain expertise to support product development.
- Focus on in house product development in the area of smart internet base solution etc.
- The benefits derived like product improvement, cost reduction, product development or import substitution.

(D) DETAIL OF FOREIGN EXCHANGE EARNINGS AND OUTGO.

During the financial year Company's Foreign Exchange Earnings in terms of actual inflow was 1,79,78,022.57/- INR and the Foreign Exchange Outgo in terms of actual outflow (including machinery imported) was 3,44,14,776/- INR. The information on foreign exchange earnings and outgo is furnished in the notes to the accounts of Standalone Financial results.

CREDIT RATING

Your Company has been reaffirmed long-term rating of BBB+ (ICRA triple B plus) short term rating of A2 by ICRA Limited. During the year ended 31st March 2021. The outlook of long term rating is "**Stable**".

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Act.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management of Veto Switchgears and Cables Limited ('the Company') presents the analysis of the Company for the year ended on March 31, 2021 and its outlook for the future. This outlook is based on assessment of the current business environment. It may vary due to future economic and other developments both in India and Abroad.

OVERVIEW:

COVID-19 was not only a health crisis, it had far-reaching implications on the global economy. The pandemic led to a sharp decline in global trade, lower commodity prices and tighter liquidity conditions.

FY21 was an extraordinary year for the Indian economy. India followed the rest of the world in implementing a nationwide lockdown for most of Q1. While this helped curb the spread of the virus to some extent, the contraction in GDP, exacerbated unemployment was because of reduced economic activity and restricted mobility, due to COVID-19 as people curtailed discretionary spending and focused on essentials and precautionary savings due to the level of uncertainty which contributed to nearly half of India's GDP. Progressive unlocking from June 2020, along with initiatives undertaken by the government (and the Reserve Bank of India) such as the economic stimulus that amounted to more than 10% of the total GDP, liquidity support, lowering of interest rates and loan moratoriums aided a sequential revival of the economy. Consumer's sentiment and demand witnessed a sharp recovery in the second half of the year, led by phased unlocking, decreased number of infections and hopes created by the vaccination drive. A normal monsoon and reverse migration accelerated the semi-urban and rural economy. However, growth in urban India remained affected by intermittent government restrictions.

We believe, companies with strong values, solid fundamentals and governance practices, robust manufacturing, distribution and marketing capabilities can leverage these long-term growth opportunities and play an important role in the process of nation rebuilding while creating greater value for all stakeholders. While Indian GDP growth for FY21 is expected to contract by 8% YoY, as per the estimates by the Ministry of Statistics and Programme Implementation (MOSPI) and various other institutions such as the RBI, IMF and others project India to grow in double digits in FY22. However, the second wave of COVID-19 is manifested to be more disruptive than the one prevailing, given the spike in infection rate, and this has cast some uncertainty over the timing and extent of economic recovery.

INDUSTRY STRUCTURE AND DEVELOPMENTS:

During the year, growth in the Electrical Goods sector was relatively weak largely on account of the pandemic. The electrical industry has immense growth potential especially considering the increased penetration of electricity and home improvement drive. Over the years, this industry has evolved rapidly with increasing participation of organized players and gave more emphasis on branding. The nationwide lockdown in the first quarter disrupted retail trade significantly. Consumer's belief over the time made it a start with gradual unlocking. Accordingly, the second half of FY21 faced healthy growth across the Electrical segment. In this environment, we are very well positioned to deliver accelerated growth with an integrated portfolio that enables us to address the design, build and maintain value chains for clients across industries. While the company has faced COVID-19 challenges, we have significantly enhanced our ability to address new opportunities that are now emerging. Improvements in access to electricity, a surge in the sale of white goods, and higher demand for LED bulbs have driven demand from the domestic sector.

Growth in population has increased the need for residential and commercial spaces. The number of buildings is growing rapidly in cities like Bengaluru and Gurugram. These developments have increased the demand for electricity, which has been driving the need for power generation as well as transmission and distribution equipment in India. Consequently, the electrical equipment market growth in India has been substantial.

Furthermore, supportive government policies such as UDAY 2.0, 24x7 - Power for All, SAUBHAGYA, UJALA Scheme, Green Energy Corridor, and vehicle electrification have helped to boost the Indian power sector.

The Central Government has recently announced its intent to give production linked incentives (PLI) to promote manufacturing in India.

In recent years, there has been a significant improvement in power supplies to rural areas due to Government's rural electrification programmes.

COMPANY OVERVIEW

Veto Switchgears and Cables Limited is one of the largest and most diversified manufacturers of electrical and telecommunication cables. The Company has been maintaining its leadership in manufacturing of Industrial Wires and Cables since the last 50 years. This has been primarily due to its continuing investments in world-class technology, modernizing manufacturing capabilities and maintaining highest standards of quality and service. Its recent foray into LED segment underpins its attempt to emerge as a leading and preferred electric solutions provider from being a mere wires and cables manufacturer.

The addition of a unique range of products to its product portfolio has enabled the company to augment its reach and presence in the consumer products market. Its new segment of business has made significant contributions in the overall performance of the company.

Major Products and segments

The comprehensive product portfolio of the company is designed to cater to the diverse electrical requirements across domestic, commercial and industrial markets. Delivering a wide array of wires and electrical cables, it is recognized as one of the leading companies in the electrical accessories market.

➤ WIRES AND CABLES:

The Indian wire and cable industry is growing satisfactorily and getting more and more consolidated and becoming largely organized now. Due to the pandemic, the first half of the year was challenging for the Indian Cable & Wire Industry as the demand from the Industrial and Infrastructural segment was severely impacted and the recovery in the housing sector was tepid. The second half of the year though has been promising supported by positive demand in the residential segment and revival of Infrastructure projects.

The Central Government's 'Housing for All by 2022' (20mn houses for urban poor and 30mn for rural poor) and Smart Cities (development of 100 cities) missions promise to trigger fast-paced rollout of new homes. This should usher in multi-year growth for electrical products and appliances. Increasing consumer focus on aesthetics and energy efficiency has also resulted in a notable shift towards branded products. With its ability to offer competitive pricing, superior product range & quality, upgraded technology and

innovations, more safety features, and increased brand awareness, VETO is well placed to offer an enriching consumer experience.

The infusion of funds by the Government in infrastructure projects, implementation of strict RERA norms in real estate and push for schemes such as 'Atma Nirbhar Bharat' and Saubhagya would help sustain demand for wires and power cables. Lower interest rate regime for home loans is expected to spur the first-time home buyers and the affordable home segment.

The Wires and Cables division registered revenues Rs. 5308.29/- Lacs during FY 2020-21 compared to revenues of Rs. 4290.41 Lacs FY 2019-20.

➤ **ACCESSORIES & OTHERS:**

Switchgear segment, which is part of the Electrical Accessories & other segment is primarily constituted by modular & non-modular switches and accessories.

India Switchgear Market (2017-2022) Report says that, growing T&D network and rural electrification program coupled with infra development are the key factors driving the switchgear market in India. Government schemes & initiatives such as UDAY & DDUGJY are expected to further fuel the growth of the switchgear market in the forecast period. According to 6 Wresearch report, India switchgear market is projected to reach \$3.7 Billion by 2022.

Further, Government initiatives to increase the penetration of clean energy are also a major source of growth for the switchgear market in India.

The international market showing the price hike by 2024 for low voltage switchgear industry, further the growing demand for electrical and power sector in addition to the urbanization have increased the demand for electrical products and electrical protection equipment.

The Indian power sector has an investment potential of Rs 15 trillion (US\$ 225 billion) in the next 4-5 years, thereby providing immense opportunities in power generation, distribution, transmission, and equipment. The government's immediate goal is to generate two trillion units (kilowatt hours) of energy by 2019. This means doubling the current production capacity to provide 24x7 electricity for residential, industrial, commercial and agriculture use. The Goal is taking a number of steps and initiatives like 10-year tax exemption for solar energy projects, etc., in order to achieve India's ambitious renewable energy targets of adding 175 GW of renewable energy, including addition of 100 GW of solar power, by the year 2022. The government has also sought to restart the stalled hydro power projects and increase the wind energy production target to 60-GW by 2022 from the current 20 GW.

Veto, switchgear portfolio offers a complete range for Circuit protection for the rapidly urbanizing Indian market. Though the real estate sector has been generally underperforming over the last couple of years, an uptick in residential and commercial construction and ongoing electrification programmes of the Government would support growth of the switchgear market.

Post Covid there was sharp recovery in demand owing to our comprehensive product and focus on expansion of semi-urban and rural markets. Veto was able to leverage its manufacturing capacity and requirement of the market.

The Accessories & Others division registered revenues of Rs. 4251.37/- Lacs during FY 2020-21 compared to revenues of Rs. 3115.70/- Lacs FY 2019-20.

➤ **LIGHTING AND FITTINGS:**

India LED lighting market witnessed a surge in recent years on account of the growing population and subsequent urbanization. With the increasing rate of electricity consumption, the demand for an environmentally friendly and cost-effective lighting solution is also gaining traction. Hence, in recent years, LED lighting has started to considerably penetrate the mainstream general lighting market of India.

According to 6 Wresearch, India LED Lighting Market size is projected to grow at a CAGR of 23.6% during 2019-25. Several government schemes such as Unnat Jyoti by Affordable LEDs for All (UJALA) and Street Lighting National Programme (SLNP) remained the biggest demand drivers for the **LED lighting market** in India. The aim of such initiatives is to increase awareness among the consumers regarding the adoption of LED bulbs over conventional lighting sources such as incandescent bulbs, CFL, and halogen lights. For instance, under the SLNP, the government aims to replace over 1.34 crore conventional street lights in India, out of which, around 1.04 crore street lights were already.

The Northern region accounts for the largest revenue share in the overall market in India, followed by the Southern region. With several upcoming infrastructure projects across the residential, industrial, and commercial domains across several parts of the country, the demand for **LED lamps & luminaires** is projected to witness significant growth over the coming years.

Veto is well placed in the Smart lighting, led, Fan, CFL, and other fancy Lighting segment with a strong product profile, well-entrenched trade network along with supportive Consultants, Contractors, Specifiers. Veto has a strong presence both in the Consumer lighting and Professional luminaire market segment. Lighting is the spearhead product for the journey of Veto on the verge of expansion into rural markets.

The Lighting and Fixtures division registered revenues Rs. 5705.96/- Lacs during FY 2020-21 compared to revenues Rs. 4663.62/- Lacs FY 2019-20.

COMPETITION

The market comprises international and regional / local vendors who face intense competition from the unorganized vendors. The regional and unorganized players in the market offer products at a comparative price which induces the well-established international electric wire and cable manufacturers to focus on differentiating their products to sustain their market shares. In addition to innovative product offerings, cable and wire manufacturers thus have also entered into various business strategies such as mergers and acquisitions to acquire new technologies and have expanded their customer reach.

The leading vendors in the market are –

- Finolex Cables
- Havells India
- KEI Industries
- Polycab Wires

The other prominent vendors in the market are Cable Corporation of India, Apar Industries Limited, Cords Cable Industries, KEC International, LS Cable India, Shilpi Cable Technologies, Universal Cable, and V-Guard Industries.

MARKETING SETUP

Veto holds a major part of market share of electrical accessories in India. The company has a strong and efficient team of marketing professionals, dealers and distributors. Our Promoters carry and share their vast experience in the marketing segment of wires and cables, electrical accessories & other allied products. They have been indulging into manufacturing and marketing segments for their products for the past over 40 years. Veto holds a recognized reputation among its dealer network consisting of more than 2,500 in number. The selling price of the components to be manufactured is decided on the basis of design complexities, material used, process gone through, quantity, period of supply, etc.

Your Company had major earnings from the state of Rajasthan and Gujarat and now the Madhya Pradesh and Karnataka also forms the part of the major earnings due to our continuous focus on widening and covering more and more states of India. Almost 15 states have become a major part of our distribution network, including Maharashtra, Punjab, Madhya Pradesh, Haryana, Uttar Pradesh, Jharkhand, Karnataka, Kerala, New Delhi and Assam. The company has broadened its network and distribution channels. We have also had major success in some of the biggest cities of UAE. The company and its Board are continuously putting efforts toward making Veto a globally established brand. Our products are marketed in both domestic and international markets.

Strength

- Established brand in North West India, South and central
- Experienced management team
- Organized and comprehensive product offering
- Established reputation for quality products
- Driving growth through innovation and marketing
- Our relationship with customers
- Our relationship with more than 2,500 dealers
- Dedicated team of technical manpower

Weakness

- Player in regional market.
- Any avoidance of rules of Govt. caused under unavoidable circumstances may have an adverse impact on the project.

Opportunity

- The location of the unit is the hub of industry of the multiproduct category. This causes huge competition and thus helps the customer to differentiate between the average and the best product. The importers will get a variety of the products, which will be a healthy situation for the Industry ultimately.
- Opportunities for the Company have been growing due to increasing demand for wires & cables, electrical accessories, LED lights etc.

Threats

- Uncertainty due to COVID-19 disruption in business
- Our contingent liabilities, not provided for, if crystallized, could adversely affect our financial condition.
- The loss of or shutdown of operations at our production facilities may have a material adverse effect on our business, financial condition and results of operations.
- Low cost end-to-end business model being adopted by existing or new competitors.
- Heightened competitive intensity with externally-funded players looking to drive aggressive strategies in the market.
- Changes in the fiscal policies by the Government.
- Shifts in the size or demographic composition of the market area

RISK AND CONCERNS:

1. Common Risks: Accidents in the workplace, fires, earthquake, tornadoes, and any other natural disasters
2. Legal Risks, fraud, Theft etc.
3. Uncertainties in financial markets
4. Failure in Projects
5. Credit Risks
6. Outstanding Debtors
7. Security and Storage of Data and Records
8. Competitors have market standing out of Rajasthan

The Company has a risk identification and management framework appropriate to it and to the business environment under which it operates. Risks are being identified at regular intervals by the Board.

The Company has a Risk Management Policy, which provides an overall framework of Risk Management in the Company. The Board of Directors is responsible for the assessment, formulation and implementation of guidelines, managing key risks, risk minimization procedures and periodicals review.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The company has adequate systems of internal control commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use or losses, executing transactions with proper authorization, and ensuring compliance with corporate policies. The company has a well-defined manual for delegation of authority, for approving revenue

and expenditure. The company uses an updated system to record data for accounting, consolidation, and management information purposes, connecting to different locations for the exchange of information.

The internal audit process is designed to review the adequacy of internal control checks and covers all significant areas of the company's global operations.

The company has an Audit Committee of the Board of Directors, the details of which have been provided in the corporate governance report.

Whistle Blower Policy

The Company promotes ethical behavior and has put in place a mechanism for reporting illegal and unethical behavior. The Company has a Vigil mechanism and Whistle Blower Policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The reportable matters may be disclosed under the supervision of the Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee had reported to the Committee.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

This has been dealt with in the Director Report.

HUMAN RESOURCES / INDUSTRIAL RELATIONS:

VETO encourages a culture of trust and mutual respect. Employees are aligned to common objectives and take pride in the quality of the products that enhance the factory for sale in the markets. We have always realized the importance of human capital and duly acknowledge it in our business operations. Your Company has managed to create and build "Lifers" at VETO- people who have been associated with the Company have started earning life at VETO. It ensures stability and satisfaction when we realize that our partners in success trust us to such an extent that they stand by us at all times.

Their experience, skills, knowledge, ideas and enthusiasm are an invaluable asset. We humbly acknowledge their contributions with competitive compensation and benefits that appropriately reward performance. Pay revisions and other benefits are designed in such a way to compensate for the good performance of the employees of the Company.

The talent pool of your Company has steadily evolved with changing times with fresh talent being infused to meet demanding situations. The Company has a scalable recruitment and human resource management process which enables us to attract and retain high caliber minds.

Inspired by the commitment to quality and core values of honesty and transparency, your directors and employees look forward to the future with confidence and stand committed for creating an even brighter future for all our stakeholders.

The Company had a total of 403 permanent employees as on 31st March, 2021.

KEY FINANCIAL RATIOS:

The key financial ratios are given as below:

Ratio	FY 2020-21	FY 2019-20	Reason
Debtors turnover (times)	2.80	2.66	Due to prevailing industry Practice
Inventory turnover (times)	2.50	2.14	Due to reduction of Inventory Level
Interest Coverage Ratio (times)	13.79	5.23	Due to lesser utilization of CC limit
Current Ratio (times)	2.47	2.98	Due to reduce creditor level
Debt-Equity Ratio (times)	0.20	0.16	Due to reduction in debt
Operating Profit Margin (%)	15.78%	16.09%	Due to Increase in Advertising cost
Net Profit Margin (%)	11.87%	9.16%	Slightly increase in marginal profit on account of increase in Turnover
Return on Net Worth (%)	10.73%	7.25%	Due to higher Net worth

DISCLAIMER CLAUSE

Statements in Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions are forward looking statements within the meaning of applicable securities laws and regulations. Actual results could differ materially from those either expressed or implied. Important factors that could make a difference to the Company's operation include among others, economic conditions affecting demand /supply and price conditions, variation in prices of raw materials, changes in Government regulations, tax regimes, economic developments and other incidental factors.

ACKNOWLEDGEMENT

We thank our customers, vendors, investors and bankers for their intense support throughout the year. We place on record our appreciation of the contribution made by our employees at all levels. We thank the Government of India, particularly the Ministry of Commerce, Ministry of Finance, Ministry of Corporate Affairs, the Custom and Excise Departments, Income Tax Department, the Reserve Bank of India, the State Government(s) and other government agencies for their support, and look forward to their continued support in the future.

Date: 04/09/2021

Place: Jaipur

for and on behalf of the Board of Directors

Sd/-
Akshay Kumar Gurnani
Managing Director & CEO
DIN: 06888193

- Sd/
Narain Das Gurnani
Whole-time Director & CFO
DIN: 01970599

Annexure I**Subsidiary Companies Brief****1. VETO ELECTRICALS PRIVATE LIMITED**

Veto Electricals Private Limited (“VEPL”) having CIN U31300RJ2008PTC12189 was incorporated on March 24, 2008 vide Certificate of Incorporation issued by the Registrar of Companies, Rajasthan, at Jaipur.

On November 22nd 2014 Veto Electricals Private Limited became the Wholly Owned Subsidiary Company of the Company.

On May 29th, 2017 Veto Electricals Private Limited inaugurated its manufacturing plant (100% Export Unit) at Mahindra SEZ, Jaipur and started its commercial Production on July 1st 2017.

The main object of VEPL is to carry in India or elsewhere all any of the business of general merchants, manufacturers, buyers, seller, importers, exporters, traders, procurers, retailers, distributors, franchises and collaborators in all kinds and every description of wires, cables, electrical fans and accessories, PVC wires, copper conductors, aluminum conductors or other conductors made of any of the substance, electrical lamps including vacuum and gas filled lamps, general lighting lamps, luminaries and accessories etc. and other appliances, cables, wire lines and all types of machinery, plant or apparatus and things required for or capable of being used in connection with the manufacture of the above and business related commercial activities and services, merchandise, electrical and electronic goods at outright commission basis or through departmental stores, super markets, chain stores of electrical and electronic items.

Registered Office

The registered office of the Company is located at 4th Floor, Plot No. 10, Days Hotel, Airport Plaza Scheme, Behind Hotel Radisson Blu, Durgapura, Tonk Road, Jaipur – 3020018 (Raj.) India.

Capital Structure and Shareholding Pattern

The authorized share capital of VEPL is Rs. 9,00,00,000/- divided into 90,00,000 equity shares of Rs. 10/- each. The issued, subscribed and paid- up share capital is Rs.9,00,00,000/- divided into 90,00,000 equity shares of Rs. 10/- each.

The shareholding of Veto Switchgears And Cables Limited is of 100%.

On 26th June 2020 Veto Electricals Private Limited has also increased its authorized capital from Rs. 10,00,000/- (Ten Lack Only) to Rs. 9,00,00,000/- (Nine Crores Only) and also allotted 8900000 shares @ Rs. 10/- on right issue bases to holding company Veto Switchgears and Cables Limited on the date 28th July, 2020 for expansion of Business.

Board Composition

- Mr. Akshay Kumar Gurnani
- Mr. Govind Ram Thawani
- Mr. Jitendra Kumar

2. VETO OVERSEAS PRIVATE F.Z.E (FOREIGN SUBSIDIARY)

Veto overseas Private F.Z.E, in Ajman (U.A.E.) was incorporated on 11th Oct 2015 by the consent of the Board of Directors of our company vide resolution passed on August 31st 2015. It is Wholly Owned Subsidiary Company of Veto Switchgears and Cables Limited.

Address:

SM-Office-C1-520B Ajman Free Zone, Ajman (UAE)

Capital Structure and Shareholding Pattern

Current Authorised Capital 64,75,000 AED and minimum paid up capital of 64,75,000 AED. It has earned revenue of 43,16,387 AED for the year ended 31st March 2021. The Company has declared profit of 25,760 AED.

Management

Mr. Ashish Goklani currently holds the position of the Manager of Veto Overseas Private F.Z.E. He is authorised by the Board to do all other necessary things relating to Local Authorities, Government or Semi Government Department Ministries, Free Zone Authority, all companies establishment or other business and sign on necessary documents . He is further authorised to open bank accounts, borrow monies for and on behalf of the company and avail financing facilities from Banks and Financial Institutions and to pledge/hypothecate/mortgage any asset of the company and can also give third party guarantee on the behalf of Veto Overseas Private F.Z.E.

3. VETO LED LIGHTINGS PRIVATE LIMITED

Veto LED Lightings Private Limited (“VLLPL”) having CIN U31100MH2019PTC332744 was incorporated on November 8th, 2019 vide Certificate of Incorporation issued by the Registrar of Companies, Maharashtra, at Mumbai. It is Wholly Owned Subsidiary Company of Veto Switchgears and Cables Limited.

The main object of the Company is to carry in India or elsewhere all any of the business as manufacturers, importers, exporters, retailers, assemblers, distributors, stockiest, traders, dealers, wholesalers, brokers, manufacturer’s representatives, selling agents, purchasing agents, commission agents, dealers in electrical fittings and accessories, PVC wires, cables of all types and kinds, copper in all forms, PVC resin, DOP, plasticizers, chemicals, PVC compounds, Fillers, CP, copper conductors, Aluminum conductors or other conductors made of any matter of substance, electrical lamps including vacuum and gas filled lamps, general lighting lamps, Luminaries and accessories, MCB, CFL, Fans, Fittings etc and other appliances, cables, wires lines and all types of machinery, plant or apparatus and things required for or capable of being used in connection with the manufacture of the above.

Registered Office

The registered office of the Company is located at 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058 (Maharashtra) India.

Corporate office

The Corporate office of the Company is located at 4th Floor, Plot No. 10, Days Hotel, Airport Plaza Scheme, Behind Hotel Radisson Blu, Durgapura, Tonk Road, Jaipur – 3020018 (Raj.) India.

Capital Structure and Shareholding Pattern

The authorized share capital of VEPL is Rs. 9,00,00,000/- divided into 90,00,000 equity shares of Rs. 10/- each. The issued, subscribed and paid-up share capital is Rs. 9,00,00,000/- divided into 90,00,000 equity shares of Rs. 10/- each.

The shareholding of Veto Switchgears And Cables Limited is of 100%.

On 8th April 2020 Veto LED Lightings Private Limited has also increased its authorized capital from Rs. 10,00,000/- (Ten Lack Only) to Rs. 9,00,00,000/- (Nine Crores Only and also allotted 8900000 shares @ Rs. 10/- on right issue bases to holding company Veto Switchgears and Cables Limited on the date 28th July, 2020 for expansion of production for LED.

Board Composition

- Mr. Narain Das Gurnani
- Mr. Akshay Kumar Gurnani

4. VANKON MODULAR PRIVATE LIMITED

Vankon Modular Private Limited having CIN U31900MH2015PTC264579 was incorporated on May 18th, 2015 vide Certificate of Incorporation issued by the Registrar of Companies, Maharashtra, at Mumbai.

Veto Switchgears and cables Limited acquired 95.5% stake in Vankon Modular Private Limited in the Month of Feb. 2021. Now, it is Subsidiary of Veto Switchgears and Cables Limited.

The main object of the Company is to carry in India or elsewhere all any of the business as manufacturers, Produce, Trading, Buy, Sell, Import, Export, Stock, Deal in machine tools, Grinding Machines, Automatic latches, Drilling Machine, Planning machines plan Grinders, Machineries of every Description, Precision tools, Cutting and small tolls, electrical motors, electrical equipments, cables, wires, switchgears, flame and drip proof motors, distribute, import, export, sale, purchase or otherwise deal in all type of electricals & electronics items, wiring, modular accessories, lighting & luminaries, house hold appliances, electrical fans regulators of all types, electric kilovolt hour maters magnets, industrial jewels, maters, voltmeters and other type of measuring instruments, electrical /non electrical die casting, screws, nuts, and bolts, transformers of all, circuit breakers, electronic instruments, conductors, materials, transistors and allied items, sewing machines, watches and clocks, tape recorders, household appliances and component parts thereof, engineering goods, lined equipments, pipes & fittings, hoists, elevators, gears, trolleys and coaches, winches, air compressors, welders, refrigerators, domestics washing machines, television and radio receivers and transmitters, micro wave components, radar equipments, valves, reactors.

Registered Office

The registered office of the Company is located at S.NO. 72 & 74, Gala No. 4 & 5, Gr. Flr, Plot No. 22, Meghdoot Signature, Vasai Road - East Thane Maharashtra-401208 India.

Corporate office

The Corporate office of the Company is located at 4th Floor, Plot No. 10, Days Hotel, Airport Plaza Scheme, Behind Hotel Radisson Blu, Durgapura, Tonk Road, Jaipur – 3020018 (Raj.) India.

Capital Structure and Shareholding Pattern

The authorized share capital of VMPL is Rs. 5,00,00,000/- divided into 50,00,000 equity shares of Rs. 10/- each. The issued, subscribed and paid-up share capital is Rs. 2,90,00,000/- divided into 29,00,000 equity shares of Rs. 10/- each.

The shareholding of Veto Switchgears And Cables Limited is of 95.50%.

On 15.12.2020 Vankon Modular Private Limited make a right issue of 1482500 equity shares @ Rs. 32 with Premium (@ Rs.22/- Per Share). On which Rs. 6.40 /- per share was received on Application & allotment and Rs. 25.60/- per Share remaining money on Full & Final Call.

Board Composition

- Mr. Bhagwan Das Goklani
- Mr. Akshay Kumar Gurnani
- Mr. Gopal Lalchand Kriplani
- Mr. Rohit Gurnani

Annexure II
**Statement containing salient features of the financial statement of subsidiaries /associate companies
/joint ventures**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014) In the prescribed form **AOC-1**
Part “A”: Subsidiaries

Amounts in INR except % of shareholding(in Crores)

Particulars	Details			
	Veto Overseas Private F.Z.E	Veto Electricals Private Limited	Veto LED Lightings Private Limited	Vankon Modular Private Limited
Reporting period for the subsidiary concerned, if different from the holding company’s reporting period	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	AED 1 = 19.91 INR			
Share capital	12.90	9.00	9.00	2.90
Reserves & surplus	27.14	(4.82)	(0.026)	8.47
Total assets	42.03	13.25	12.05	40.30
Total Liabilities	2.39	9.07	3.08	28.92
Investments	0.00	0.00	00	0.003
Turnover	8.64	10.79	0.00	57.41
Profit before taxation	(0.87)	(0.73)	(0.025)	2.47
Provision for taxation/Deferred Tax	0.00	0.08	0.00	0.58
Profit after taxation	(0.87)	(0.81)	(0.024)	1.89
Proposed Dividend	0.00	0.00	0.00	0.00
% of shareholding	100%	100%	100%	95.5%

Notes:

1. Indian rupee equivalents of the figures given in foreign currencies in the accounts of the subsidiary companies are based on the exchange rates as on March 31, 2021.
2. Veto Electricals Private Limited, Wholly Owned Subsidiary Company owns its manufacturing plant (100% Export Unit) at Light Engineering Zone, Mahindra SEZ, Jaipur.
3. The Vankon Modular Private Limited is in the same line of business of veto.
4. The reporting period for all the subsidiaries is March, 2021.
5. Part B of the annexure is not applicable as there is no associate companies/joint venture of the Company as on 31st March, 2021.

Date: 04/09/2021
Place: Jaipur
Sd/-
Akshay Kumar Gurnani
Managing Director & CEO
DIN: 06888193
- Sd/
Narain Das Gurnani
Whole-time Director & CFO
DIN: 01970599

Annexure III

Corporate Governance Report

In terms of Regulation 34(3) read with Section C of SCHEDULE V to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on Corporate Governance for the year ended 31st March, 2021 is presented below:

1. Philosophy on Code of Corporate Governance

Corporate Governance is the application of best management practices, compliances of law and adherence to ethical standards to achieve the Company's objective of enhancing shareholder value and discharge of social responsibilities. Adopting high standards gives comfort to all existing and potential stakeholders including government and regulatory authorities, customers, suppliers, bankers, employees and shareholders. Your Company believes in adopting and adhering to the best standards of Corporate Governance. Veto Switchgears and Cables Limited's philosophy on Corporate Governance enshrines the goal of achieving the highest level of transparency, accountability and equity in all spheres of its operations. Your Company is committed towards transparency in all its dealings and places high emphasis on business principles and believes that the good Corporate Governance goes beyond working results and financial priority and is pre-requisite for the attainment of excellent performance.

2. Our Policy

Our Company has complied with the provisions and other requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in relation to the meetings of the Audit Committee, the CSR Committee, Nomination and Remuneration Committee, and the Shareholders' / Investors Grievance Committee. The Board of Directors consist of total of 6 Directors of which 3 are independent Directors (as defined under Clause 52), which constitutes 50% of the Board of Directors. The details of the Board of Directors, Audit Committee, the CSR Committee, Nomination and Remuneration Committee, and the Shareholders' / Investors Grievance Committee of our Company are given below:

Board of Directors

Our Company's Board consists of Six Directors.

The following table sets forth details regarding the Board of Directors as on March 31, 2021:

i) Composition and Category of Directors:

S. No.	Name of Director	Designation / Category of Directors	Number of other Board committees in which the directors are member	Number of other Board Committees in which director is a chairman
1.	Mr. Akshay Kumar Gurnani	Managing Director, Executive Director / Promoter	-	-
2.	Mr. Narain Das Gurnani	Whole – Time Director Executive Director	03	-
3.	Mrs. Jyoti Gurnani	Woman Director Non-Executive - Non Independent Director	-	-
4.	Dr. Kanwarjeet Singh	Non-Executive Independent Director	01	-
5.	Mr. Hari Krishan Motwani	Non-Executive Independent Director	04	-
6.	Mr. Govind Ram Thawani	Non-Executive Independent Director	04	04

Names of the listed entities where the person is a Director and the category of Directorship as on 31st March, 2021:

Sr. No.	Name of Director	Name of Listed Entity in which Director	Category of Directorship
1.	Mr. Akshay Kumar Gurnani	Veto switchgears and Cables Limited	Managing Director,
2.	Mr. Narain Das Gurnani	Veto switchgears and Cables Limited	Executive Whole – Time Director
3.	Mrs. Jyoti Gurnani	Veto switchgears and Cables Limited	Director
4.	Dr. Kanwarjeet Singh	Veto switchgears and Cables Limited	Non-Executive Independent Director
5.	Mr. Hari Krishan Motwani	Veto switchgears and Cables Limited	Non-Executive Independent Director
6.	Mr. Govind Ram Thawani	Veto switchgears and Cables Limited	Non-Executive Independent Director

ii) Attendance of each Director at the Meetings of the Board of Directors and the last Annual General Meeting:

S. No.	Name of the Director	Attendance in Board Meetings										AGM on 29 th Sept. 2020
		29 th June 2020	04 th September 2020	14 th September 2020	13 th November 2020	18 th November 2020	28 th November 2020	15 th December 2020	10 th February 2021	12 th February 2021	20 th February 2021	
1.	Akshay Kumar Gurnani	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
2.	Narain Das Gurnani	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
3.	Jyoti Gurnani	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
4.	Kanwarjeet Singh	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
5.	Govind Ram Thawani	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
6.	Hari Krishan Motwani	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

(iii) Number of Meetings of the Board of Director held and dates on which held:

During the financial year 2020-21, 10 (Ten) Board Meetings were held. The dates on which these Meetings were held are given in the Table provided in above.

(iv) Disclosure of relationships between Directors inter-se:

Name of the Director	Relationship between the Directors
Mr. Akshay Kumar Gurnani	Brother of Mrs. Jyoti Gurnani
Mr. Narain Das Gurnani	Uncle of Mr. Akshay Kumar Gurnani and Mrs. Jyoti Gurnani

(v) Number of shares and convertible instruments held by Non-Executive Directors:

None of the Non-Executive Directors holds any share in the company.

(vi) Web link where details of familiarization programmes imparted to Independent Directors is disclosed:

All Independent Directors are familiarized with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. from time to time. The Company makes consistent efforts to acquaint the Board with the overall business performance covering all Business verticals, by way of presenting specific performance of each Plant (based on predefined factory rating parameters), Product Category and Corporate Function from time to time. The entire Board including Independent Directors has access to Product Heads / Factory Heads and other commercial / technical staff, wherever required for informed decision making. Detailed agenda are sent well in advance to all the Directors in order for the Board to perform its function and fulfill its role effectively. The details related to all the necessary information is displayed on the website of the Company and can be accessed at <http://www.vetoswitchgears.com/investor/corporate-governance/independent-directors> under the head Familiarization Program for Independent Directors.

(vii) Skills/ Expertise/ Competence of the Board of Directors including the areas as identified by the Board in the Context of the Company's Business:

The Company is a Fast Moving Electrical Goods (FMEG) Company with the individual Members of its Board of Directors bringing in knowledge and experience from a variety of sectors, demonstrating breadth and depth of management and leadership experience in the

Following competence areas:

- Financial and business acumen;
- Guiding and setting the pace for Company's Operations and future development by aiding implementation of best systems and processes;
- Building effective Sales & Marketing strategies, Corporate Branding and Advertising functions;
- Overseeing the development and implementation of Risk Management/ GRC tools;
- Management and strategy of the Information Technology function; and
- Human Resources Management.

The Nomination and Remuneration Policy of Directors, KMPs and Other Employees of the Company sets out the criteria which serve as guidelines in considering potential nominees to the Board of Directors to ensure the continuance of a dynamic and forward-thinking Board.

Expertise/ Skill of Directors:

Sr. No.	Name of the Director	Expertise/ Skill
1.	Mr. Akshay Kumar Gurnani	Strategic Marketing, Brand transformation, technical planning, foreign alliances, Business Development, spearheading new projects.
2.	Mr. Narain Das Gurnani	Finance and allied fields, standardization of systems and processes

		across the organization, Corporate Advisory and Project Appraisal and all Finance & Banking matters
3.	Mrs. Jyoti Gurnani	IT reforms, Human Resources, Education & Research, Social Reforms and betterment of the nation in areas of Trade and Industry.
4.	Dr. Kanwarjeet Singh	Technology matters and Business Administration.
5.	Mr.Hari Krishan Motwani	Supply Chain, Human Resources, Corporate Quality and Safety Functions, Advanced Management and Skill Development.
6.	Mr. Govind Ram Thawani	Administrative reforms and strategy, new technologies and innovations.

(viii) Confirmation that in the opinion of the Board, the Independent Directors fulfill the conditions specified in these Regulations and are Independent of the Management:

Based on the declaration submitted by the Independent Directors of the Company provided at the beginning of the Financial Year 2021-22, the Board hereby certify that all the Independent Directors appointed by the Company fulfills the conditions specified in these Regulations and are independent of the management.

(ix) Detailed reasons for the resignation of the Independent Director who resigns before the expiry of his tenure along with a confirmation by such director that there are no other material reasons other than those provided:

There being no change in the Board of directors during the Financial Year.

(x) Meeting of Independent Directors:

Abiding the highest norms of Corporate Governance, separate Meetings of the Independent Directors of the Company are held every year in terms of the Schedule IV to the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, whereat, inter alia, the following prescribed items are discussed:

- Evaluate the performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluate the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;
- Evaluation of the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

In respect of the financial year 2020-21, the Independent Directors met separately on February 15th, 2021. All the Independent Directors were present at this Meeting.

(xi) Conduct of Board Proceedings:

The day to day matters concerning the business are conducted by the Executives of the company under the direction of Executive Directors with the ultimate supervision of the Board. The Board holds its meetings at regular intervals to review and discuss the performance of the Company, its future plans, strategies and other pertinent issues relating to the company.

(xii) Policy on Prevention of Insider Trading

The Company has also formulated a Code of Conduct to Regulate, Monitor, and Report Trading by Insiders to deter the insider trading in the securities of the Company based on the unpublished price sensitive

information. In compliance with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Board has adopted a code of conduct and code of practices and procedures for fair disclosure of unpublished price sensitive information to preserve the confidentiality of price sensitive information prevent misuse thereof and regulate the trading by Insiders. The Code envisages procedures to be followed and disclosures to be made while dealing in the securities of the Company. The full text of the Code is available on the website of company under <http://www.vetoswitchgears.com/investor/corporate-governance/policies-and-related-document> under the head Code for SEBI (Prohibition of Insider Trading), Regulations, 2015 in the ‘Corporate Governance’ section.

In case it is observed by Veto Switchgears and Cables Limited that there has been any violation of SEBI (Prohibition of Insider Trading) Regulations, 2015, SEBI shall be informed by Veto Switchgears and Cables Limited.

(xiii) Subsidiary:

The Company has 4 (Four) Subsidiary Companies in which one is incorporated outside India and 3 are incorporated in India.

Please refer to the Directors’ Report for further details regarding subsidiaries.

The Audit Committee of the Company reviews the financial statements, in particular, the investments made by the unlisted subsidiary company.

The Minutes of the Board Meetings of the unlisted subsidiary companies are placed at the Board Meeting(s) of the Company held at the end of every quarter for approval of financial results.

The Management periodically brings to the attention of the Board of Directors, a statement of all significant transactions and arrangements entered into by the unlisted subsidiary companies.

(xiv) Related Party Transactions :

The Board of Directors has approved a Policy on “Related Party Transactions” and the Policy is available on the website of the Company. Further, a statement on all related party transactions is presented before the Audit Committee on a quarterly basis for its review.

3. Board Committees:

The Board has four Committees namely Audit Committee, Nomination, Remuneration & Compensation Committee, Corporate Social Responsibility (CSR) Committee and Stakeholders Relationship Committee.

a) Audit Committee:

The Committee is governed by a Charter which is in line with the regulatory requirements mandated by Companies Act, 2013 and Regulation 18 of the SEBI (LODR), Regulations, 2015. The primary objective of the Committee is to monitor and provide an effective supervision of the management’s financial reporting process, to ensure accurate and timely disclosures, with the highest level of transparency, integrity and quality of financial reporting.

i. Composition:

The Audit Committee comprises of the following members:

Sr. No.	Name	Category	Designation
1	Mr. Govind Ram Thawani	Non-Executive Independent	Chairman
2	Mr. Hari Krishan Motwani	Non-Executive Independent	Member
3	Mr. Narain Das Gurnani	Executive Director	Member

ii. Terms of reference / scope of the Audit Committee:

The Committee oversees the work carried out in the financial reporting process by the management, by Internal Auditors and Statutory Auditors and notes the processes and safeguards employed by each of them. In particular, these include:

1. oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
3. approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - (a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - (b) changes, if any, in accounting policies and practices and reasons for the same;
 - (c) major accounting entries involving estimates based on the exercise of judgment by management;
 - (d) significant adjustments made in the financial statements arising out of audit findings;
 - (e) compliance with listing and other legal requirements relating to financial statements;
 - (f) disclosure of any related party transactions;
 - (g) modified opinion(s) in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. approval or any subsequent modification of transactions of the listed entity with related parties;
9. scrutiny of inter-corporate loans and investments;
10. valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. evaluation of internal financial controls and risk management systems;
12. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. discussion with internal auditors of any significant findings and follow up there on;

15. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. to review the functioning of the whistle blower mechanism;
19. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. carrying out any other function as is mentioned in the terms of reference of the audit committee.
21. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
22. reviewing other areas that may be brought under the purview of role of Audit Committee as specified in SEBI Regulations and the Companies Act, from time to time.

iii. Meetings and Attendance during the year:

Nine Meetings of the Audit Committee were held during the year. The details of the Meeting and attendance are given hereunder:

Sr. No.	Name of the Director	Attendance in Audit Committee Meetings								
		29/06/2020	04/09/2020	14/09/2020	13/11/2020	18/11/2020	15/12/2020	10/02/2021	12/02/2021	20/02/2021
1	Mr. Govind Ram Thawani	✓	✓	✓	✓	✓	✓	✓	✓	✓
2	Mr. Narain Das Gurnani	✓	✓	✓	✓	✓	✓	✓	✓	✓
3	Mr. Hari Krishan Motwani	✓	✓	✓	✓	✓	✓	✓	✓	✓

b) Nomination and Remuneration Committee:

The Committee's constitution and terms of reference are in compliance with provisions of the Section 178 of the Companies Act, 2013, Regulation 19 of SEBI (LODR) Regulations, 2015 and Regulation 5 of SEBI (Share Based Employee Benefits) Regulations, 2014 and are stated below:

i. Composition:

The Nomination and Remuneration Committee comprises of the following members:

Sr.No.	Name	Category	Designation
1	Mr. Govind Ram Thawani	Non-Executive Independent	Chairman
2	Dr. Kanwarjeet Singh	Non-Executive Independent	Member
3	Mr. Hari Krishan Motwani	Non-Executive Independent	Member

ii. Terms of reference / scope of the Nomination and Remuneration Committee:

The role of the Nomination and Remuneration Committee is to review market practices and to decide on remuneration packages applicable to the Managing Director and Senior Executives of our Company.

The broad terms of reference of the Committee are as follows:

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
2. formulation of criteria for evaluation of performance of independent directors and the board of directors;
3. devising a policy on diversity of board of directors;
4. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
5. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
6. recommend to the board, all remuneration, in whatever form, payable to senior management;
7. the Chairperson of the said Committee or, in his absence, any other member of the committee authorized by him in this behalf shall attend the general meetings of the Company;
8. any other work and policy, related and incidental to the objectives of the committee as per provisions of the Act and rules made thereunder & SEBI Regulations.

iii. Meetings and Attendance during the year:

Two Meetings of the Nomination and Remuneration Committee were held during the year. The details of the Meeting and attendance are as below:

S. No.	Name of the Director	Attendance in Nomination and Remuneration Committee Meetings	
		15/06/2020	13/11/2020
1.	Mr. Govind Ram Thawani – Chairman	✓	✓
2.	Dr. Kanwarjeet Singh	✓	✓
3.	Mr. Hari Krishan Motwani	✓	✓

iv. Criteria for performance evaluation of Independent Directors and the Board:

As per the provisions of SEBI (LODR), Regulations, 2015, the Nomination and Remuneration Committee (“the Committee”) has laid down the evaluation criteria for performance evaluation of Independent Directors and the Board.

Further, the Board is required to monitor and review Board Evaluation Framework. This Framework shall contain the details of Board’s self-evaluation. The Board is committed to assess its own performance in order to identify its strengths and areas in which it may improve its functioning. The Board has established a formal process to annually evaluate the performance of the Board, that of its principal Committees, the Audit Committee, the Nomination and Remuneration Committee, and that of the Chief Executive, the Chairman and individual non-executive directors. The Board anticipates that the formal evaluation will be completed yearly. Based on the evaluation process completed, the Board considers that the principal Committees have performed effectively throughout the year.

The Committee has established the processes for evaluation of performance of Independent Director and the Board. Once a year, the Board will conduct a self-evaluation. It is the responsibility of the Chairman of the Board to organize the evaluation process and act on its outcome.

As part of the Board evaluation of its own performance, questionnaires are circulated to all directors. The questionnaire is designed to obtain directors' comments regarding the performance of the Board, the effectiveness of Board communications, the ability of directors to contribute to the development of strategy and the effectiveness with which the Board monitors risk and oversees progress. Directors are also invited to make recommendations for improvement.

The Chairman, on behalf of the Board, reviews the evaluations of performance of the non-executive directors on an annual basis. The non-executive directors, led by the Senior Independent Director, meet annually without the Chairman present to evaluate his performance, having taken into account the views of the executive director. The non-executive directors also evaluate the performance of the executive director. These evaluations are designed to determine whether each director continues to contribute effectively and to demonstrate commitment to the role.

The Audit Committee & the Nomination and Remuneration Committee carries out annual reviews of their own performance and terms of reference to ensure that they are operating at maximum effectiveness and recommend changes, if any, they consider necessary to the Board for approval. Accordingly, a separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board. The performance evaluation of Independent Directors was also carried out by the entire board. The performance evaluation of the Chairman and Non-Independent Directors was also carried out by the Independent Directors.

c) Shareholders' / Investors' Grievance Committee :

The Committee's constitution and terms of reference are in compliance with provisions of the Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (LODR) Regulations, 2015 and are stated below:

i. Composition:

The Composition of Stakeholders Relationship/ Grievance Redressal Committee comprises of the following members:

Sr. No.	Name	Category	Designation
1	Mr. Govind Ram Thawani	Non-Executive Independent	Chairman
2	Mr. Narain Das Gurnani	Executive Director	Member
3	Mr. Hari Krishan Motwani	Non-Executive Independent	Member

The Company Secretary acts as a Secretary to the Committee.

ii. Terms of reference:

The Committee normally meets as and when required and have following powers and responsibilities:

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

iii. Name and designation of compliance officer :

Mrs. Varsha Ranee choudhary, Company Secretary cum Compliance Officer of the Company.

iv. Detail of shareholder's complaints:

Particulars	No. of complaints	Whether resolved / if yes, no. of days taken in resolution
Shareholder's Complaints received during the year	2	NA
Number of complaint(s) resolved	2	
Complaints not solved to the satisfaction of shareholders	0	
No. of Complaint(s) pending	0	

v. Meetings and attendance during the year:

During the financial year 2020-21, the Stakeholders Relationship/ Grievance Redressal Committee met once on 03rd September, 2020 which was attended by all the Members of the Committee.

d) Corporate Social Responsibility Committee:

The Committee's constitution and terms of reference are in compliance with the provisions of Section 135 of the Companies Act, 2013 and are stated below:

1. Formulate and recommend to the Board, a Corporate Social Responsibility (CSR) policy which shall indicate the activities to be undertaken by the Company as specified in schedule VII of the Act.
2. Recommend the amount of expenditure to be incurred on the activities as specified above.
3. Monitor the Corporate Social Responsibility policy of the Company from time to time.
4. Such other activities as the Board of Directors may determine from time to time.

Commitment

We are committed towards:

- Continuous improvement in our Corporate and Social Responsibility (CSR) strategy;
- Encouraging our business partners to strive for matching performance;
- Acting in a socially responsible way;
- Continually improving our performance and meeting all relevant legislation;
- Encouraging our staff to be mindful of the effect of their actions on any natural resource.

Purpose and Aims

- The purpose of the policy is to elucidate all stakeholders by what we mean by CSR and how we propose to work towards achieving it. The CSR policy applies throughout all of the Procurement Service and governs our approach to all our activities;

In implementing this policy we aim to:

- Be responsible;
- Be an exemplar of good practice.

Standards of business conduct

- We recognize that good CSR embraces all aspects of sustainable development and the way we affect people through our business operations;
- We will assess which social issues are of most relevance to the contract and decide at what stage in the procurement lifecycle this social policy could most effectively and legally be included;

- We shall operate in a way that safeguards against unfair business practices;
- We believe that a responsible approach to developing relationships between companies and the communities they serve, global or local, is a vital part of delivering business success;
- When carrying out our business, in consultation with our customers, we will determine the environmental, social and economic issues;
- Our contracts will clearly set out the agreed terms, conditions and the basis for our relationship;
- We will continually review our policies and business practices to encourage engagement with small and medium enterprises and to promote the development of the regional supply chain.

Corporate Governance

- We will share and declare information on personal and corporate conflicts of interest and seek guidance from higher authority before acting;
- We are committed to ensuring that our business is conducted in all respects according to rigorous ethical, professional and legal standards;
- All the laws that regulate and apply will be complied with;
- We endeavor to ensure that stakeholders have confidence in the decision-making and management processes of the Procurement Service, by the conduct and professionalism of all staff. We do this by continually training and developing our staff;
- All groups and individuals with whom we have a business relationship will be treated in a fair, open and respectful manner;
- Competition will be reasonable and based upon the quality, value and integrity of the products and services being supplied;
- Feedback on performance will be actively sought, and we will continually review all activities to ensure best practice is observed at all times;
- We will allow our customers and vendors to give feedback on our performance and ensure that all customer comments are analysed, responded to and where appropriate, acted upon;
- An Action Plan will be developed to ensure continuous improvement is achieved.

Environment

- Our objective is to endeavor to reduce our impact on the environment through a commitment to continual improvement;
- We will continue to work with our vendors to reduce their impact on the environment;
- We do assess production, use and disposal associated with the main goods we use;
- Our customers will be informed of the key issues involved in procurement so they can make informed purchases to reduce their impact on the environment;
- We will ensure that paper products used come from forests independently certified as well-managed according to the standards of the Forest Stewardship Council (FSC), or from recycled materials. All virgin paper products have been banned throughout the Company, environmental alternatives are used.

Human Rights

- We aim to support and respect the protection of internationally proclaimed human rights;
- Vendors are actively encouraged to observe international human rights norms within their work.

Equality and Diversity

- We aim to eliminate discrimination on any grounds and promote equality of opportunity in the supply chain;
- We will ensure that our customers and vendors are able to work together in confidence and be treated with respect by each party;

- Our range of contracts will take account of the needs of a diverse customer base.

Sustainability

- A Sustainable Procurement Policy will be maintained that will set out the principles, policies and procedures on which sustainable business activity within Company will be based.
- The policy will act as a prompt to staff to consider sustainability as a factor in all purchasing decisions;
- We seek to minimize the adverse environmental effects of people travelling to and from our offices.

Impact on Society

- We will take steps to understand how we can most effectively support the needs of the local community and implement initiatives accordingly;
- Our impact on the local and wider community will be understood and nurtured;
- Dialogue with local communities shall be encouraged for mutual benefit.

Ethics and Ethical Trading

- We will ensure clear visibility through our supply chains, so we know where all our products are made;
- Training will be provided to relevant people on environmental and social issues affecting our supply chains;
- We will ensure that vendors uphold the workplace standards and behaviors consistent with the Company's requirements.

Biodiversity

- We actively encourage the use of sustainable practices in the maintenance of the Company grounds and premises.

Vendors (Suppliers)

- Vendors will be worked with to help us achieve our policy aspirations in the delivery of our products and services;
- We shall encourage vendors to adopt responsible business policies and practices for mutual benefit;
- Vendors are regarded as partners and we will work with them to help us achieve our policy aspirations in the delivery of our products and services;
- A documented environmental and social assessment will be undertaken for every new contracted vendor;
- We are committed to ensuring that the welfare of workers and labour conditions within our supply chain meet or exceed recognized standards;
- Where necessary, we will exert procurement pressure to ensure that all of our vendors behave in a socially responsible way. This includes environmentally-friendly products and making sure that workers are treated properly;
- Where appropriate, our tender specifications include questions to reflect our desire for sustainable procurement;
- We hold regular meetings with vendors to support these ideas;
- We will continue to work with vendors to:
 - Promote more environmentally friendly products and promote these to our customers;
 - Reduce the amount of packaging and transit where possible;
 - Implement schemes to take-back, recover, re-use and recycle products at the end of their use/life.

i. Composition of CSR Committee:

Sr. No.	Name of the Director	Category of the Director	Designation
1	Mr. Govind Ram Thawani	Non-Executive Independent Director	Chairman
2	Mr. Hari Krishan Motwani	Non-Executive Independent Director	Member
3	Mr. Narain Das Gurnani	Executive Director	Member

ii. Projects under CSR Committee:

1. Rural Development / Weaker Section Welfare (inclusive of natural calamities)
2. Animal Protection
3. Water facility to needy people

iii. Monitoring Process:

The Committee will monitor the outflow of funds for the above projects on Quarterly basis.

4. Remuneration of Directors:**(a) All pecuniary relationship or transactions of the non-executive directors:**

None other than the Sitting Fee or the payment of Commission paid to the Independent Directors of the Company.

(b) Criteria of Making Payments to Non-Executive Directors:

The company has adopted a Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other Employees. Apart from this Policy, the Nomination and Remuneration Committee has also formulated a policy named “REMUNERATION CRITERIA FOR NON EXECUTIVE DIRECTORS” and is regulated by the Nomination and Remuneration Committee of the Board. The Policy is also available on the website of the company www.vetoswitchgears.com in the ‘Policies & Related documents’ section in ‘Corporate Governance’.

(c) Disclosures with respect to Remuneration:**(i) Detail of remuneration to all directors as per format in main report:**

S. No.	Name of the Director	Remuneration (in Rs.)	Director’s Sitting Fees (in Rs.)
1.	Akshay Kumar Gurnani	24,00,000	-
2.	Narain Das Gurnani	12,00,000	-
3.	Jyoti Gurnani	6,00,000	-
4.	Govind Ram Thawani	-	62,500
5.	Kanwarjeet Singh	-	35,000
6.	Hari Krishan Motwani	-	62,500

(ii) Service contracts, notice period, severance fees

The appointment of the Executive Directors is governed by Resolutions passed by the Shareholders of the Company that cover the terms and conditions of such appointment, read with the service rules of the Company. A separate Service Contract is not entered into by the company with Executive Directors. No notice period or severance fee is payable to any Director.

(iii) Stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable

During the financial year 2020-21, not allotted any share in stock option Scheme.

5. General Body Meetings

(a) Annual General Meeting

The date and time of Annual General Meeting held during the last three years are as follows:

S. No.	Date of AGM	Location	Time	Whether any special resolution passed. If yes, how many?	Special resolution passed through postal ballot	Name of person conducting postal ballot
1.	September 29 th , 2020	Through Video Conferencing (VC) or Other Audio Visual Means (OAVM)	01:30 P.M.	0	NA	NA
2.	September 28 th , 2019	Mumbai,	12:00 P.M.	01	NA	NA
3.	September 29 th , 2018	Mumbai	12:00 P.M.	01	NA	NA

(b) Special Resolution passed last year through postal ballot – details of voting pattern and the procedure thereof:

During the year, no resolutions have been passed through postal ballot.

(c) Person who conducted the postal ballot exercise:

Not Applicable

(d) Special Resolution proposed to be conducted through postal ballot:

No Resolution requiring Postal Ballot as required by the Companies (Passing of Resolution by Postal Ballot) Rules, 2011, has been placed for Shareholder's approval at this Annual General Meeting.

6. Means of Communication

(i) Quarterly results: The Company publishes limited reviewed un-audited standalone and consolidated financial results on quarterly basis. In respect of the fourth quarter, the Company publishes the audited financial results for the complete financial year.

(ii) Newspapers wherein results normally published: The quarterly / half-yearly / annual financial results are published in Business Standard in English and Mumbai Lakshadeep Regional Newspaper- Marathi.

(iii) Website where displayed: The financial results and the official news releases are also placed on the Company's website www.vetoswitchgears.com in the 'Financial Information' section.

(iv) Official news releases: Yes, the Company regularly publishes information update on its financial results and also displays official news releases in the 'Investor Zone' section under relevant sections.

(v) Presentations made to institutional investors or to the analysts: Whenever the Company holds analysts calls to apprise and make public the information relating to the Company's working and future outlook. The Transcripts are available on Company's website www.vetoswitchgears.com in the 'news and other' section.

(7) General Shareholders Information

(i) Company Registration Details

The Company is registered in the State of **Maharashtra**, India.

The Corporate Identification Number (CIN) is **L31401MH2007PLC171844**

Registered Office

The registered office of the company is 506, 5th Floor Plot No. B-9, Landmark Building, New Link Road, Andheri (West), Mumbai, Maharashtra-400058

(ii) Annual General Meeting

Date	Day	Time	Venue
29/09/2021	Wednesday	03:00 P.M.	Through Video Conferencing (VC) or Other Audio Visual Means (OAVM)

(iii) Financial Year: 1st April, 2020 to 31st March, 2021**(iv) Book Closure**

The Book Closure date will be September 23rd, 2021 to September 29th, 2021 (both days inclusive) for the purpose of Annual General Meeting.

(v) Dividend

The Board of Directors of your Company has also recommended a Final Dividend of Rs. 1/- per equity share of Rs. 10/- each i.e. @ 10% for the financial year 2020-21. Date of payment of dividend would be within 30 days from the date of AGM.

(vi) Name and address of each Stock Exchange(s) at which the Company's securities are listed and a confirmation about payment of annual listing fee to each of such Stock Exchange(s)

The equity shares of the Company are listed at:

The National Stock Exchange of India Limited (NSE),

“Exchange Plaza”, 5th Floor, Plot No. C-1,
G Block, Bandra Kurla Complex, Bandra (E),
Mumbai- 400 051

Bombay Stock Exchange Limited (BSE),

Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai- 400 001

Stock code:

BSE Scrip Code	539331
NSE Trading Symbol	VETO
ISIN Number for NSDL & CDSL	INE918N01018

The annual listing fee for the financial year 2020-21 has been paid by the Company to both the stock exchanges within the stipulated time.

(vii) SEBI Complaints Redress System (SCORES)

Company has registered in SEBI Complaints Redress System (SCORES). This is managed by the Registrar and Share Transfer Agent, Big Share Services Private Limited.

(viii) Market price data – high, low during each month in last financial year

Monthly high & low prices and volumes of the equity shares of the Company at the National Stock Exchange of India Limited (Nifty) and BSE Limited (Sensex) during financial year 2020-21 are as under:

Month	Price at BSE			Price at NSE		
	High (Rs.)	Low (Rs.)	Volume (No. of Shares)	High (Rs.)	Low (Rs.)	Volume (No. of Shares)
April, 2020	40.10	27.30	50,372	40.25	27.10	2,82,301
May, 2020	34.30	31.20	26,362	34.95	30.90	88,214
June, 2020	50.70	31.75	1,73,513	50.80	31.50	7,12,271
July, 2020	50.00	40.25	1,49,934	50.30	40.20	4,55,666
August, 2020	49.50	40.35	2,31,623	50.00	40.20	5,47,272
September, 2020	50.00	39.50	1,81,875	50.40	41.00	4,39,511
October, 2020	53.00	40.65	1,38,518	48.00	40.30	3,85,067
November, 2020	78.45	40.80	4,15,706	76.80	41.30	38,83,167
December, 2020	88.00	67.05	2,87,854	88.70	67.00	30,06,163
January, 2021	100.50	78.30	3,02,718	101.00	78.40	13,51,084
February, 2021	146.50	88.05	1,55,838	146.50	87.30	26,09,699
March, 2021	113.00	115.90	8,73,327	160.00	112.45	19,98,543

(Source: NSE and BSE website)

(ix) Performance of the Company's Share price at the end of every month:

Month	BSE closing	NSE Closing
April, 2020	34.65	34.65
May, 2020	32.50	32.30
June, 2020	45.65	45.80
July, 2020	41.55	42.30
August, 2020	43.30	43.40
September, 2020	42.50	42.40
October, 2020	41.70	41.85
November, 2020	67.80	67.85
December, 2020	77.95	77.90
January, 2021	90.50	90.15
February, 2021	141.90	140.65
March, 2021	115.90	116.05

(Source: NSE and BSE website)

(x) In case the securities are suspended from trading, reason thereof:

The securities of the Company have not been suspended from trading.

(xi) Registrar and Share Transfer Agent:
Bigshare Services Private Limited

1st Floor, Bharat Tin Works Building,

Opp. Vasant Oasis, Makwana Road,

Marol, Andheri East, Mumbai 400059,

Maharashtra Tel.: +91 22 6263 8200, Fax: +912262638299

Email: info@bigshareonline.com, Website: www.bigshareonline.com

(xii) Share Transfer System

Trading in equity shares of the Company through recognized Stock Exchanges can be done only in dematerialized form.

In case of shares held in physical form, the transferred share certificates duly endorsed are dispatched within 15 days from the date of receipt of documents, provided documents are valid and complete in all respects. In compliance of the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the share transfer system of the Company is audited every six months by a Practicing Company Secretary and a certificate to that effect is issued by him / her.

In case of request for dematerialization of shares, confirmation of dematerialization is sent to the respective depository i.e. National Securities Depository Limited (NSDL) or Central Depository Services (India) Limited (CDSL), expeditiously.

(xiii) DISTRIBUTION OF SHAREHOLDING (IN SHARES) AS ON DATE 31/03/2021:

Shareholding Of Nominal		Number Of Shareholders	Percentage Of Shareholders	Number of Share Held	Percentage Of Share Holding
1	500	8332	86.3957	988596	5.1718
501	1000	605	6.2733	483320	2.5285
1001	2000	283	2.9345	435790	2.2798
2001	3000	109	1.1302	281896	1.4747
3001	4000	94	0.9747	323934	1.6947
4001	5000	61	0.6325	287965	1.5065
5001	10000	65	0.674	491173	2.5696
10001	999999999	95	0.9851	15822281	82.7744
Total		9644	100.0000	19114955	100.0000

(xiv) Distribution of Shareholding and Shareholding Pattern as on March 31, 2021**CATEGORY WISE SUMMARY**

CATEGORY	Total Shareholders	% of Shareholders	Total Shares	%
CLEARING MEMBER	54	0.568	308566	1.614
CORPORATE BODIES	86	0.905	865968	4.530
CORPORATE BODIES (PROMOTER CO)	1	0.010	7130704	37.304
CORPORATE BODY NBFC	1	0.010	27500	0.144
FOREIGN (PROMOTERS)	1	0.010	733333	3.836
FOREIGN PORTFOLIO INVESTOR	2	0.021	987063	5.164
NON RESIDENT INDIANS	181	1.904	656410	3.434
PROMOTERS	9	0.094	2790236	14.597
PUBLIC	8904	93.706	5291790	27.684
HUF	263	2.767	323385	1.692
TOTAL	9502	100.00	19114955	100.00

(xv)List of 1.00 % & Above Share Holders

Category	Folio No. / Client ID	Shareholder's Name	Shares	Percentage
CORPORATE BODIES (PROMOTER CO)	1201770100771220	VETO ELECTROPOWERS (INDIA) PRIVATE LIMITED	7130704	37.30
PROMOTERS GROUP	1201770100799924	PUSHPA DEVI GURNANI	1276744	6.6793
PROMOTERS GROUP	1206420006236385	AKSHAY KUMAR GURNANI	778722	4.0739
PROMOTERS GROUP	1203460000465251	ROHIT GURNANI	232985	1.2189
PROMOTERS GROUP	1203460000465190	KANISHK KISHORE GURNANI	236985	1.2398
FOREIGN PROMOTERS GROUP	1201770100800979	HARISH KUMAR GURNANI	733333	3.8364
FOREIGN PORTFOLIO INVESTOR	IN30362210022601	MA VEN INDIA FUND	734063	3.8403
FOREIGN PORTFOLIO INVESTOR	IN30134820011233	ELARA INDIA OPPORTUNITIES FUND LIMITED	253000	1.3236
PUBLIC	1203500001527826	ASHISH BHARATKUMAR SHAH	574388	3.0049
CLEARING MEMBER-PUBLIC	1100001100015348	HEM FINLEASE PVT LTD	200000	1.0463
NON RESIDENT INDIANS (REPAT)-PUBLIC	1201770100801860	HARISH D NARWANI	297500	1.5563
Total			12448424	65.1197

(xvi)Category of Shareholders

S. No.	Category of Shareholder	Total Holders	No. of shares	% of shareholding
1.	Promoter and Promoter Group			
	Individuals	10	3523569	18.434
	Bodies Corporate	1	7130704	37.304
2.	Public	9491	8460682	44.262
	Total	9502	19114955	100

(xvii)Share Holding Pattern

S. NO.	Name	Shares	Percentage of Shareholding
I	Promoter Group		
A	Individual	3523569	18.434
(i)	Pushpa Devi Gurnani	1276744	6.6793
(ii)	Narain Das Gurnani	13200	0.0691
(iii)	Mukesh Gurnani	6600	0.0345
(iv)	Akshay Kumar Gurnani	778722	4.0739
(v)	Rohit Gurnani	232985	1.2188
(vi)	Kanishk Kishore Gurnani	236985	1.2397

(vii)	Harish Kumar Gurnani	733333	3.8364
(viii)	Kishor Kumar Gurnani	55000	0.2877
(vix)	Priyanka Kishore Gurnani	175000	0.9155
(x)	Sitadevi Gurnani	15000	0.07847
B	Body Corporate	7130704	37.304
(i)	Veto Electropowers (India) Private Limited	7130704	37.3043
II	Public	8460682	44.262
III	Non Promoter-Non Public	0	0
IV	Shares underlying DRs	0	0
V	Shares held by Employee Trusts	0	0
	TOTAL	19114955	100

***No shares were allotted to non-executive directors of the Company**

(xviii) Dematerialization of Shares

The Company has set up requisite facilities for dematerialization of its Equity Shares in accordance with the provisions of Depository Act, 1996 with National Securities Depository Limited and Central Depository Services (India) Limited. The Company has entered into agreements with both of the Depositories. The status as on 31st March, 2021 is as under:

Mode	No. of Shares	% (Percentage)
Shares in Demat mode with NSDL	3873356	20.26
Shares in Demat mode with CDSL	15241594	79.74
Shares in Physical mode	5	0.00
Total	19114955	100

(xix) Outstanding GDRs/ ADRs/ Warrant or any Convertible Instruments, Conversion date and likely impact on Equity.

During the Year ended March 31, 2021 there were no outstanding GDRs/ ADRs/ Warrant or any Convertible Instruments.

(xx)Commodity price risk or foreign exchange risk and hedging activities:

Raw material is import negligible while company is exporting wires and Cables through its subsidiary “Veto Electricals Private Limited, and some part of accessories exporting through its Mumbai Plant.

Company is not carrying foreign exchange risk for the export and does not do any hedging activities.

(xxi)Plant locations:

Sr. No.	Unit/ Plant	Products
1.	Haridwar Plant (Own)	Manufacturing Wires, Cables & Switchgears
2.	Vasai, Mumbai Plant (Own)	Manufacturing Electrical Accessories
3.	Mahindra SEZ, Ajmer Road-Jaipur Plant (Own subsidiary Veto Electricals Private Limited)	Wires & Cables Export quality

(xxi) Address for correspondence:

- **Website: www.vetoswitchgears.com**
- **Any query on Annual Report or Investors' Grievance Redressal :**
E-mail: cs@vetoswitchgears.com
Add: 4th Floor, Plot No. 10, Days Hotel, Airport Plaza Scheme,
Behind Hotel Radisson Blu, Durgapura, Tonk Road, Jaipur 3020018
Phone: 0141-6667775, 0141-6667745

For shares held in Demat Form:**Bigshare Services Pvt. Ltd.;**

1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri East, Mumbai 400059
Maharashtra. Tel.: +91 22-6263 8200;
Fax: +91 22 6263 8299
Email: info@bigshareonline.com;
Website: www.bigshareonline.com

(xxiii) List of credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad:

The Company has obtained the long term rating of BBB+ (ICRA tripal B plus) and Short term rating of A2 by ICRA Limited. During the year ended 31 March, 2021, there was no change in the above ratings by ICRA.

(xxiv) Other Disclosures:**(a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company:**

During the financial year 2020-21, there was no materially significant related party transaction that may have potential conflict with the interests of the Company at large. For reference, the details of related party transactions in accordance with AS-18 are given in Notes to Accounts of the Annual Report.

(b) Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years:

The Company has not been penalized, nor have the Stock Exchanges, SEBI or any statutory authority imposed any strictures during the last three years on any matter relating to capital markets.

(c) Details of establishment of vigil mechanism whistle blower policy and affirmation that no personnel have been denied access to the Audit Committee:

The Company has established a Vigil Mechanism / Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The Policy has a systematic mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or policy. The policy is available on the website of the Company <http://www.vetoswitchgears.com/investor/corporate-governance/policies-and-related-documents> under the head Whistle blower policy. No person has been denied access to the Audit Committee for any grievance.

(d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company has fully complied with the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(e) Web link where policy for determining 'material' subsidiaries is disclosed:

The policy for determining 'material' subsidiaries is available on the website of the Company under 'Policies & Related Documents' in the 'Corporate Governance' section and can be accessed at <http://www.vetoswitchgears.com/investor/corporate-governance/policies-and-related-documents>

(f) Web link where policy on dealing with related party transactions is disclosed:

The policy on dealing with related party transactions is available on the website of the Company under 'Code & Policies' in the 'Corporate Governance' section and can be accessed at <http://www.vetoswitchgears.com/investor/corporate-governance/policies-and-related-documents>

(g) Disclosure of commodity price risks and commodity hedging activities:

The company does not do any hedging activities.

(h) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A):

The Company did not raise any funds through preferential allotment or qualified institutions placement during the year

(i) Certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such statutory authority:

On the basis of written representations/ declaration received from the directors, as on March 31, 2021, Ms. Nisha Agarwal, Company Secretaries (Membership No. FCS 8345, CP No. 8584), have issued a certificate, confirming that none of the Directors on Board of the Company has been debarred or disqualified from being appointed or continuing as Director of companies by SEBI/ MCA or any such authority and the same also forms part of this Report.

(j) Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof:

The Board accepted the recommendations of its Committees, wherever made, during the year.

(k) Fees Paid to Statutory Auditors

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to statutory auditors of the Company and other firms in the network entity of which the statutory auditors are a part, during the year ended March 31, 2021, is `Rs. 4,85,000/-.

(ix) Payment of Depository Fees

The Company has paid Annual Custodian fees in respect of financial year 2020-2021 to NSDL and CDSL on receipt of the invoice.

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

The Company is committed to providing and promoting a safe and healthy work environment for all its employees.

- (a) Number of complaints filed during the financial year – 0
- (b) Number of complaints disposed of during the financial year – 0
- (c) Number of complaints pending as on end of the financial year – 0

(xi) Disclosure of the Extent to which the Discretionary Requirements as specified in Part E of Schedule II have Been Adopted:

- (a) **The Board:** The Company does not maintain an office for the Non- Executive Chairman.

- (b) **Shareholder Rights:** The Company's quarterly and half-yearly results are furnished to the Stock Exchange(s), also published in the newspapers and also displayed on the website of the Company and therefore results are not sent to household of each of the shareholders.
- (c) **Modified opinion(s) in audit report:** The auditors have issued an unmodified Audit Report for financial statements for the year ended March 31, 2021.
- (d) **Separate posts of Chairman and CEO/Managing Director:** Presently, Mr. Akshay Kumar Gurnani is the Managing Director of the Company. He is also the CEO of the Company.
- (e) **Reporting of Internal Auditor:** The Company appointed Mr. Kapil Motiramani as the Internal Auditors for conducting the internal audit for the financial year 2020-21, representatives whereof Internal Auditor reports directly to the Audit Committee.

(xvii) Disclosure of compliance of regulation 17 to 27 and clauses (b) to (i) of sub Regulation (2) of Regulation 46:

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub – regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Declaration signed by the Chief Executive Officer stating that the Members of Board of Director sand Senior Management Personnel have affirmed Compliance with the Code of Conduct of Board of Directors and Senior Management:

The Board has laid down “Veto Switchgears and Cables Limited-Code of Conduct” (Code) for all the Board members and the Senior Management of the company and the Code is posted on the website of the company. Annual declaration regarding compliance with the Code is being obtained from every Senior Management personnel covered by this Code of Conduct. A declaration to this effect signed by the Managing Director/Chief Executive Officer if forming part of the Corporate Governance Report.

Compliance Certificate from either the auditors or Practicing Company Secretaries regarding compliance of conditions of Corporate Governance:

The Certificate from the Practicing Company Secretaries of the Company regarding compliance of conditions of Corporate Governance forms an integral part of the Annual Report.

Disclosures with Respect to Demat Suspense Account/ Unclaimed Suspense Account:

- (a) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the Year – Nil
- (b) Number of shareholders who approached listed entity for transfer of shares from suspense account during the year – Nil
- (c) Number of shareholders to whom shares were transferred from suspense account during the year – NA
- (d) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of year – Nil
- (e) that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

Date: 04/09/2021

Place: Jaipur

for and on behalf of the Board of Directors

**Sd/-
Akshay Kumar Gurnani
Managing Director & CEO
DIN: 06888193**

**Sd/-
Narain Das Gurnani
Whole-time Director & CFO
DIN: 01970599**

Annexure IV

Annual Report on Corporate Social Responsibilities (CSR) activities for the financial year 2020-2021

[Pursuant to Section 135 of the Act and Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014]

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

As a socially responsible corporate, the Company considers CSR as an integral part of its operations

Refer: Annexure III Corporate Governance Report

The Company's policy on CSR including overview of projects or programs proposed to be undertaken is put up on the website of the Company at the link: www.vetoswitchgears.com

2. Composition of the CSR Committee:

As at 31st March, 2021, the Corporate Social Responsibility Committee comprised of 3 (Three) Members of the Board, 2 (two) of which were Independent Directors and 1 (One) were Executive. The Chairman of the Committee is an Independent Director.

S. No	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Govind Ram Thawani	Independent Director, Chairman	1	1
2.	Mr. Hari Krishan Motwani	Independent Director, Member	1	1
3.	Mr. Narain Das Gurnani	Executive 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.

<https://vetoswitchgears.com/investor-zone/category/corporate-governance/policies-and-related-documents/>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable**5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:**

S. No	Financial Year	Amount available for set-off from preceding financial years	Amount required to be setoff for the financial year, if any
1.	2020-21	18,41,000	616.31

6. Average net profit of the Company as per Section 135(5). (for immediately preceding three Financial Years): Rs. 1971.81 Lakhs

7. (a) Two percent of Average Net Profit of the Company as per Section 135 (5): Rs. 39.43 Lakhs

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

(c) Amount required to be set off for the Financial Year, if any: Rs. 18.41 Lakhs

(d) Total CSR obligation for the Financial Year (7a + 7b - 7c): Rs. 21.02 Lakhs

8. (a) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (In Rs.)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount Transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
21,03,231.00	Nil	NA	NA	NA	NA

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

1	2	3	4	5	6	7	8	9	10	11
S. No	Name of the project	Item from the list of activities in Schedule VII to the Act.	Local Area (Yes/No)	Location of the project	Project Duration	Amount allocated for the project (In Rs.)	Amount spent in the current financial year (In Rs.)	Amount transferred to unspent CSR Account for the project as per Section 135(6) (In Rs.)	Mode of Implementation – Direct (Yes/No)	Mode of Implementation – Through Implementing Agency
1.	-	-	-	-	-	-	-	-	-	-
2.	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-

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

[1]	[2]	[3]	[4]	[5]	[6]	[7]
S. No	CSR Project or activity identified	Sector in which the project is covered	Projects or Programs (1) Local Area or other (2) Specify the state and District where Projects or Programs was undertaken	Amount spent on the projects or programs Sub-heads: (1)Direct Expenditure on projects or programs (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent:
1.	Rural Development /Weaker Section	Vidhwa Women Help	Rajasthan	23,000	2,45,450	Direct
		Medical Relief	Jaipur	2,70,000	14,76,000	Direct
		Education to Weaker Staff	Jaipur	5,64,906	24,84,770	Direct

		children expense				
		Charity & Donations	Jaipur and other parts of Rajasthan	11,25,325	98,54,257	Direct
		Other (Including Natural Calamities)		-	14,78,188	Direct and through Implementing Agency
2.	Animal Protection	Cow Expenses		-	18,10,957	Direct
3.	Water Facility to needed People	Water Exp.	Jaipur	1,20,000	10,91,480	Direct
	Total			21,03,231	1,84,41,102	

(d) Amount Spent in Administrative Overheads: Nil

(e) Amount Spent on Impact Assessment, if applicable: Not Applicable

(f) Amount Spent for the Financial Year (8a + 8b + 8c): Rs. 21,03,231/-

(g) Excess amount for set off, if any

S. No	Particular	Amount (In Rs.)
(I)	Two percent of average net profit of the company as per section 135(5)	39,43,614.69
(ii)	Total amount spent for the Financial Year (18,41,000+21,03,231)	39,44,231
(iii)	Excess amount spent for the financial year [(ii)-(i)]	616.31
(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)]	616.31

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

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135(6) (In Rs.)	Amount Spent in the reporting Financial Year (In Rs.)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any			Amount remaining to be spent in succeeding financial Years (In Rs.)
				Name of the Fund	Amount (In Rs.)	Date of Transfer	
1.	2019-20	-	-	-	-	-	-
2.	2018-19	-	-	-	-	-	-
3.	2017-18	-	-	-	-	-	-
	Total	-	-	-	-	-	-

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

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

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

(a) Date of creation or acquisition of the capital asset(s): N.A.

(b) Amount of CSR spent for creation or acquisition of capital asset: Nil

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: N.A

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): N.A.

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

The Company has duly spent its CSR obligation.

Date: 04/09/2021

Place: Jaipur

Sd/-
Akshay Kumar Gurnani
 (Managing Director)
 DIN: 06888193

Sd/-
Govind Ram Thawani
 (Chairman, CSR Committee)
 DIN: 06367093

ANNEXURE V

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on March 31st, 2021

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L31401MH2007PLC171844
ii)	Registration Date	20/06/2007
iii)	Name of the Company	Veto Switchgears and Cables Limited
iv)	Category Sub-Category of the Company	Company Limited by Shares Indian Non- Government Company
v)	Address of the Registered Office and contact details	506, 5 th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West), Mumbai-400058 cs@vetoswitchgears.com Telephone No.: 0141-6667775
vi)	Whether listed company Yes / No	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Bigshare Services Pvt. Ltd. 1 st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400059 Maharashtra. Tel.: +91 22-6263 8200; Email: info@bigshareonline.com; Website: www.bigshareonline.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Wires and Cables	2732	34.77%
2	Lighting & Fittings	2740	37.38%
3	Electrical Accessories & Others	2710	27.85%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1.	Veto Electricals Private Limited Add.: 4th Floor, Plot No. 10, Days Hotel, Airport Plaza Scheme, Behind Hotel Radisson Blu, Durgapura, Tonk Road, Jaipur -3020018	U31300RJ2008PTC026189	Subsidiary	100%	Section 2 (87)
2.	Veto LED Lightings Private Limited Add: 506, 5 th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West), Mumbai-400058	U31100MH2019PTC332744	Subsidiary	100%	Section 2 (87)
3.	Veto Overseas Private F.Z.E Add: SM- Office- C1- 520B Ajman Free zone Ajman (UAE)	Not Applicable	Subsidiary	100%	Section 2 (87)
4.	Vankon Modular Private Limited Add: S.No.72 & 74, Gala No. 4 & 5, Gr. Flr, Plot No. 22, Meghdoot Signature, Vasai Road - East Thanethane-401208 (MH) India	U31900MH2015PTC264579	Subsidiary	95.50	Section 2 (87)

IV.SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Statement Showing Shareholding Pattern										
	Category of Shareholder	No. of Shares held at the beginning of the year: 01/04/2020				No. of Shares held at the end of the year : 31/03/2021				% Change during the year
		Demat	Physical	Total Shares	% of Total Share	Demat	Physical	Total Shares	% of Total Share	
(A) Shareholding of Promoter and Promoter Group										
INDIAN										
(a)	INDIVIDUAL / HUF	2499236	0	2499236	13.07	2790236	0	2790236	14.60	1.53
(b)	CENTRAL / STATE GOVERNMENT(S)	0	0	0	0.00	0	0	0	0	0.00
(c)	BODIES CORPORATE	7130704	0	7130704	37.30	7130704	0	7130704	37.30	0.00
(d)	FINANCIAL INSTITUTIONS / BANKS	0	0	0	0.00	0	0	0	0	0.00
(e)	ANY OTHERS (Specify)	0	0	0	0.00	0	0	0	0	0.00
	SUB TOTAL (A)(1) :	9629940	0	9629940	50.37	9920940		9920940	51.90	1.53
FOREIGN										
(a)	NRIs- INDIVIDUAL	733333	0	733333	3.84	733333	0	733333	3.84	0.00
(b)	OTHER INDIVIDUAL	0	0	0	0	0	0	0	0	0
(c)	BODIES CORPORATE	0	0	0	0.00	0	0	0	0.00	0.00
(d)	BANKS / FI	0	0	0	0.00	0	0	0	0.00	0.00
(e)	ANY OTHERS (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL (A)(2) :	733333	0	733333	3.84	733333	0	733333	3.84	0.00
Total Shareholding of Promoter and Promoter										
	(A)=(A)(1) + (A)(2)	10363273	0	10363273	54.22	10654273	0	10654273	55.74	1.53
(B) Public shareholding										
Institutions										
(a)	MUTUAL FUNDS / UTI	0	0	0	0.00	0	0	0	0	0.00
(b)	FINANCIAL INSTITUTIONS / BANKS	1235	0	1235	0.01	0	0	0	0	-0.01
(c)	CENTRAL / STATE GOVERNMENT(S)	0	0	0	0.00	0	0	0	0	0.00
(d)	VENTURE CAPITAL FUNDS	0	0	0	0.00	0	0	0	0	0.00
(e)	INSURANCE COMPANIES	0	0	0	0.00	0	0	0	0	0.00
(f)	FI'S	0	0	0	0.00	0	0	0	0	0.00
(g)	FOREIGN VENTURE CAPITAL INVESTORS	0	0	0	0.00	0	0	0	0	0.00
(h)	ANY OTHERS (Specify)	0	0	0	0.00	0	0	0	0	0.00
	FOREIGN PORTFOLIO INVESTOR	787714	0	787714	4.12	987063	0	987063	5.16	1.04
	SUB TOTAL (B)(1) :	788949	0	788949	4.13	987063	0	987063	5.16	1.03
Non-institutions										
(a)	BODIES CORPORATE (Indian)	875755	0	875755	4.58	865968	0	865968	4.53	-0.05
	BODIES CORPORATE (Overseas)	0	0	0	0	0	0	0	0	0
(b)	INDIVIDUAL									
(i)	(CAPITAL UPTO TO Rs. 1 Lakh)	3558955	5	3558960	18.62	3047604	5	3047609	15.94	-2.68
(ii)	(CAPITAL GREATER THAN Rs. 1 Lakh)	1879420	0	1879420	9.83	2244181	0	2244181	11.74	1.91
(c)	ANY OTHERS (Specify)									

(i)	H.U.F	352174	0	352174	1.84	323385	0	323385	1.69	-0.15
(ii)	TRUSTS	0	0	0	0.00	0	0	0	0	0.00
(iii)	CLEARING MEMBER	909745	0	909745	4.76	308566	0	308566	1.61	-3.15
(v)	NON RESIDENT INDIANS (REPAT)	196880	0	196880	1.03	488595	0	488595	2.57	1.54
(vi)	NON RESIDENT INDIANS (NON REPAT)	162299	0	162299	0.85	167815	0	167815	0.879	0.029
(vii)	NBFCs REGISTERED WITH RBI	27500	0	27500	0.14	27500	0	27500	0.14	0.00
	SUB TOTAL (B)(2) :	7962728	5	7962733	41.66	7473614	5	7473619	39.098	-2.562
Total Public Shareholding										
	(B)=(B)(1) + (B)(2)	8751677	5	8751682	45.78	8460677	5	8460682	44.26	-1.53
(C) Shares held by Custodians and against which Depository Receipts have been issued										
(a)	SHARES HELD BY CUSTODIANS	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
(ii)	Public	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL (C)(1) :	0	0	0	0.00	0	0	0	0.00	0.00
	(C)=(C)(1)	0	0	0	0.00	0	0	0	0.00	0.00
	Grand Total (A) + (B) + (C)	19114950	5	19114955	100.00	19114950	5	19114955	100.00	0.00
NOTES :										
1) NAME, NUMBER OF SHARES HELD & PERCENTAGE OF ENTITIES / PERSONS HOLDING MORE THAN 1% OF THE TOTAL SHARES OF THE COMPANY IS AS PER ANNEXURE										

(ii) Shareholding of Promoters

Sr.No	Name	Number of Shares	% Shares of the Company	% of Shares Pledged/ encumbered to total shares	Shareholding at the beginning of the Year		Shareholding at the end of the Year		% Change in shareholding during the year
1	PUSHPA DEVI GURNANI	1276744	6.68	0.0000	1276744	6.68	0.0000	0.00	
2	MUKESH GURNANI	6600	0.03	0.0000	6600	0.03	0.0000	0.00	
3	NARAIN DAS GURNANI	13200	0.07	0.0000	13200	0.07	0.0000	0.00	
4	ROHIT KISHORE GURNANI	211985	1.11	0.0000	232985	1.22	0.0000	0.11	
5	KANISHAKA KISHORE GURNANI	211985	1.11	0.0000	236985	1.24	0.0000	0.13	
6	KISHORE KUMAR GURNANI	0	0	0.0000	55000	0.29	0.0000	0.29	
7	HARISH KUMAR GURNANI	733333	3.84	0.0000	733333	3.84	0.0000	0.00	
8	AKSHAY KUMAR GURNANI	778722	4.07	0.0000	778722	4.07	0.0000	0.00	
9	VETO ELECTROPOWERS (INDIA) PRIVATE LIMITED	7130704	37.30	0.0000	7130704	37.30	0.0000	0.00	

10	PRIYANKA KISHORE GURNANI	0	0	0.0000	175000	0.92	0.0000	0.92
11	SITADEVI GURNANI	0	0	0.0000	15000	0.08	0.0000	0.08
TOTAL		9571037	50.07	0.0000	10363273	54.21	0.0000	4.14

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Particulars	Shareholding at the beginning of the year (as on 1st April 2020)		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
PUSHPA DEVI GURNANI				
At the beginning of the year	1276744	6.68	1276744	6.68
Date wise Increase/Decrease in Promoter Shareholding during the year	NO CHANGE			
At the end of the year i.e. 31 st March 2021			1276744	6.68
MUKESH GURNANI				
At the beginning of the year	6600	0.03	6600	0.03
Date wise Increase/Decrease in Promoter Shareholding during the year	NO CHANGE			
At the end of the year i.e. 31 st March 2021			6600	0.03
NARAIN DAS GURNANI				
At the beginning of the year	13200	0.07	13200	0.07
Date wise Increase/Decrease in Promoter Shareholding during the year	NO CHANGE			
At the end of the year i.e. 31 st March 2021			13200	0.07
ROHIT KISHORE GURNANI				
At the beginning of the year	211985	1.11	211985	1.11
Date wise Increase/Decrease in Promoter Shareholding during the year	CHANGE			
Market Buy of 20000 shares on 18/11/2020	20000	0.10	231985	1.21
Market Buy of 1000 shares on 19/11/2020	1000	0.005	232985	1.22
At the end of the year i.e. 31 st March 2021			232985	1.22
KANISHAKA KISHORE GURNANI				
At the beginning of the year	211985	1.11	211985	1.11
Date wise Increase/Decrease in Promoter Shareholding during the year	CHANGE			
Market Buy of 15000 shares on 18/11/2020	15000	0.07	226985	1.18
Market Buy of 10000 shares on 19/11/2020	10000	0.06	236985	1.24
At the end of the year i.e. 31 st March 2021			236985	1.24
KISHORE KUMAR GURNANI				
At the beginning of the year	0	0.00	0	0.00

Date wise Increase/Decrease in Promoter Shareholding during the year	CHANGE			
Market Buy of 30000 shares on 18/11/2020	30000	0.15	30000	0.15
Market Buy of 25000 shares on 19/11/2020	25000	0.13	55000	0.29
At the end of the year i.e. 31 st March 2021			55000	0.29
PRIYANKA KISHORE GURNANI				
At the beginning of the year	0	0.00	0	0.00
Date wise Increase/Decrease in Promoter Shareholding during the year	CHANGE			
Market Buy of 20000 shares on 18/11/2020	20000	0.10	20000	0.10
Market Buy of 20000 shares on 19/11/2020	35000	0.18	55000	0.28
Market Buy of 20000 shares on 20/11/2020	120000	0.62	175000	0.91
At the end of the year i.e. 31 st March 2021			175000	0.91
SITADEVI GURNANI				
At the beginning of the year	0	0.00	0	0.00
Date wise Increase/Decrease in Promoter Shareholding during the year	CHANGE			
Market Buy of 15000 shares on 18/11/2020	15000	0.07	15000	0.07
At the end of the year i.e. 31 st March 2021			15000	0.07
HARISH KUMAR GURNANI				
At the beginning of the year	733333	3.84	733333	3.84
Date wise Increase/Decrease in Promoter Shareholding during the year	NO CHANGE			
At the end of the year i.e. 31 st March 2021			733333	3.84
AKSHAY KUMAR GURNANI				
At the beginning of the year	778722	4.07	778722	4.07
Date wise Increase/Decrease in Promoter Shareholding during the year :	NO CHANGE			
At the end of the year i.e. 31 st March 2021			778722	4.07
VETO ELECTROPOWERS (INDIA) PRIVATE LIMITED				
At the beginning of the year	7130704	37.30	7130704	37.30
Date wise Increase/Decrease in Promoter Shareholding during the year :	NO CHANGE			
At the end of the year i.e. 31 st March 2021			7130704	37.30

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

TOP 10 NON PROMOTER'S MOVEMENT					
Sl. No.	Name	Shareholding at the beginning		Cumulative shares during end	
		Shares	% of Total Shares of company	SHARES	% of Total Shares of company
1	MAVEN INDIA FUND				
	At the beginning of the year				
	01-April- 2020	520894	2.73	520894	2.73
	27-Nov-2020	-316831	-1.66	204063	1.07
	04-Dec-2020	10000	0.05	214063	1.12
	11-Dec-2020	90000	0.47	304063	1.59
	18-Dec-2020	50000	0.26	354063	1.85
	12-Feb-2021	50000	0.26	404063	2.11
	26-Mar-2021	330000	1.73	734063	3.84
	At the end of the year			734063	3.84
2	ASHISH BHARATKUMAR SHAH				
	At the beginning of the year				
	01-April -2020	85321	0.45	85321	0.45
	19-Jun-2020	16690	0.08	102011	0.53
	26-Jun-2020	2826	0.01	104837	0.55
	30-Jun-2020	5000	0.026	109837	0.57
	03-Jul-2020	24924	0.13	134761	0.71
	10-Jul-2020	2600	0.013	137361	0.72
	17-Jul-2020	23547	0.123	160908	0.84
	24-Jul-2020	2215	0.011	163123	0.85
	07-Aug-2020	17808	0.093	180931	0.95
	14-Aug-2020	32227	0.168	213158	1.12
	21-Aug-2020	-1423	-0.007	211735	1.11
	11-Sep-2020	13495	0.070	225230	1.18
	22-Sep-2020	-1117	-0.005	224113	1.17
	27-Nov-2020	40527	0.212	264640	1.38
	04-Dec-2020	89639	0.468	354279	1.85
	11-Dec-2020	27230	0.142	381509	2.00
	18-Dec-2020	56282	0.294	437791	2.29
	25-Dec-2020	32586	0.170	470377	2.46
	31-Dec-2020	25000	0.131	495377	2.59
	01-Jan-2021	5000	0.026	500377	2.62
	08-Jan-2021	120796	0.631	621173	3.25

	15-Jan-2021	45560	0.238	666733	3.49
	22-Jan-2021	32711	0.171	699444	3.66
	29-Jan-2021	46349	0.242	745793	3.90
	05-Feb-2021	-139394	-0.729	606399	3.17
	19-Feb-2021	-33225	-0.173	573174	3.00
	26-Feb-2021	-4848	-0.025	568326	2.97
	05-Mar-2021	-14000	-0.073	554326	2.90
	19-Mar-2021	1198	0.006	555524	2.91
	26-Mar-2021	18864	0.098	574388	3.00
	At the end of the year			574388	3.00
3	MA VERICK SHARE BROKERS PRIVATE LIMITED CLIENT				
	At the beginning of the year				
	01-April-2020	568463	2.973	568463	2.97
	10-Apr-2020	-11766	-0.061	556697	2.91
	24-Apr-2020	-1	0.00	556696	2.91
	08-May-2020	34478	0.180	591174	3.09
	05-Jun-2020	-32106	-0.167	559068	2.92
	19-Jun-2020	30610	0.160	589678	3.08
	26-Jun-2020	-5088	-0.026	584590	3.06
	30-Jun-2020	-4996	-0.026	579594	3.03
	03-Jul-2020	-18378	-0.096	561216	2.94
	10-Jul-2020	10000	0.053	571216	2.99
	07-Aug-2020	-9692	-0.050	561524	2.94
	04-Sep-2020	-561524	-2.937	0	0.00
	20-Nov-2020	100	0.0005	100	0.00
	27-Nov-2020	-100	-0.0005	0	0.00
	11-Dec-2020	84	0.00	84	0.00
	18-Dec-2020	-84	-0.00	0	0.00
	12-Feb-2021	32	0.00	32	0.00
	19-Feb-2021	29968	0.156	30000	0.16
	26-Feb-2021	-30000	-0.16	0	0.00
	At the end of the year			0	0.00
4.	HARISH D NARWANI				
	At the beginning of the year				
	01-April-2020	0	0.00	0	0
	01-Jan-2021	597500	3.13	597500	3.13
	26-Mar-2021	-100000	-0.523	497500	2.60
	31-Mar-2021	-200000	-1.046	297500	1.56
	At the end of the year			297500	1.56
5	ELARA INDIA OPPORTUNITIES FUND LIMITED				
	At the beginning of the year				
	01-April-2020	0	0.00	266820	1.40

	30-Sep-2020	-5820	-0.030	261000	1.37
	27-Nov-2020	-8000	-0.041	253000	1.32
	At the end of the year			253000	1.32
6	HEM FINLEASE PVT. LIMITED				
	At the beginning of the year				
	01-April-2020	0	0.00	0	0.00
	10-Apr-2020	1412	0.01	1412	0.01
	17-Apr-2020	-1412	-0.01	0	0.00
	08-May-2020	2000	0.01	2000	0.01
	15-May-2020	-2000	-0.01	0	0.00
	19-Jun-2020	5000	0.03	5000	0.03
	26-Jun-2020	-4000	-0.02	1000	0.01
	30-Jun-2020	-1000	-0.01	0	0.00
	03-Jul-2020	10776	0.06	10776	0.06
	10-Jul-2020	4699	0.02	15475	0.08
	17-Jul-2020	-15475	-0.08	0	0.00
	31-Jul-2020	500	0.00	500	0.00
	07-Aug-2020	-500	-0.00	0	0.00
	21-Aug-2020	977	0.01	977	0.01
	28-Aug-2020	-378	-0.01	599	0.00
	04-Sep-2020	-599	-0.00	0	0.00
	11-Sep-2020	1000	0.01	1000	0.01
	22-Sep-2020	-1000	-0.01	0	0.00
	09-Oct-2020	75	0.00	75	0.00
	16-Oct-2020	2425	0.01	2500	0.01
	23-Oct-2020	-1500	-0.00	1000	0.01
	30-Oct-2020	400	0.00	1400	0.01
	06-Nov-2020	-1400	-0.01	0	0.00
	13-Nov-2020	50	0.00	50	0.00
	20-Nov-2020	2499	0.01	2549	0.01
	27-Nov-2020	-2449	-0.01	100	0.00
	04-Dec-2020	15811	0.08	15911	0.08
	11-Dec-2020	-11748	-0.06	4163	0.02
	18-Dec-2020	-3843	-0.02	320	0.00
	25-Dec-2020	2772	0.02	3092	0.02
	31-Dec-2020	594508	3.11	597600	3.13
	01-Jan-2021	-597535	-3.13	65	0.00
	08-Jan-2021	4355	0.02	4420	0.02
	15-Jan-2021	-3888	-0.02	532	0.00
	22-Jan-2021	-132	-0.00	400	0.00
	05-Feb-2021	4002	0.02	4402	0.02
	12-Feb-2021	5858	0.03	10260	0.05
	19-Feb-2021	16548	0.09	26808	0.14
	26-Feb-2021	-9267	-0.05	17541	0.09
	05-Mar-2021	2809	0.02	20350	0.11
	12-Mar-2021	-19550	-0.11	800	0.00
	19-Mar-2021	7500	0.04	8300	0.04
	26-Mar-2021	92523	0.49	100823	0.53
	31-Mar-2021	99177	0.52	200000	1.05
	At the end of the year			200000	1.05
7	TUSHAR RAMESHCHANDRA MEHTA				
	At the beginning of the year				
	01-April-2020	0	0	117018	0.61

	19-Feb-2021	50275	0.27	167293	0.88
	At the end of the year			167293	0.88
8	HEMANT HIRALAL SHAH				
	At the beginning of the year				
	01-April-2020	0	0.00	151471	0.79
	29-May-2020	-471	-0.00	151000	0.79
	26-Jun-2020	471	0.00	151471	0.79
	07-Aug-2020	-151471	-0.79	0	0.00
	28-Aug-2020	151471	0.79	151471	0.79
	At the end of the year			151471	0.79
9	McJAIN INFO SERVICES PRIVATE LIMITED				
	At the beginning of the year				
	01-April-2020	0	0.00	150000	0.78
	At the end of the year			150000	0.78
10	NIRAJ RAJNIKANT SHAH				
	At the beginning of the year				
	01-April-2020	0	0.00	0	0.00
	19-Mar-2021	150000	0.78	150000	0.78
	At the end of the year			150000	0.78
11	GLOBE COMMODITIES LTD				
	At the beginning of the year				
	01-April-2020	0	0.00	148500	0.78
	28-Aug-2020	-148500	-0.78	0	0.00
	At the end of the year			0	0.00
12	SILKON TRADES LLP				
	At the beginning of the year				
	01-April-2020	0	0.00	143791	0.75
	04-Dec-2020	-20000	-0.10	123791	0.65
	25-Dec-2020	-30898	-0.16	92893	0.49
	31-Dec-2020	-1800	-0.01	91093	0.48
	08-Jan-2021	-20000	-0.11	71093	0.37
	29-Jan-2021	-5000	-0.02	66093	0.35
	12-Feb-2021	-56093	-0.30	10000	0.05
	At the end of the year			10000	0.05

13	COMFORT SECURITIES LTD - COLLATERAL ACCOUNT				
	At the beginning of the year				
	10-April-2020	0	0.00	0	0.00
	24-Apr-2020	20000	0.10	20000	0.10
	01-May-2020	130000	0.68	150000	0.78
	12-Jun-2020	50251	0.27	200251	1.05
	24-Jul-2020	25405	0.08	225656	1.18
	31-Jul-2020	14695	0.06	240351	1.26
	14-Aug-2020	11549	0.06	251900	1.32
	21-Aug-2020	20000	0.10	271900	1.42
	20-Nov-2020	148500	0.78	420400	2.20
	27-Nov-2020	-163500	-0.86	256900	1.34
	25-Dec-2020	150000	0.79	406900	2.13
	31-Dec-2020	-320000	-1.68	86900	0.45
	19-Mar-2021	9500	0.05	96400	0.50
	26-Mar-2021	40500	0.22	136900	0.72
	At the end of the year			136900	0.72
14	VASUDEV LALWANI				
	At the beginning of the year				
	01-April-2020	0	0.00	103300	0.54
	At the end of the year	0	0	103300	0.54
15	SWETSAM STOCK HOLDING PRIVATE LIMITED				
	At the beginning of the year				
	01-April-2020	0	0.00	100650	0.53
	At the end of the year			100650	0.53

(v) Shareholding of Directors and Key Managerial Personnel

1. AKSHAY KUMAR GURNANI

Sl. No.	Particulars	Shareholding at the Beginning of the year			Cumulative Shareholding during the year		
		Date	No. of shares	% of total shares of the company	Date	No. of shares	% of total shares of the company
1.	At the beginning of the year	01/04/2020	778722	4.07			
	Date wise Increase in Share holding during the year reasons for increase: Market Buy	-	-	-			
	At the End of the year				31/03/2021	778722	4.07

2. JYOTI GURNANI

Sl. No.	Particulars	Shareholding at the Beginning of the year			Cumulative Shareholding during the year		
		Date	No. of shares	% of total shares of the company	Date	No. of shares	% of total shares of the company
1.	At the beginning of the year	01/04/2020	0	0			
	Date wise Increase in Share holding during the year reasons for increase: Market						
	At the End of the year				31/03/2021	0	0

3. NARAIN DAS GURNANI

Sl. No.	Particulars	Shareholding at the Beginning of the year			Cumulative Shareholding during the year		
		Date	No. of shares	% of total shares of the company	Date	No. of shares	% of total shares of the company
1.	At the beginning of the year	01/04/2020	13200	0.07			
	Date wise Increase in Share holding during the year reasons for increase: Market Buy	-	-	-	-	-	-
	At the End of the year				31/03/2021	13200	0.07

4. KANWAR JEET SINGH

Sl. No.	Particulars	Shareholding at the Beginning of the year			Cumulative Shareholding during the year		
		Date	No. of shares	% of total shares of the company	Date	No. of shares	% of total shares of the company
1.	At the beginning of the year	01/04/2020	0	0.0			
	Date wise Decrease in Share holding during the year reasons for decrease: Market Sell	-	-	-	-	-	-
	At the End of the year				31/03/2020	0	0.00

4. HARI KRISHAN MOTWANI

Sl. No.	Particulars	Shareholding at the Beginning of the year			Cumulative Shareholding during the year		
		Date	No. of shares	% of total shares of the company	Date	No. of shares	% of total shares of the company
1.	At the beginning of the year	01/04/2020	0	0.0			
	Date wise Decrease in Shareholding during the year reasons for decrease: Market Sell	-	-	-	-	-	-
	At the End of the year				31/03/2020	0	0.00

4. GOVIND RAM THAWANI

Sl. No.	Particulars	Shareholding at the Beginning of the year			Cumulative Shareholding during the year		
		Date	No. of shares	% of total shares of the company	Date	No. of shares	% of total shares of the company
1.	At the beginning of the year	01/04/2020	0	0.0			
	Date wise Decrease in Shareholding during the year reasons for decrease: Market Sell	-	-	-	-	-	-
	At the End of the year				31/03/2020	0	0.00

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(in Laacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2514.61	-	-	2514.61
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	2514.61			2514.61
Change in Indebtedness during the financial year				
.Addition	876.02	-	-	876.02
.Reduction	-			-
Net Change	876.02			876.02
Indebtedness at the end of the financial Year				
i) Principal Amount	3390.63			3390.63
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ ii+ iii)	3390.63			3390.63

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl.No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Akshay Kumar Gurnani (MD & CEO)	Narain Das Gurnani (WTD & CFO)	Jyoti Gurnani (Woman Director)	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	24,00,000	12,00,000	6,00,000	42,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act,1961	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0	0	0
2	Stock Option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission				
	- as % of profit	0	0	0	0
	- other, specify....				

5	Others, please specify	0	0	0	0
	Total (A)	24,00,000	12,00,000	6,00,000	42,00,000
	Ceiling as per the Act	5% Of net profit	5% of net profit	1% of net profit	10% of Net Profit

B. REMUNERATION TO OTHER DIRECTORS:

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Kanwarjeet Singh	Govind Ram Thawani	Hari Krishan Motwani	
1.	Independent Directors · Fee for attending board committee meetings (Per Meeting Rs.2500/-) · Commission · Others, please specify	35000	62500	62500	160000
	Total (1)	35000	62500	62500	160000
2.	Other Non-Executive Directors · Fee for attending board committee meetings · Commission · Others, please specify	0	0		0
	Total (2)	0	0	0	0
	Total (B)=(1+2)	35000	62500	62500	160000
	Total Managerial Remuneration				160000

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		Mrs. Varsha Ranee choudhary (Appointment w.e.f. 29.06.2020)	Mr. Bhavna Giamalani (Resignation w.e.f. 29.06.2020)	CFO/CFO	Total
1.	Gross salary				
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2,29,133	18000	-	2,47,133
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - Others, specify	-	-	-	-

5.	Others, please specify	-	-	-	-
	Total	2,29,133	18000	-	2,47,133

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

Date: 04/09/2021

Place: Jaipur

for and on behalf of the Board of Directors

Sd/-
Akshay Kumar Gurnani
Managing Director & CEO
DIN: 06888193

Sd/-
Narain Das Gurnani
Whole-time Director & CFO
DIN: 01970599



NISHA AGARWAL
Company Secretary

118, SHILA VIHAR, GOKULPURA, KALWAR
ROAD, JHOTWARA, JAIPUR-302012
Ph.: + 91- 9950933137

Secretarial Audit Report

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

For the Financial Year 2020-21

To,

The Members

VETO SWITCHGEARS AND CABLES LIMITED

506, 5th Floor, Plot No. B-9, Landmark Building

New Link Road, Andheri (West), Mumbai,

Mumbai City, Maharashtra-400058, India

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **VETO SWITCHGEARS AND CABLES LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon. Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period ended on **31.03.2021**, 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:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by **VETO SWITCHGEARS AND CABLES LIMITED** (“The Company”) for the period ended on **31.03.2021** 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 Bye-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 and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- d. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

V. The provisions of the Equity Listing Agreements entered into with BSE Limited, National Stock Exchange of India Limited; and

VI. the Memorandum and Articles of Association.

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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii) The Listing Agreements entered into by the Company with the BSE Limited & National Stock Exchange of India Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc. mentioned above.

2. I further report that the Company has, in my opinion, complied with the provisions of the Companies Act, 2013 and the Rules made under that Act and the applicable provisions of Companies Act, 2013 as notified by Ministry of Corporate Affairs and the Memorandum and Articles of Association of the Company, with regard to:

- a. maintenance of various statutory registers and documents and making necessary entries therein;
- b. closure of the Register of Members.
- c. forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government; A list of forms and returns filed by the Company during the year under review is enclosed at **ANNEXURE -1**.
- d. service of documents by the Company on its Members, Auditors and the Registrar of Companies;
- e. notice of Board meetings and Committee meetings of Directors;

- f. the meetings of Directors and Committees of Directors including passing of resolutions by circulation; List of meetings of Board of Directors and committees thereof is enclosed at **ANNEXURE -2**
- g. the 13th Annual General Meeting held on 29th September, 2020;
- h. minutes of proceedings of General Meetings and of the Board and its Committee meetings;
- i. approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;
- j. constitution of the Board of Directors / Committee(s) of Directors, appointment, retirement and reappointment of Directors including the Managing Director and Whole-time Directors; List of Board of Directors along with the details of changes therein and the details of Committees of Board is annexed along with this report as **ANNEXURE-3**
- k. payment of remuneration to Directors including the Managing Director and Whole-time Directors;
- l. appointment and remuneration of Auditors and Cost Auditors;
- m. transfers and transmissions of the Company's shares and issue and dispatch of duplicate certificates of shares;
- n. declaration and payment of dividends; Details of unclaimed dividend is annexed along with this report at **ANNEXURE -4**
- o. transfer of certain amounts as required under the Act to the Investor Education and Protection Fund.
- p. borrowings and registration, modification and satisfaction of charges wherever applicable;
- q. investment of the Company's funds including investments and loans to others;
- r. form of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule VI to the Act;
- s. Directors' report; and
- t. contracts, registered office and publication of name of the Company;

3. I further report that:

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

_Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.

_ Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

_ The Company has obtained all necessary approvals under the various provisions of the Act; and

- _ There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.
 - _ The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;
4. The Company has complied with the provisions of the Securities Contracts (Regulation) Act, 1956 and the Rules made under that Act, with regard to maintenance of minimum public shareholding.
 5. I further report that the Company has complied with the provisions of the Depositories Act, 1996 and the Byelaws framed thereunder by the Depositories with regard to dematerialization / rematerialisation of securities and reconciliation of records of dematerialized securities with all securities issued by the Company.
 6. The Company has complied with the provisions of the FEMA, 1999 and the Rules and Regulations made under that Act to the extent applicable.

7. I further report that:

- a. the Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited and National Stock Exchange of India Limited;
 - b. the Company has complied with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;
 - c. the Company has complied with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;
8. I further report that based on the report of the statutory audit report by M/s. CAS & Co. (formerly known as K. M. Tulsian & Associates) dtd. 29.06.2020 and the information received and records maintained, 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.

Place: Jaipur
Date: August 11, 2021

Nisha Agarwal
Practicing Company Secretary
FCS: 8345 ~ C. P. No.: 8584
UDIN: F008345C000771877
Peer Review No.: 1276/2021

ANNEXURE -1**List of Forms filed during the year under Review:**

Sr. No.	Form	Purpose and Relevant Section	Date of Event	Whether filed in time (Yes / No)
1	MGT-14	filing of resolution (sec. 179)	20.02.2021	Yes
2	MGT-14	filing of resolution (sec. 179)	13.11.2020	Yes
3	MGT-14	filing of resolution (sec. 179)	10.02.2021	Yes
4	MGT-14	filing of resolution (sec. 179)	18.11.2020	No
5	MGT-14	filing of resolution (Sec. 179)	15.12.2020	No
6	MGT-14	filing of resolutions	29.09.2020	Yes
	MGT-14	filing of resolutions	28.02.2020	
7	DPT-3	Return of Deposits (Rule 16 of Companies Acceptance of deposit rules)	31.03.2020	Yes
8	CRA-2	Appointment of Cost Auditor (148)	29.06.2020	Yes
9	DIR-12	Change of KMP	29.06.2020	
10	AOC-4 (XBRL)	Filing of Balance sheet (137)	31.03.2020	No
11	MGT-7	Annual Return (92)	29.09.2020	Yes
12	CRA-4	Filing of Cost Audit Report with Central Government Section 148(6)	31.03.2020	Yes
13	CHG-1	For registration of creation / modification of Charge Section 77, 78, 79 & 384 of Companies Act, 2013	07.12.2020	Yes
14	MR-1	Return of appointment of Managerial person (Section 196 r/w. 197 & Sch. V)	26.08.2019	No

ANNEXURE: 2

List of Meetings Held by the Board of Directors of Company:

Sr. No.	Date of Meeting	Strength of Board	No. Of Directors present
1	29.06.2020	6	6
2	04.09.2020	6	6
3	14.09.2020	6	6
4	13.11.2020	6	6
5	18.11.2020	6	6
6	28.11.2020	6	6
7	15.12.2020	6	6
8	10.02.2021	6	6
9	12.02.2021	6	6
10	20.02.2021	6	6

Audit Committee Meeting:

Sr. No.	Date of Meeting	Strength of Board	No. Of Directors present
1	29.06.2020	3	3
2	04.09.2020	3	3
3	14.09.2020	3	3
4	13.11.2020	3	3
5	18.11.2020	3	3
6	15.12.2020	3	3
7	10.02.2021	3	3
8	12.02.2021	3	3
9	20.02.2021	3	3

Nomination and Remuneration Committee:

Sr. No.	Date of Meeting	Strength of the Committee	Members Present
1	15.06.2020	3	3
2	13.11.2020	3	3

Shareholder Meeting:

Sr. No.	Date of Meeting	Director present	Members present
1	29.09.2020	6	33 members through VC
2	28.02.2020	4	42 Members through Physically

Shareholder's / Investor's Grievance and Share Transfer Committee:

Sr. No.	Date of Meeting	Director present	Members present
1	03.09.2020	3	3

CSR Committee:

Sr. No.	Date of Meeting	Director present	Members present
1	03.09.2020	3	3

ANNEXURE: 3**List of Board of Directors and KMP:**

Sr. No.	Name of Director/ KMP	Designation	Date of change if any
1	Mr. Akshay Kumar Gurnani	Managing Director cum CEO	---
2	Mr. Narain Das Gurnani	Whole Time Director cum CFO	---
3	Ms. Jyoti Gurnani	Director	Re-appointed as director after retirement by rotation in AGM dtd. 29.09.2020
4	Mr. Govind Ram Thawani	Independent Director	--
5	Mr. Kanwar Jeet Singh	Independent Director	--
6	Mr. Hari Kishan Motwani	Independent Director	---
7	Ms. Bhavna Giamalani	Company Secretary cum Compliance Officer	Resigned w.e.f. 29.06.2020
8	Mrs. Varsha Rane Choudhary	Company Secretary cum Compliance Officer	Appointed w.e.f. 29.06.2020

List of Board Committees as on 31.03.2021:

Audit Committee	Corporate Social Responsibility Committee
Mr. Govind Ram Thawani (Chairman)	Mr. Govind Ram Thawani (Chairman)
Mr. Hari Kishan Motwani	Mr. Hari Kishan Motwani
Mr. Narain Das Gurnani	Mr. Narain Das Gurnani
Nomination, Remuneration & Compensation Committee	Stakeholders Relationship Committee
Mr. Govind Ram Thawani (Chairman)	Mr. Govind Ram Thawani (Chairman)
Mr. Kanwarjeet Singh	Mr. Narain Das Gurnani
Mr. Hari Kishan Motwani	Mr. Hari Kishan Motwani

ANNEXURE -4

Details of Unclaimed dividend:

S. No.		2015-16		2016-17	
		Interim Dividend	Final Dividend	Interim Dividend	Final Dividend
1	Date of declaration of dividend	18.01.2016	23.05.2016/ 28.09.2016	13.02.2017	30.05.2017/ 29.09.2017
2	Amount remaining unpaid till the due date of payment	Nil	Nil	Nil	Nil
3	Amount paid after the due date	Nil	Nil	Nil	Nil
4	Unclaimed Dividend outstanding as on 31.03.2019	81657.00	118713.00	194471.00	125060.00
5	No. of shareholders to whom the dividend is remaining to be paid	241	133	279	139
6	Amount transferred to IEPF	Nil	Nil	Nil	Nil
7	Amount due to be transferred to IEPF but not transferred	Nil	Nil	Nil	Nil

NISHA AGARWAL
Company Secretary



118, Shila Vihar, Gokulpura,
Jhotwara, Jaipur-302012, Rajasthan
Ph.: + 91- 9950933137,
e-mail-nisha.cs07@gmail.com

ANNEXURE VII

CERTIFICATE ON CORPORATE GOVERNANCE

**To the Members of
Veto Switchgears and Cables Limited**

I have examined the compliance of conditions of Corporate Governance by Veto Switchgears and Cables Limited for the year ended 31st March, 2021 as stipulated in the Listing Agreement of the said Company with Stock Exchanges.

Management's Responsibility

The Compliance of the conditions of Corporate Governance is the responsibility of the management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations

Our Responsibility

My examination has been limited to procedures and implementations thereof adopted by the Company for ensuring compliance with the Corporate Governance. It is neither an audit nor an expression of opinion of the financial statements of the company.

Opinion

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreements.

I state that no investor grievances are pending for a period exceeding one month against the company as per the records maintained by the Shareholders / Investors Grievance Committee.

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

Place: Jaipur

Date: 12.08.2021

Nisha Agarwal

**Company Secretary in Practice
M. No. FCS: 8345, C. P. No.: 8584
UDIN: F008345C000772141
Peer Review No.: 1276/2021**

NISHA AGARWAL
Company Secretary



118, Shila Vihar, Gokulpura,
Jhotwara, Jaipur-302012, Rajasthan
Ph.: + 91- 9950933137,
e-mail-nisha.cs07@gmail.com

ANNEXURE-VIII

CERTIFICATE ON DIRECTOR DISQUALIFICATION

Pursuant to SEBI (LODR), 2015

To Whomsoever It May Concern

From the verification of records and details available independently and those made available to us, by the Company and on the basis of representation received from the management of the Company, I hereby certify that none of the members of the Board of Directors of M/s. **Veto Switchgears and Cables Limited** have been debarred or disqualified from being appointed as directors of Companies.

Following is the list of Directors of the Company as on the date of issue of this certificate:

Name of Director	DIN	Designation	Date of Appointment
<i>AKSHAY KUMAR GURNANI</i>	<i>06888193</i>	Managing Director cum CEO	<i>27/08/2014</i>
<i>NARAIN DAS GURNANI</i>	<i>01970599</i>	Whole time Director	<i>24/05/2016</i>
<i>GOVIND RAM THAWANI</i>	<i>06367093</i>	Director	<i>22/08/2012</i>
<i>JYOTI GURNANI</i>	<i>06953899</i>	Director	<i>27/08/2014</i>
<i>KANWAR JEET SINGH</i>	<i>07813714</i>	Director	<i>06/05/2017</i>
<i>HARI KRISHAN MOTWANI</i>	<i>08570545</i>	Director	<i>28/09/2019</i>

Place: Jaipur
Date: 13.08.2021

Nisha Agarwal
Company Secretary in Practice
M.No. FCS: 8345, C.P. No. 8584
UDIN: F008345C000777069
Peer Review No.: 1276/2021

Annexure-IX

Affirmation by Chairman

Declaration for Compliance with Code of Conduct

**To,
The Board of Directors,
Veto Switchgears and Cables Limited,
506, 5th Floor, Plot No. B-9,
Landmark Building, New Link Road,
Andheri (West), Mumbai**

I, Akshay Kumar Gurnani, Chairman of the Company do hereby declare that all Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct for the financial year ended 31st March, 2021

Place: Mumbai
Date: June 30th, 2021

**Sd/-
Akshay Kumar Gurnani
DIN: 06888193
Chairman of the Board**

Annexure-X**COMPLIANCE CERTIFICATE**

To,
**The Board of Directors,
Veto Switchgears and Cables Limited,**

This Certificate has been certified by the undersigned for compliance with Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

A. We have reviewed financial statements and the cash flow statement for the year ended 31st March 2021 and that to the best of our knowledge and belief, certify that:

- These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are to the best of our knowledge and belief, no transactions entered into by the Company during the financial year 2020-2021 which are fraudulent, illegal or violative of the Company's code of conduct.

C. We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which they are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit Committee, wherever applicable,

i. significant changes in internal control over financial reporting during the year;

ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or any employee having a significant role in the Company's internal control system over financial reporting.

**Sd/-
Akshay Kumar Gurnani
(Managing Director)
DIN: 06888193
PAN : AYOPG9890J**

**Sd/-
Narain Das Gurnani
(Whole-time Director & CFO)
DIN: 01970599
PAN : AERPG5958A**

**Place: Jaipur
Date: June 30th, 2021**

CAS & CO

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Members of **Veto Switchgears and Cables Limited**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Veto Switchgears and Cables Limited** (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2021, and the consolidated statement of Profit and Loss (including other comprehensive income), the consolidated cash flows Statement the consolidated statement of changes in equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group as at March 31, 2021, and their consolidated profit (including other comprehensive income), their consolidated cash flows and consolidated changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. During the course of our audit, we have determined that there are no key audit matters to communicate in our report.

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

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the management discussion and analysis, Board's Report, Report on

C A S & CO

CHARTERED ACCOUNTANTS

Corporate governance and Business Responsibility report but does not include the Consolidated Financial Statements, Standalone Financial Statements and our auditor's report thereon.

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

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

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

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated state of affairs (consolidated financial position) , consolidated profit or loss (Consolidated financial performance including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

1. Our objectives are to obtain reasonable assurance about whether the consolidated 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

CAS & CO

CHARTERED ACCOUNTANTS

reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

2. 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such

entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

3. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

CAS & CO

CHARTERED ACCOUNTANTS

4. 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.
5. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated 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.

Other Matters

1. We draw attention to Note no. 43 to the Consolidated Financial Statements, which describes the uncertainties due to the outbreak of SARS-CoV-2 virus (COVID-19). In view of these uncertainties, the impact on the Group's financial statements is significantly dependent on future developments. Our opinion is not modified in respect of this matter.
2. We did not audit the financial statements of Veto Electricals Private Limited, Veto Led Lighting Private Limited, Veto Overseas Private FZE and Vankon Modular Private Limited included in the consolidated annual financial results, whose financial results/ financial information reflect Group's share of total assets of Rs. 10,626.75 lakhs as at 31 March 2021, Group's share of total revenue for of Rs. 2,857.45 lakhs, total net profit / (loss) of Rs. (128.37) lakhs, total comprehensive income of Rs. (134.09) lakhs for the year ended on that date and Group's share of net cash outflows of Rs. 11.58 lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the consolidated Ind AS financial statements, and our report on other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

C A S & C O
CHARTERED ACCOUNTANTS

- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d. In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, incorporated in India, none of the directors of the Group companies is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in **Annexure A**.
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. There was no pending litigation which would impact the consolidated financial position of the Group.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies.
2. In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For C A S & Co.

Chartered Accountants

Firm's Registration No. 111075W

Nitesh Musahib

Partner

Mem. No. 131146

UDIN : 21131146AAAAEU8416

Place: Mumbai

Date: June 30, 2021

C A S & C O

CHARTERED ACCOUNTANTS

Annexure “A” to the Independent Auditor’s Report of even date on the Consolidated Ind AS financial statements of Veto Switchgears and Cables Limited for the year ended 31st March 2021.

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of **Veto Switchgears and Cables Limited** (hereinafter referred to as the “Company”) and its subsidiary companies, which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The Boards of Directors of the Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies 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 “ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, 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 internal financial controls system over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India.

C A S & CO

CHARTERED ACCOUNTANTS

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal financial control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 3 subsidiary companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For C A S & Co.

Chartered Accountants

Firm's Reg. No. 111075W

Nitesh Musahib

Partner

Mem. No. 131146

UDIN : 21131146AAAAEU8416

Place : Mumbai

Date : June 30, 2021

Veto Switchgears and Cables Limited
Consolidated Balance Sheet as at 31st March, 2021

Amount in ₹

Particulars	Notes	As at 31st March, 2021	As at 31st March, 2020
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3A	288,167,951	242,157,322
Capital work in progress	3B	21,249,088	30,365,175
Other Intangible assets	3C	-	-
Investment Property	3D	139,373,375	142,247,830
Right of Use Assets	3E	8,592,506	12,286,237
Goodwill on Consolidation		10,778	10,778
Financial Asset			
Investments	4	76,000	51,000
Other financial assets	5	19,915,308	16,265,714
Deferred tax asset (net)	6	23,937,131	24,727,369
Income tax assets (net)	7	-	236,443
Other non - current assets	8	1,811,267	2,858,905
Total Non-Current Assets		503,133,403	471,206,772
Current Assets			
Inventories	9	1,120,778,935	901,133,532
Financial Asset			
Trade receivables	10	906,181,537	594,817,116
Cash and cash equivalents	11	125,885,830	151,027,636
Other bank balances	12	6,154,102	5,928,120
Other Current Asset	13	75,586,993	76,039,862
Total Current Assets		2,234,587,397	1,728,946,266
TOTAL ASSETS		2,737,720,800	2,200,153,038
EQUITY AND LIABILITIES			
Shareholders' Funds			
Equity Share capital	14A	191,149,550	191,149,550
Other Equity	14B	1,746,779,712	1,586,504,203
Non Controlling Interest		5,123,812	-
Total Equity		1,943,053,074	1,777,653,753
Non-current Liabilities			
Financial liabilities			
Borrowings	15	3,902,809	1,128,579
Lease Liability	16	3,505,996	6,075,260
Provisions	17	15,985,326	2,605,820
Total Non-current Liabilities		23,394,131	9,809,659
Current Liabilities			
Financial liabilities			
Borrowings	18	345,312,751	238,058,532
Trade payables	19	320,921,926	96,358,242
Lease Liability	16	2,569,264	2,468,575
Other financial liabilities	20	78,110,808	68,593,335
Other current liabilities	21	12,634,394	5,586,598
Provisions	17	1,847,108	1,624,345
Income tax liabilities (net)	22	9,877,345	-
Total Current Liabilities		771,273,595	412,689,627
TOTAL EQUITY AND LIABILITIES		2,737,720,800	2,200,153,038

Notes 1 to 44 form an integral part of the consolidated financial statements

This is the Balance Sheet referred to in our audit report of even date

For C A S & Co

Chartered Accountants

Firm Registration No. 111075W

For and on behalf of the Board

Veto Switchgears and Cables Limited

Nitesh Musahib

Partner

Membership No. : 131146

Place: Mumbai

Date : June 30, 2021

Akshay Kumar Gurnani

Managing Director & CEO

DIN : 06888193

Place: Jaipur

Date : June 30, 2021

Narain Das Gurnani

Whole Time Director & CFO

DIN : 01970599

Varsha Rane Choudhary

Company Secretary

Veto Switchgears and Cables Limited
Consolidated Statement of Profit and Loss for the year ended 31st March, 2021

Amount in ₹

Particulars	Notes	Year ended 31st March, 2021	Year ended 31st March, 2020
INCOME			
Revenue from operation	23	1,812,306,769	1,502,180,960
Other income	24	14,892,891	6,849,552
Total Revenue		1,827,199,660	1,509,030,512
EXPENSES			
Cost of materials consumed	25	752,124,856	502,616,689
Purchases of stock-in-trade	26	577,000,208	475,971,693
Changes in inventories of finished goods and stock in trade	27	(51,913,523)	69,954,749
Employee benefits expense	28	124,688,661	109,983,299
Finance costs	29	18,627,762	37,317,372
Depreciation	30	19,981,778	18,989,318
Other expenses	31	174,189,008	155,035,187
		1,614,698,749	1,369,868,308
Profit before tax and Share of Profit of an Associate		212,500,911	139,162,204
Share of Profit of an Associate		1,384,645	-
Profit before tax		213,885,557	139,162,204
Tax expense/ (credit)			
- Current tax		60,676,564	42,615,000
- Tax for earlier years		5,263,969	5,766,762
- Deferred tax liability / (asset)		(410,728)	(2,019,345)
		65,529,805	46,362,417
Profit/ (loss) for the year (A)		148,355,752	92,799,787
Other comprehensive income (OCI)			
Items not to be reclassified subsequently to profit or loss :			
- Re-measurement gains / (Loss) on defined benefits plans		1,913,537	874,918
- Income tax effect on above		(490,355)	(224,203)
Items that will be reclassified to Profit or Loss			
- Exchange Difference in translating the financial statement of foreign operations		(572,037)	11,158,355
Other comprehensive income for the year, net of tax (B)		851,144	11,809,070
Total comprehensive income for the year (A+B)		149,206,896	104,608,857
Net Profit attributable to			
Owners of equity		147,945,208	92,799,787
Non Controlling Interest		410,543	-
Total Comprehensive Income attributable to			
Owners of Equity		148,796,353	104,608,857
Non Controlling Interest		410,543	-
Earnings per equity share	32		
(Nominal value of share Rs.10 (PY Rs.10))			
- Basic		7.81	4.88
- Diluted		7.81	4.88

Notes 1 to 44 form an integral part of the consolidated financial statements

This is the Balance Sheet referred to in our audit report of even date

For C A S & Co

Chartered Accountants

Firm Registration No. 111075W

Nitesh Musahib

Partner

Membership No. : 131146

Place: Mumbai

Date : June 30, 2021

For and on behalf of the Board

Veto Switchgears and Cables Limited

Akshay Kumar Gurnani

Managing Director & CEO

DIN : 06888193

Place: Jaipur

Date : June 30, 2021

Narain Das Gurnani

Whole Time Director & CFO

DIN : 01970599

Varsha Rane Choudhary

Company Secretary

Veto Switchgears and Cables Limited
Consolidated Statement of Changes in Equity for the year ended 31 March 2021

A) Equity share capital

Particulars	Number	Amount in ₹
Equity shares of Rs. 10 each issued, subscribed and paid		
As at 31 March 2019	19,114,955	191,149,550
Issue of equity shares	-	-
As at 31 March 2020	19,114,955	191,149,550
Issue of equity shares	-	-
As at 31 March 2021	19,114,955	191,149,550

B) Other equity

Particulars	Reserves and surplus					Other comprehensive income			Total equity attributable to equity holders
	Securities premium reserve	Statutory Reserve	Retained earnings	Capital Reserve	Capital Reserve on Consolidation	Foreign Currency Translation Reserve	Re-measurement gains / (losses) on defined benefits plans		
As at 31 March 2019	242,432,949	8,828,262	1,011,123,956	191,250,000		26,822,506	1,522,906	1,481,980,579	
Total comprehensive income for the year	-	-	92,799,787	-		11,158,355	650,715	104,608,857	
Retained Earnings adjustment on adoption of IND AS 116	-	-	(85,233)	-		-	-	(85,233)	
As at 31 March 2020	242,432,949	8,828,262	1,103,838,510	191,250,000		37,980,861	2,173,621	1,586,504,203	
Total comprehensive income for the year	-	-	147,945,208	-	11,479,156	(572,037)	1,423,182	160,275,509	
Transfer to Statutory Reserves	-	51,288	(51,288)	-	-	-	-	0	
As at 31 March 2021	242,432,949	8,879,550	1,251,732,430	191,250,000	11,479,156	37,408,824	3,596,803	1,746,779,712	

This is the Statement of Changes in Equity referred to in our audit report of even date

For C A S & Co.

Chartered Accountants

Firm Registration No. 111075W

For and on behalf of the Board of Directors

Veto Switchgears and Cables Limited

Nitesh Musahib

Partner

Membership No. : 131146

Akshay Kumar Gurnani

Managing Director & CEO

DIN : 06888193

Narain Das

Whole Time Director & CFO

DIN : 01970599

Place: Mumbai

Date : June 30, 2021

Place: Jaipur

Date : June 30, 2021

Varsha Rane Choudhary

Company Secretary

Veto Switchgears and Cables Limited
Consolidated Cash Flow Statement For the year ended 31st March 2021

Amount in ₹

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
A. Cash flow from operating activities		
Net profit before taxation	212,500,911	139,162,204
<u>Adjustments for:</u>		
Depreciation and amortisation expense	19,981,778	16,850,597
Finance costs	18,627,762	37,317,372
Interest income	(222,566)	(1,028,016)
Rent received	(8,580,000)	(5,400,000)
Remeasurement of defined benefit plans as per actuarial valuation	1,913,537	874,918
Provision for expected credit loss on trade receivables	3,582,175	2,256,647
Provision for doubtful debts and advances	-	162,975
Operating profit before working capital changes (A)	247,803,597	190,196,698
Adjustments for changes in working capital:		
Decrease / (increase) in trade receivables	(127,286,938)	12,689,061
Decrease / (increase) in inventories	(44,457,778)	79,943,782
Decrease / (increase) in other financial assets	16,742,947	(387,982)
Decrease / (increase) in other non current assets	1,047,638	71,441
Decrease / (increase) in other current assets	452,869	36,047,732
(Decrease) / Increase in provisions	(68,580)	922,340
(Decrease) / Increase in trade and other payables	23,191,709	14,557,788
(Decrease) / Increase in other financial liabilities	11,695,680	17,896,741
(Decrease) / Increase in other current liabilities	7,047,797	2,011,489
Cash generated from / (used in) operations	136,168,941	353,949,090
Direct taxes paid	(62,138,643)	(44,879,414)
Net cash flow from operating activities	74,030,298	309,069,676
B. Cash flow from investing activities		
Purchase of property, plant and equipment (including capital work in progress) and Investment Property	(31,750,111)	(131,123,957)
Capital work in progress		
Acquisition of Subsidiary	(50,675,200)	
Net (investments in)/ proceeds from bank deposits (having original maturity of more than three months)	(225,981)	(564,014)
Rent received	8,580,000	5,400,000
Interest received	222,566	1,028,016
Net cash flow from / (used in) investment activities	(73,848,727)	(125,259,955)
C. Cash Flow from Financing Activities		
Proceeds from long-term borrowings (net)	(8,464,865)	(16,538,096)
Proceeds from short-term borrowings (net)	(7,721,865)	(133,726,379)
Payment of lease liabilities	(3,026,610)	(1,809,977)
Interest paid	(18,069,726)	(37,317,372)
Net cash flow from / (used in) financing activities	(37,283,067)	(189,391,825)
Net increase / (decrease) in cash and cash equivalents	(37,101,496)	(5,582,104)
Foreign Currency Translation Reserve	(572,037)	11,158,355
Cash and cash equivalents at the beginning of the year	151,027,636	145,451,384
On acquisition of subsidiary	12,531,728	-
Cash and cash equivalents at the end of the year	125,885,830	151,027,636
Components of cash and cash equivalents considered only for the purpose of cash flow statement		
Cash on hand	1,855,755	634,925
Balances with bank on current account	124,030,075	150,392,711
	125,885,830	151,027,636

Note : The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

Notes 1 to 44 form an integral part of the consolidated financial statements

This is the Cash Flow Statement referred to in our audit report of even date

For C A S & Co

Chartered Accountants

Firm Registration No. 111075W

For and on behalf of the Board

Veto Switchgears and Cables Limited

Nitesh Musahib

Partner

Membership No. : 131146

Place: Mumbai

Date : June 30, 2021

Akshay Kumar Gurnani

Managing Director & CEO

DIN : 06888193

Place: Jaipur

Date : June 30, 2021

Narain Das Gurnani

Whole Time Director & CFO

DIN : 01970599

Varsha Rane Choudhary

Company Secretary

Veto Switchgears And Cables Limited**Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021****Note 1 Corporate Information**

Veto Switchgears and Cables Limited (the Company) is a listed public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company has its manufacturing unit at Haridwar. The Company is engaged in manufacturing of wires & cables, electrical accessories & also deals in LED lighting, CFL & Fans.

The Company along with its subsidiaries its associates and its joint venture has been collectively hereinafter referred to as "the Group".

Note 2.1 Significant Accounting Policies**i Basis of Preparation of Consolidated Financial Statements**

The financial statements of the Group have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") notified under the Companies (Accounting Standards) Rules, 2015 read together with the company (Indian Accounting standards) rules, 2015 (as amended).

The financial statements have been prepared under the historical cost convention with the exception of certain financial assets and liabilities which have been measured at fair value, on an accrual basis of accounting.

All the assets and liabilities have been classified as current and non-current as per normal operating cycle of the Company and other criteria set out in as per the guidance set out in Schedule III to the Act. Based on nature of services, the Company ascertained its operating cycle as 12 months for the purpose of current and non-current classification of asset and liabilities.

The Company's financial statements are reported in Indian Rupees, which is also the Company's functional currency, and all values are rounded to the nearest Rupees, except when otherwise indicated.

ii Principles of Consolidation

The financial statements have been prepared on the following basis:

- a) The financial statements of the Company and its subsidiary companies have been consolidated on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances / transactions and elimination of resulting unrealized profits / losses in accordance with Indian Accounting Standard ('Ind AS') - 110 'Consolidated Financial Statements' notified by the Companies (Accounting Standards) Rules, 2006 read with Rule 7 to the Companies (Accounts) Rules 2014 in respect of Section 133 of the Companies Act, 2013.
- b) Goodwill on consolidation represents the excess of cost of acquisition at each point of time of making the investment in the subsidiary Group's share in the net worth of a subsidiary, as per Indian Accounting Standard (Ind AS) 110 "Consolidated Financial Statements". For this purpose, the Group's share of net worth is determined on the basis of the latest financial statements, prior to the acquisition, after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition. Capital reserve on consolidation represents negative goodwill arising on consolidation. In the event of cessation of operations of a subsidiary, the unimpaired goodwill is written off fully.
- c) Minority interest in net profits or losses of consolidated subsidiaries for the year is identified and adjusted against the income or loss in order to arrive at the net income or loss attributable to the shareholders of the Company. Minority interest in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the dates on which investments are made by the Company in the subsidiary companies and further movements in their share in the equity, subsequent to the dates of initial investments as stated above. Their share of net assets is identified and presented in the Consolidated Balance Sheet separately. Where accumulated losses attributable to the minorities are in excess of their equity, in the absence of the contractual / legal obligation on the minorities, the same is accounted for by the Holding Company.
- d) Financial statements are prepared using uniform policies for like transaction and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's separate financial statements.
- e) Notes to the financial statements represent notes involving items which are considered material and are accordingly disclosed. Materiality for the purpose is assessed in relation to the information contained in the financial statements. Further, additional statutory information disclosed in separate financial statements of the subsidiary and / or a parent having no bearing on the true and fair view of the financial statements has not been disclosed in these financial statements.
- f) The gains / losses in respect of part dilution of stake in subsidiary companies pursuant to issue of additional shares to minority shareholders are recognized directly in capital reserve under Reserves and surplus in the Balance Sheet. The gains / losses in respect of part divestment of stake in subsidiary companies pursuant to sale of shares by the Holding Company are recognized in the Statement of Profit and Loss.

iii Accounting Estimates

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

Estimates and assumptions

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

Deferred tax assets

In assessing the realisability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

Defined benefit plans

The cost and present value of the gratuity obligation and compensated absences 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, attrition rate and mortality rates. 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.

Impairment of Receivables

The impairment provisions of financial receivable based on the assumptions about risk of default and expected loss rates.

iii Property, Plant and Equipment

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

Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost.

On transition to Ind AS, the Company has opted to continue with the carrying values measured under the previous GAAP as at 1 April 2016 of its Property, Plant and Equipment and use that carrying value as the deemed cost.

iv Intangible Assets

Costs relating to acquisition of trademarks are capitalised as "Intangible Assets"

On transition to Ind AS, the Company has opted to continue with the carrying values measured under the previous GAAP as at 1 April 2016 of its Intangible Assets and used that carrying value as the deemed cost.

v Depreciation/ Amortisation

Depreciation/ amortisation is provided:

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on Property, Plant & Equipment of the company has been provided as per the Written Down value method as per the useful lives of the respective Property, Plant & Equipment in the manner as prescribed by Schedule II of the Act. Leasehold improvements are written off over the noncancellable period of lease. Leasehold land have not been amortised being a perpetual in nature. Goodwill & Trade marks has been amortized over a period of five years.

vi Financial Instruments

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

a) Financial Assets**Initial Recognition**

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

Subsequent Measurement

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

Financial Assets at Amortised Cost

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

Financial Assets Measured at Fair Value

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

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

On transition to Ind AS, the Company has opted to continue with the carrying values measured under the previous GAAP as at 1 April 2016 of its equity investments in subsidiaries and used that carrying value as the deemed cost of these investments on the date of transition i.e. 1 April 2016.

Impairment of Financial Assets

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

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

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

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

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

De-recognition of Financial Assets

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

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

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

b) Equity Instruments and Financial Liabilities

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

Equity Instruments

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

Financial Liabilities**1) Initial Recognition**

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

2) Subsequent Measurement

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

Financial liabilities at FVPL

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

Financial liabilities at amortised cost

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

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

3) De-recognition of Financial Liabilities

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

c) Offsetting Financial Instruments

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

vii Inventories

Inventories are valued as follows:

- a Finished Goods are valued at lower of cost or net realisable value*.
- b Raw Materials are valued at lower of cost or net realisable value**.
- c Packing Materials are valued at cost or net realizable value**.
- d Stock in Trade is valued at lower of cost or net realisable value**.

* Cost is arrived at on retail method.

** Cost is arrived at on weighted average cost method.

viii Employee Benefits**a Defined Contribution Plan**

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

b Defined Benefit Plan

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

c Leave entitlement and compensated absences

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

d Short-term Benefits

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

ix Share - Based Compensation

The company recognizes compensation expense relating to employees stock option plan in statement of profit and loss account in accordance with IND AS 102, Share - Based Payment. Accordingly, compensation expense as determined on the date of the grant is amortised over the vesting period. The Company follows fair value method to calculate the value of the stock options.

x Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet comprises of cash at banks and on hand, which are subject to an insignificant risk of changes in value.

xi Borrowing Costs

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

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

xii Foreign Exchange Transaction and Accounting of Foreign Exchange Transaction**a Initial Recognition**

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

b Conversion

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

c Treatment of Exchange Difference

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

xiii Revenue Recognition

a Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and that the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

b Revenue in respect of export sales is recognised on shipment of products.

c Sales are recognised net of discounts, rebates and returns.

d Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the Statement of Profit and Loss.

e Dividend income is recognized when the company's right to receive dividend is established.

f Claims for insurance are accounted on receipts/ on acceptance of claim by insurer.

xiv Income Tax

Income tax comprises of current and deferred income tax. Income tax is recognised as an expense or income in the Statement of Profit and Loss, except to the extent it relates to items directly recognised in equity or in OCI.

a Current Income Tax

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

b Deferred Income Tax

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

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

Minimum Alternative Tax ("MAT") credit is recognised as an asset only when and to the extent it is probable that the Company will pay normal income tax during the specified period.

xv Impairment of Non-Financial Assets

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

Recoverable amount is determined:

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

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

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

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

xvi Trade receivables

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

xvii Trade payables

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

xviii Earnings Per Share

Basic earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

xix Provisions, Contingent Liabilities and Contingent Assets

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

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

Contingent assets are disclosed in the financial statements.

xx Operating Segment

Operating segments are reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker (CODM). The Company has identified its Managing Director as CODM which assesses the operational performance and position of the Company and makes strategic decisions.

xxi Leases

Company as a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

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

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

Company as a lessor

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

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

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

Transition

Effective April 1, 2019, the Company adopted IND AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended March 31, 2019.

Veto Switchgears And Cables Limited

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

Note : 3 Property, plant and equipment

Particulars	Amount in ₹										
	Leasehold Land	Freehold Land	Office Building	Factory Building	Leasehold Improvement	Plant & Machinery	Office Equipments	Furniture & Fixtures	Computers	Vehicles	Total
Gross carrying value (at deemed cost)											
Balance as at 31 March 2019	35,397,630	19,672,218	17,846,280	57,881,375	9,955,050	111,919,635	3,273,048	12,116,333	2,423,165	29,736,896	300,221,630
Additions	-	90,236,000	-	11,672	-	3,942,934	264,480	7,922,976	250,817	731,370	103,360,249
Reclassified on adoption of IND AS 116	-	-	-	-	9,955,050	-	-	-	-	-	9,955,050
Disposals	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2020	35,397,630	109,908,218	17,846,280	57,893,047	-	115,862,569	3,537,528	20,039,309	2,673,982	30,468,266	393,626,829
Additions	-	90,236,000	-	11,672	-	1,481,166	192,179	113,115	218,260	1,332,161	93,584,553
Reclassified on adoption of IND AS 116	-	-	-	-	9,955,050	-	-	-	-	-	9,955,050
Disposals	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2021	-	200,144,218	17,846,280	57,904,720	-	117,343,735	3,729,707	20,152,424	2,892,242	31,800,427	477,256,332
Accumulated depreciation											
Balance as at 31 March 2019	-	-	214,302	27,521,178	4,556,410	72,988,993	3,040,909	9,507,922	2,302,085	23,307,393	143,439,192
Reclassified on adoption of IND AS 116	-	-	-	-	4,556,410	-	-	-	-	-	4,556,410
Depreciation charge	-	-	858,677	2,170,489	-	6,178,540	114,618	1,007,688	150,781	2,105,934	12,586,725
Deletions / Adjustments	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2020	-	-	1,072,979	29,691,667	-	79,167,533	3,155,527	10,515,610	2,452,866	25,413,327	151,469,507
Reclassified on adoption of IND AS 116	-	-	-	-	-	-	-	-	-	-	-
Depreciation charge	-	-	-	2,002,673	-	5,727,832	168,748	2,457,250	163,136	1,501,938	12,021,576
Deletions / Adjustments	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2021	-	-	1,072,979	31,694,340	-	84,895,365	3,324,275	12,972,859	2,616,002	26,915,264	163,491,083
Net carrying value											
Balance as at 31 March 2019	35,397,630	19,672,218	17,631,978	30,360,197	5,398,640	38,930,642	232,139	2,608,411	121,080	6,429,503	156,782,438
Balance as at 31 March 2020	35,397,630	109,908,218	16,773,301	28,201,380	-	36,695,036	382,001	9,523,699	221,116	5,054,939	242,157,322
Balance as at 31 March 2021	-	200,144,218	16,773,301	26,210,379	-	32,448,370	405,432	7,179,564	276,240	4,885,163	313,765,248

Veto Switchgears And Cables Limited

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

B Capital work in progress		Amount in ₹
Particulars	Total	
Gross carrying value (at deemed cost)		
Balance as at 31 March 2019	2,601,468	
Additions	35,622,973	
Transfer to Fixed Assets	7,859,266	
Balance as at 31 March 2020	30,365,175	
Additions	50,404,651	
Transfer to Fixed Assets	7,859,266	
Balance as at 30 June 2020	72,910,561	

C Intangible Assets				Amount in ₹	
Particulars	Goodwill			Other Intangible Asset	
	Goodwill (on consolidation)	Goodwill (acquired separately)	Total	Trade Mark	Total
Gross carrying value (at deemed cost)					
Balance as at 31 March 2019	10,778	540,000	550,778	112,000	112,000
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Balance as at 31 March 2020	10,778	540,000	550,778	112,000	112,000
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Balance as at 31 March 2021	10,778	540,000	550,778	112,000	112,000
Accumulated amortisation					
Balance as at 31 March 2019	-	540,000	540,000	112,000	112,000
Amortisation charge	-	-	-	-	-
Impairment	-	-	-	-	-
Balance as at 31 March 2020	-	540,000	540,000	112,000	112,000
Amortisation charge	-	-	-	-	-
Reversal on disposal of assets	-	-	-	-	-
Balance as at 31 March 2021	-	540,000	540,000	112,000	112,000
Net carrying value					
Balance as at 31 March 2019	10,778	-	10,778	-	-
Balance as at 31 March 2020	10,778	-	10,778	-	-
Balance as at 31 March 2021	10,778	-	10,778	-	-

Veto Switchgears And Cables Limited
Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

D Investment Property		Amount in ₹	
Particulars	Leasehold Land	Building	Total
<u>Gross carrying value (at deemed cost)</u>			
Balance as at 31 March 2019	83,224,102	62,799,446	146,023,548
Additions	-	-	-
Reclassified on adoption of IND AS 116	-	-	-
Balance as at 31 March 2020	83,224,102	62,799,446	146,023,548
Additions	-	-	-
Reclassified on adoption of IND AS 116	-	-	-
Balance as at 31 March 2021	83,224,102	62,799,446	146,023,548
<u>Accumulated depreciation</u>			
Balance as at 31 March 2019	-	754,110	754,110
Depreciation charge	-	3,021,608	3,021,608
Balance as at 31 March 2020	-	3,775,718	3,775,718
Depreciation charge	-	3,021,608	3,021,608
Balance as at 31 March 2021	-	6,797,326	6,797,326
<u>Net carrying value</u>			
Balance as at 31 March 2019	83,224,102	62,045,336	145,269,438
Balance as at 31 March 2020	83,224,102	59,023,728	142,247,830
Balance as at 31 March 2021	83,224,102	56,002,120	139,226,222

Veto Switchgears And Cables Limited

Summary of significant accounting policies and other explanatory information**to the consolidated financial statements as at and for the year ended 31 March 2021**

E) Right of Use Assets			Amount in ₹
Particulars	Office Premises	Leasehold Improvements	Total
Gross carrying value (at deemed cost)			
Balance as at 31 March 2019	-	-	-
Additions	10,268,579	-	10,268,579
Reclassified on adoption of IND AS 116	-	9,955,050	9,955,050
Balance as at 31 March 2020	10,268,579	9,955,050	20,223,629
Additions	-	-	-
Reclassified on adoption of IND AS 116	-	-	-
Balance as at 31 March 2021	10,268,579	9,955,050	20,223,629
Accumulated Amortization			
Balance as at 31 March 2019	-	-	-
Reclassified on adoption of IND AS 116	-	4,556,409	4,556,409
Amortisation charge for the year	2,138,721	1,242,262	3,380,983
Deletions / Adjustments	-	-	-
Balance as at 31 March 2020	2,138,721	5,798,671	7,937,392
Reclassified on adoption of IND AS 116	-	-	-
Amortisation charge for the year	2,632,516	1,061,215	3,693,731
Balance as at 31 March 2021	2,138,721	5,798,671	7,937,392
Net carrying value			
Balance as at 31 March 2019	-	-	-
Balance as at 31 March 2020	8,129,857	4,156,380	12,286,237
Balance as at 31 March 2021	8,129,857	4,156,380	12,286,237

Veto Switchgears and Cables Limited
Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021
Note 14A : Equity Share capital

Particulars	As at 31st March, 2021	As at 31st March, 2020
Authorised 2,50,00,000 (PY 2,50,00,000) Equity shares of Rs.10/- each	250,000,000	250,000,000
Total authorised share capital	250,000,000	250,000,000
Issued, Subscribed and Fully Paid Up 1,91,14,955 (PY 1,91,14,955) Equity shares of Rs. 10/- each fully paid up	191,149,550	191,149,550
Total issued, subscribed and paid-up equity share capital	191,149,550	191,149,550

a) Reconciliation of shares outstanding at the beginning and at the end of the reporting period
Equity shares of Rs. 10/- each fully paid up

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares				
At the beginning of the year	19,114,955	191,149,550	19,114,955	191,149,550
Issued during the year	-	-	-	-
Outstanding at the end of the year	19,114,955	191,149,550	19,114,955	191,149,550

b) Terms / rights attached to equity shares

- The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share.
- The Company declare and pays dividend in Indian Rupees. Each equity shareholder has the same right of dividend.
- In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
- The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares	% holding	No. of Shares	% holding
Veto Electropowers (India) Private Limited	37.30%	7,130,704	37.30%	7,130,704
Pushpa Devi Gurnani	6.68%	1,276,744	6.68%	1,276,744

d) Issue of Share Under ESOP

During FY 2018-19, the Company had allotted 7,87,855 shares under Employees Stock Option Plan (ESOP) of the Company.

e) Forfeiture of Share Warrants

During FY 2017-18, the Company had made a preferential issue of 45,00,000 Convertible Warrants of Rs. 10 each at a premium of Rs 160 per warrant and in accordance with SEBI guidelines the company has received 25 % upfront money amounting to Rs.19,12,50,000. The warrants can be exercised at anytime within a period of 18 months.

The said share warrants were not converted into equity shares on non-exercise of option before the due dates and accordingly, the upfront subscription amount of Rs. 19,12,50,000/- on issue of these warrants have been forfeited during the previous year and credited to the Capital Reserve.

Veto Switchgears and Cables Limited

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

Note 14B : Other Equity

Particulars	Reserves and surplus					Other comprehensive income			Total equity attributable to equity holders
	Securities premium reserve	Statutory Reserve	Retained earnings	Capital Reserve	Capital Reserve on Consolidation	Foreign Currency Translation Reserve	Re-measurement gains / (losses) on defined benefits plans		
As at 31 March 2019	242,432,949	8,828,262	1,011,123,956	191,250,000	-	26,822,506	1,522,906	1,481,980,579	
Total comprehensive income for the year	-	-	92,799,787	-	-	11,158,355	650,715	104,608,857	
Retained Earnings adjustment on adoption of IND AS 116	-	-	(85,233)	-	-	-	-	(85,233)	
As at 31 March 2020	242,432,949	8,828,262	1,103,838,510	191,250,000	-	37,980,861	2,173,621	1,586,504,203	
Total comprehensive income for the year	-	-	147,945,208	-	11,479,156	(572,037)	1,423,182	160,275,509	
Transfer to Statutory Reserves	-	51,288	(51,288)	-	-	-	-	0	
As at 31 March 2021	242,432,949	8,879,550	1,251,732,430	191,250,000	11,479,156	37,408,824	3,596,803	1,746,779,712	

Description of nature and purpose of reserve**Securities Premium Reserve**

Securities Premium Reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

Statutory Reserve

Statutory reserves represent surplus allocated as statutory reserve according to the Articles of Association and Article 8 of the Memorandum of Incorporation (modified) of one of the Subsidiary companies, viz. Veto Overseas Private FZE and prevalent law for establishments in Ajman Free Zone, Ajman, U.A.E.

Retained Earnings

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

(Gain / (loss) on fair value of defined benefit plans)

The Company has recognised re-measurement gains/ (loss) on defined benefit plans in OCI. These changes are accumulated within the OCI reserve within other equity. The Group transfers amounts from this reserve to retained earnings when the relevant obligations are derecognised.

Capital Reserve

Capital Reserve represents reserves of the Company on the forfeiture of the upfront subscription amount received on the share warrants, on non-exercise of option before the due date to convert such warrants into equity shares. The reserve is utilised in accordance with the provisions of the Act.

Foreign Currency Translation Reserve

Foreign Currency Translation Reserve represents accumulated gain/ (loss) on remeasuring the financial statements of the foreign entity presented in foreign currency (AED) into the reporting currency of parent company (INR).

Veto Switchgears and Cables Limited
Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

Amount in ₹

Note 4 : Investments

Particulars	As at 31st March, 2021	As at 31st March, 2020
Investment in Equity Instruments		
Trade, Unquoted (At cost, unless stated otherwise)		
Others		
Veto Lightings Private Limited	51,000	51,000
5,100 Equity Shares of Rs.10 each fully paid up		
Saraswat Bank	25,000	
2,500 Equity Shares of Rs.10 each fully paid up		
Total non-current investments	76,000	51,000

Particulars	As at 31st March, 2021	As at 31st March, 2020
Aggregate of non-current investments:		
Book value of investments	76,000	51,000
Investments carried at deemed cost	-	-
Investments carried at fair value through profit and loss	76,000	51,000

Note 5 : Other financial assets

Particulars	As at 31st March, 2021	As at 31st March, 2020
Non-current		
Security Deposits	12,294,671	8,905,258
VAT Receivables	7,620,637	7,360,456
Total non-current financial assets	19,915,308	16,265,714

Note 6 : Deferred tax asset (net)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Deferred Tax Assets / (Liabilities)		
Fixed Assets : Impact of difference between tax depreciation and depreciation / amortisation charged for the financial reporting	13,942,441	14,745,496
Employee Benefits	1,022,835	1,084,005
Other Provisions	8,971,854	8,897,867
Deferred Tax Asset (Net)	23,937,131	24,727,369

Note 7 : Income tax assets (net)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Advance Tax & TDS (net of provisions)	-	236,443
	-	236,443

(a) Income Tax Expense

Particulars	2020-21	2019-20
Current tax expense (A)		
Current year	60,676,564	42,615,000
Short/(Excess) provision of earlier years	5,263,969	5,766,762
	65,940,533	48,381,762
Deferred tax expense (B)		
Origination and reversal of temporary differences	(410,728)	(2,019,345)
Tax expense recognised in the income statement (A+B)	65,529,805	46,362,417

(b) Amounts recognised in other comprehensive income

Particulars	2020-21			2019-20		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit plans	1,913,537	(490,355)	1,423,182	874,918	(224,203)	650,715
	1,913,537	(490,355)	1,423,182	874,918	(224,203)	650,715

(c) Reconciliation of effective tax rate

Particulars	2020-21	2019-20
Profit before tax	212,500,911	139,162,204
Tax using the Company's domestic tax rate (25.63%)	54,454,634	35,661,150
Tax effect of :		
Tax effect on non-deductible expenses	5,811,203	4,934,505
Adjustments recognised in current year in relation to the current tax of prior years	5,263,969	5,766,762
	65,529,805	46,362,416
Tax expense as per Statement of Profit & Loss	65,529,805	46,362,417
Effective tax rate	30.837%	33.315%

Note 8 : Other non - current assets

Particulars	As at 31st March, 2021	As at 31st March, 2020
Capital Advances	619,990	1,071,990
Deferred assets on financial assets carried at amortised cost	1,191,277	1,786,915
Total other non-current assets	1,811,267	2,858,905

Note 9 : Inventories

Particulars	As at 31st March, 2021	As at 31st March, 2020
Finished goods	209,798,355	163,025,798
Stock in trade	749,593,142	607,901,833
Raw materials	150,046,612	117,603,776
Packing materials	11,340,825	12,602,125
Total Inventories	1,120,778,935	901,133,532

Note 10 : Trade receivables

(Unsecured, considered good)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unsecured, Considered Good	941,192,832	626,246,236
Less :- Provision for Expected Credit Loss	35,011,295	31,429,120
Total trade receivables	906,181,537	594,817,116

Note 11 : Cash and cash equivalents

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balances with banks:		
-In current accounts	124,030,075	150,392,711
Cash in hand	1,855,755	634,925
Total cash and cash equivalents	125,885,830	151,027,636

Note 12 : Other bank balances

Particulars	As at 31st March, 2021	As at 31st March, 2020
Earmarked balances with banks for:		
Margin Money Deposit With Original Maturity of more than 3 months and remaining maturity of less than 12 months	6,154,102	5,928,120
Total other bank balances	6,154,102	5,928,120

Note 13 : Other Current Asset

Particulars	As at 31st March, 2021	As at 31st March, 2020
Advance to creditors		
- Related parties (Refer note 36)	-	20,574,977
- Others	38,514,568	27,777,836
Staff Advances	1,854,069	1,808,931
Prepaid Expenses	629,982	2,088,975
Balance with Government Authorities	33,087,686	22,502,889
Deferred assets on financial assets carried at amortised cost	595,638	595,638
Other Advances	39,358	690,616
Total other current assets	75,586,993	76,039,862

Note 15 : Borrowings

Particulars	As at 31st March, 2021	As at 31st March, 2020
Non current borrowings		
Secured		
Term loans from banks	-	11,090,985
Less: Current maturities of long term debt	-	11,000,000
Less: Interest accrued but not Due	-	90,985
	-	-
Hire purchase loans from banks	4,846,119	2,310,984
Less: Current maturities of long term debt	943,310	1,182,405
	3,902,809	1,128,579
Total non-current borrowings	3,902,809	1,128,579

Additional information pursuant to long term borrowings :

a) Term loan amounting to Rs. Nil (PY: Rs. 1,10,00,000) from Indian Oversease Bank carries interest of Base Rate + 2% p.a. The loan is repayable in 20 Quarterly instalments along with interest started from June, 2016. The loan is primarily secured by way of equitable mortgage of land and building of Corporate office under construction and collateral security of factory land and building of the Company, land and building of M/s. vimal Power Cables Private Limited, hypothecation of fixed assets (excluding land and building and vehicles) of the Company, personal guarantee of two director and two promoters and corporate guarantee of Vimal Power cables Private Limited and Veto Electropower (India) Private Limited (formerly Holding Company).

b) Hire Purchase Loans amounting to Rs. 48,46,119 (PY Rs. 23,10,984) from various banks and financial institutions are secured by hypothecation of respective vehicle financed. The loans carries interest @ 8.50% to 11% p.a. The loan is repayable in 36 to 60 equal monthly instalments.

Note 16 : Lease Liability

Particulars	As at 31st March, 2021	As at 31st March, 2020
Non Current		
Lease Liability	3,505,996	6,075,260
	3,505,996	6,075,260
Current		
Lease Liability	2,569,264	2,468,575
	2,569,264	2,468,575

Note 17 : Provisions

Particulars	As at 31st March, 2021	As at 31st March, 2020
Non Current		
Provision for Replacement	13,840,976	-
Provision for Gratuity	2,144,350	2,605,820.00
	15,985,326	2,605,820
Current		
Provision for Gratuity	1,847,108	1,624,345
	1,847,108	1,624,345

Note 18 : Borrowings

Particulars	As at 31st March, 2021	As at 31st March, 2020
Current borrowings		
(Secured)		
Cash Credit Facility from bank		
From Bank	337,840,266	238,058,532
Unsecured Loans	7,472,485	-
Total borrowings	345,312,751	238,058,532

Additional information pursuant to secured short term borrowing :

Cash credit facility amounting to Rs. 33,78,40,266 (PY Rs.23,80,58,532) from indian oversease bank carries interest rate of base rate + 1.75% p.a. The loan is secured by way of 1st charge on entire current assets of the Company and collateral security of factory land and building of the Company, land and building of M/s. vimal Power Cables Private Limited, hypothecation of fixed assets (excluding land and building and vehicles) of the Company, personal guarantee of two director and two promoters and corporate guarantee of Vimal Power cables Private Limited and Veto Electropower (India) Private Limited (formerly Holding Company).

Unsecured loans represents interest free loans of the subsidiary acquired during the year.

Note 19 : Trade payables

Particulars	As at 31st March, 2021	As at 31st March, 2020
Due to Micro, Small & Medium Enterprises	179,077,403	31,104,210
Due to Others	141,844,523	65,254,031
Total trade payables	320,921,926	96,358,242

The Company has amounts due to micro and small suppliers registered under the Micro, Small and Medium Enterprises Development Act 2006 (MSMED Act), as at 31 March 2020.

The disclosure pursuant to the said Act is as under:

Particulars	As at 31st March, 2021	As at 31st March, 2020
The principal amount remaining unpaid to any supplier as at the end of accounting year;	179,077,403	31,104,210
The interest due and remaining unpaid to any supplier as at the end of accounting year;	-	-
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the due date during each accounting year;	-	-
The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	-	-
The amount of interest accrued and remaining unpaid at the end of accounting year; and	-	-
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

Note: This information, as required to be disclosed under the MSMED Act, has been determined to the extent such parties have been identified on the basis of information available with the Company.

Interest paid or payable by the Company on the aforesaid principal amount has been waived by the concerned suppliers.

The information regarding Micro Small and Medium Enterprises has been determined on the basis of information available with the Company

Note 20 : Other financial liabilities

Particulars	As at 31st March, 2021	As at 31st March, 2020
Current maturities of loan term debt	943,310	12,182,405
Interest accrued but not due	-	90,985
Trade deposits	53,553,576	37,967,670
Salary & Wages Payable	8,605,886	6,009,001
Duties & taxes payable	6,201,191	3,518,002
Provision for Expenses	8,286,943	8,305,371
Unpaid Dividend (refer Note below)	519,901	519,901
Total other financial liabilities	78,110,808	68,593,335

Note: The unpaid dividend includes Rs 2,00,370/- and Rs.3,19,531/- in relation to interim and/ or final dividends declared by the company for FY 2015-16 and 2016-17 respectively against which claims have not been made. The amounts against the same have been set aside and deposited in separate scheduled bank accounts by the company in compliance with section 124 of the Companies Act 2013.

Note 21 : Other current liabilities

Particulars	As at 31st March, 2021	As at 31st March, 2020
Advance from debtors	6,286,916	3,511,873
Deferred Revenue	6,347,477	2,074,725
Total other current liabilities	12,634,394	5,586,598

Note 22 : Income tax liabilities (net)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Provision for taxation (Net of advance tax & TDS)	9,877,345	-
	9,877,345	-

Note 23 : Revenue from operation

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Revenue from operations		
Sale of Products *	1,807,824,575	1,497,576,479
Other Operating Revenue		
Scrap Sale	2,075,161	-
Gain on Foreign Exchange Fluctuations (Net)	2,407,033	4,604,481
Total Revenue from Operations	1,812,306,769	1,502,180,960

*** Details of Products Sold**

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Finished Goods		
Accessories & Others	411,506,937	299,255,272
Wire & Cables	610,338,365	487,511,787
	1,021,845,301	786,767,059
Traded Goods		
Accessories & Others	46,579,870	85,068,260
Wire & Cables	84,342,241	101,824,245
Lighting & Fittings	659,539,357	528,521,397
	790,461,468	715,413,902
	1,812,306,769	1,502,180,960

Note 24 : Other income

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
<u>Interest Income</u>		
- on margin money deposits	222,566	487,730
- on others	46,371	43,324
- on unwinding of financial assets carried at amortised cost	541,689	496,963
Profit on sale of fixed assets	193,233	-
Rent received on Investment Property	8,580,000	5,400,000
Miscellaneous Income	5,309,032	421,535
Total Other Income	14,892,891	6,849,552

Note 25 : Cost of materials consumed

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Opening stock	117,603,776	112,469,668
Add : On Acquisition of Subsidiary	39,101,249	-
Add : Purchases	745,466,443	507,750,797
Less : Closing stocks	150,046,612	117,603,776
Total Cost of Materials consumed	752,124,856	502,616,689

* Purchases are stated net of discounts and rate difference.

Details of Material Consumed

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Copper	426,888,423	309,606,847
Alluminium	11,083,295	8,616,803
PVC Compound	33,053,796	50,369,541
Others	281,099,342	134,023,498
	752,124,856	502,616,689

Details of Inventory

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Copper	30,982,954	50,636,645
Alluminium	7,743,967	877,938
PVC Compound	14,444,570	4,328,716
Others	96,875,121	61,760,478
	150,046,612	117,603,776

Note 26 : Purchases of stock-in-trade

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Purchase of stock in trade	577,000,208	475,971,693
Total Purchase of stock in trade	577,000,208	475,971,693

Note 27 : Changes in inventories of finished goods and stock in trade

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Finished goods		
Opening stock		
- Accessories & Others	99,034,731	93,939,264
- Wires & Cables	63,991,067	91,165,783
	163,025,799	185,105,047
On acquisition of subsidiary	16,354,351	
Closing stock		
- Accessories & Others	134,955,114	99,034,731
- Wires & Cables	74,843,240	63,991,067
	209,798,354	163,025,799
Changes in inventories of finished goods (A)	(30,418,205)	22,079,248
Stock in trade		
Opening stock		
- Accessories & Others	208,848,235	224,103,698
- Wires & Cables	98,799,280	140,159,918
- Lighting & Fittings	315,474,780	306,734,180
	623,122,295	670,997,796
On acquisition of subsidiary	119,732,025	
Closing stock		
- Accessories & Others	327,271,106	208,848,235
- Wires & Cables	94,265,056	98,799,280
- Lighting & Fittings	342,813,476	315,474,780
	764,349,637	623,122,295
Changes in inventories of stock in trade (B)	(21,495,318)	47,875,501
Total (A+B)	(51,913,523)	69,954,749

Note 28 : Employee benefits expense

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Salary, wages and other allowances	108,542,601	95,714,162
Directors Remuneration	6,399,724	3,450,000
Provision for Gratuity	2,225,652	1,249,931
Contribution to provident fund and other funds	4,769,366	5,718,650
Staff welfare expenses	2,751,318	3,850,555
Total employee benefits expense	124,688,661	109,983,299

Note 29 : Finance costs

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Interest expense to:		
Banks	11,161,997	28,331,107
Others	2,623,969	2,161,118
Leasing Arrangements as per IND AS 116	558,035	581,423
Other Borrowing Cost	4,283,761	6,243,724
Total finance costs	18,627,762	37,317,372

Note 30 : Depreciation

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Depreciation on tangible assets	12,021,576	12,586,727
Amortisation on intangible assets	-	-
Amortisation on Right of Use assets	3,693,731	3,380,983
Depreciation on Investment Property	3,021,608	3,021,608
Total finance costs	18,736,915	18,989,318

Note 31 : Other expenses

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Manufacturing expenses		
Consumption of :		
- Consumable & stores	352,485	337,550
- Power & fuel	5,655,840	7,131,481
Job Charges	3,543,220	4,924,644
Repairs & Maintenance :		
- Plant & machinery	1,348,040	2,004,274
- Factory building	19,230	29,520
Freight & transportation	2,020,369	2,501,499
Other factory expenses	2,552,879	2,471,962
	15,492,062	19,400,930
Administration, Selling and Distribution expenses		
Rent (Refer note no. 39)	5,264,202	3,254,818
Insurance	2,001,860	731,129
Rates & taxes	324,116	1,919,404
Repairs & maintenance	4,885,730	3,721,663
Legal and professional fees	6,113,758	4,922,815
Auditor's remuneration *	802,000	527,500
Travelling & conveyance	17,585,868	13,957,797
Communication costs	719,495	905,797
Printing & stationery	536,409	418,394
Water & electricity charges	5,254,369	1,834,329
Commision	17,274,092	5,718,793
Packing material consumed	35,049,942	25,853,014
Advertising & sales promotion	28,118,751	20,942,508
Transportation, freight & handling charges	27,404,800	20,522,043
Provision for expected credit loss	3,582,175	2,256,647
Provision for Slow Moving Inventories	-	14,598,134
Expendture on CSR activities	1,983,231	7,983,000
Miscellaneous expenses	1,796,148	5,403,495
Total other expenses	174,189,008	155,035,187

*** Payment to Auditor includes**

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Audit fees	540,000	430,000
Other services	262,000	97,500
	802,000	527,500

Note 32 : Earnings per equity share

The amount considered in ascertaining the Group's earnings per share constitutes the net profit after tax. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of shares which could have been issued on conversion of all dilutive potential shares.

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Weighted average number of Equity Shares of Rs. 10/- each		
Number of shares at the end of the year	19,114,955	19,114,955
Weighted average number of Equity Shares outstanding during the year	19,002,713	19,002,713
Weighted average number of Potential Equity Shares outstanding during the year	-	-
Total number of Equity share for calculating Diluted Earning Per Share	19,002,713	19,002,713
Net Profit after Tax available for Equity shareholders	148,355,752	92,799,787
Basic Earning Per Share (in Rs.)	7.81	4.88
Diluted Earning Per Share (in Rs.)	7.81	4.88

Note 33 : Contingent liabilities disclosures as required under Indian Accounting Standard 37, "Provisions, Contingent Liabilities and Contingent Assets" are given below:

Particulars	As at 31st March 2021	As at 31st March 2020
I) Guarantees		
Bank Guarantee	1,597,000	3,510,388
	1,597,000	3,510,388

Veto Switchgears and Cables Limited
Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021
Note 34 : Disclosure relating to employee benefits as per Ind AS 19 'Employee Benefits'
A Defined benefit obligations - Gratuity

The gratuity plan is governed by the Payment of Gratuity Act, 1972 under which an employee who has completed five years of service is entitled to specific benefits. The level of benefits provided depends on the member's length of service and salary at retirement age.

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognised in the same manner as gratuity.

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
a) Changes in defined benefit obligations		
Present value of obligation as at the beginning of the year		
Defined Benefit Obligation ("PBO") at the beginning of the year	8,661,415	7,446,226
Past service cost	-	-
Service cost	1,624,345	1,871,140
Interest cost	541,273	541,890
Actuarial loss / (gain)	(1,925,210)	(1,067,224)
Benefits paid	(148,437)	(130,617)
Present value of obligation as at the end of the year	8,753,386	8,661,415
b) Changes in Fair Value of Plan Assets		
Opening value of plan assets	4,431,260	4,138,411
Interest Income	317,394	360,413
Return on plan assets excluding amounts included in interest income	(11,673)	(192,306)
Contributions by employer	24,957	124,742
Benefits paid	-	-
Closing value of plan assets	4,761,938	4,431,260
c) The amounts recognised in the Balance Sheet are as follows:		
Present value of obligation as at the end of the year	8,753,386	8,661,415
Fair Value of plan assets as at the end of the year	4,761,938	4,431,260
Net (assets) / liability recognised in balance sheet	3,991,448	4,230,155
d) Expenses recognised in the Statement of Profit and Loss		
Service cost	1,624,345	1,871,140
Past service cost	-	-
Net Interest Cost	223,879	181,477
Total	1,848,224	2,052,617
e) Remeasurement (gains)/ losses recognised in OCI		
Actuarial changes arising from changes in financial assumptions	-	690,050
Actuarial changes arising from changes in demographic assumptions	-	-
Due to experience adjustments	(1,925,210)	(1,757,274)
Return on plan assets excluding amount included in interest income	11,673	192,306
Total	(1,913,537)	(874,918)

Particulars	31st March 2021	31st March 2020
f) Actuarial assumptions		
Discount rate	6.55% p.a.	6.55% p.a.
Normal retirement age (in years)	58	58
Salary escalation rate (% p.a.) *	7% p.a.	7% p.a.
Attrition rate	20% at younger ages reducing to 1% at older ages	20% at younger ages reducing to 1% at older ages
Mortality rate	Indian assured lives mortality (2006-08) ultimate	Indian assured lives mortality (2006-08) ultimate

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

g) Quantities sensitivity analysis for significant assumption is as below:

Particulars	31st March 2021	31st March 2020
	0.5 % increase	
i. Discount rate	8,417,788	8,334,854
	-3.83%	-3.77%
	0.5 % increase	
ii. Salary escalation rate	9,103,760	9,000,982
	4.00%	3.92%
	10% increase	
iii. Attrition rate	8,680,795	8,594,291
	0.83%	0.78%
	0.5 % decrease	
i. Discount rate	9,113,738	9,011,771
	4.12%	4.04%
	0.5 % decrease	
ii. Salary escalation rate	8,423,909	8,338,512
	3.76%	3.73%
	10% decrease	
iii. Attrition rate	8,828,341	8,731,063
	0.86%	0.52%

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation, keeping all other actuarial assumptions constant.

Particulars	31st March 2021	31st March 2020
h) Maturity analysis of defined benefit obligation		
1st Following Year	799,046	795,445
2nd Following Year	754,409	798,333
3 rd Following Year	774,815	768,397
4th Following Year	829,198	770,132
5th Following Year	702,221	757,194
Sum of Year 6 to 10 Year	4,166,790	4,381,287
Total expected payments	8,026,479	8,270,788

B Defined contribution plans

Particulars	31st March 2021	31st March 2020
The Company has recognised the following amounts in the Statement of Profit and Loss for		
a) the year:		
(i) Contribution to provident fund	3,631,091	4,343,641
(ii) Contribution to ESIC	802,366	1,276,337
	4,433,457	5,619,978

Particulars	31st March 2021	31st March 2020
b) Current/ non-current classification		
Gratuity		
Current	1,847,108	1,624,345
Non-current	2,144,350	2,605,820
	3,991,458	4,230,165

Veto Switchgears and Cables Limited**Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021****Note 35 : Segmental Reporting :****Identification of Segments:**

The chief operational decision maker monitors the operating results of its Business segment separately for the purpose of making decision 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, Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108.

Operating Segments

- (a) Wire and Cables
- (b) Lighting & Fittings
- (c) Accessories & Others

Segment revenue and results:

The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure (net of allocable income).

Segment assets and Liabilities:

Segment assets include all operating assets used by the operating segment and mainly consist of inventory. Common assets and liabilities which can not be allocated to any of the business segment are shown as unallocable assets / liabilities.

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
A. Segment Revenue		
Wire & Cables	694,680,605	589,336,031
Lighting & Fittings	659,539,357	528,521,397
Accessories & Others	458,086,807	384,323,532
Total Revenue	1,812,306,769	1,502,180,960
B. Segment Results		
Wire & Cables	92,171,635	90,603,792
Lighting & Fittings	199,842,285	169,244,854
Accessories & Others	165,995,040	116,504,933
	458,008,960	376,353,579
Less : Unallocable Expenses	221,791,400	187,734,236
Less : Depreciation	19,981,778	18,989,318
Operating Profit	216,235,782	169,630,025
Less : Finance Cost	18,627,762	37,317,372
Add : Other Income	14,892,891	6,849,552
Profit Before Tax & Exceptional	212,500,911	139,162,204
Less : Exceptional Expenses	-	-
Profit Before Tax	212,500,911	139,162,204
Less : Tax expense (Net)	65,529,805	46,362,417
Profit After Tax	146,971,106	92,799,787

Particulars	As At 31st March, 2021	As At 31st March, 2020
C. Segments Assets		
Wire & Cables	221,543,661	224,387,512
Lighting & Fittings	691,455,401	315,474,780
Accessories & Others	534,567,216	363,889,578
Unallocated	1,290,154,522	1,296,401,169
Total	2,737,720,800	2,200,153,039
D. Segments Liabilities		
Wire & Cables	4,884,901	12,303,023
Lighting & Fittings	168,203,794	21,295,279
Accessories & Others	49,526,347	42,805,873
Unallocated	572,052,684	346,095,110
Total	794,667,727	422,499,285

Veto Switchgears and Cables Limited
Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

Note 36 : Related party disclosures as required under Indian Accounting Standard 24, "Related party disclosures" are given below:

a) Names of related parties and nature of relationship (to the extent of transactions entered into during the year except for control relationships where all parties are disclosed)

Nature of relationship	Nature of the party
(A) Key Managerial Personnel	
Akshay Gurnani	Managing Director & Chief Executive Officer
Naraindas Gurnani	Whole time Director & Chief Financial Officer
Jyoti Gurnani	Director
Bhavna Giamalani	Company Secretary Cum Compliance Officer
(B) Entity of which the company is an associate	Veto Electropower (India) Private Limited
(C) Subsidiary Companies	Veto Electricals Private Limited Veto Led Lighting Private Limited Veto Overseas Private FZE Vankon Moduler Pvt Ltd
(D) Entities in which KMP and/ or their relatives have significant influence	Vimal Power Cables Private Limited Tulsi Palace Resort Private Limited Veto Polymers and Metals V1 Infradevelopers Private Limited Kripa Realmart Private Limited Anjali Packaging
(E) Relative of Director	Pushpa Devi Gurnani

b. Transactions with Related Parties :

Name of Party	Nature of Transaction	Year ended March 31, 2021	Year ended March 31, 2020
Akshay Gurnani	Remuneration	2,400,000	1,650,000
Naraindas Gurnani	Remuneration	1,200,000	1,200,000
Jyoti Gurnani	Remuneration	600,000	600,000
Bhavna Giamalani	Salary paid	18,000	189,394
Pushpa Devi Gurnani	Salary paid	600,000	150,000
Veto Electro Power (India) Private Limited	Rent	144,000	144,000
Vimal Power Cavle Pvt. Ltd.	Rent	300,000	300,000
V1 Infradevelopers Private Limited	Rent	660,000	660,000
Kripa Realmart Private Limited	Rent Income	8,400,000	5,400,000
Tulsi Palace Resorts Pvt. Ltd	Sales (Net)	91,106	-
Anjali Packaging	Purchase of Packing Material	14,303	29,837

c. Balance Outstanding of Related Parties :

Name of Party	Receivable / Payable	As at March 31, 2020	As at March 31, 2019
Akshay Gurnani	Remuneration Payable	163,800	125,000
Naraindas Gurnani	Remuneration Payable	65,000	100,000
Jyoti Gurnani	Remuneration Payable	46,000	50,000
Bhavna Giamalani	Salary payable	-	15,000
Pushpa Devi Gurnani	Salary payable	46,000	50,000
Veto Electro Power (India) Private Limited	Rent payable	483,424	-
V1 Infradevelopers Private Limited	Trade Receivable/Rent Receivable	12,224,694	5,832,000
Tulsi Palace Resort Pvt. Ltd. Jaipur	Trade Recievables	38,389	32,904
Kripa Realmart Private Limited	Trade payable	-	397,424
Vimal Power Cables Private Limited	Rent payable	104,875	-
Anjali Packaging	Trade payable	-	27,149

Note 37 : Expenditure on Corporate Social Responsibility Activities

As per provisions of section 135 of the Companies Act, 2013, the Company has to incur at least 2% of average net profits of the preceding three financial years towards Corporate Social Responsibility ("CSR"). Accordingly, a CSR committee has been formed for carrying out CSR activities as per the Schedule VII of the Companies Act, 2013.

Details of CSR Expenditure:

(a)Gross amount required to be spent by the Company during the year.

Particulars	As at 31 March 2021	As at 31 March 2020
Details of CSR Expenditure:		
Amount required to be spent by the Company	4,061,259	3,914,879

(b)Amount spent during the year

Particulars	Amount Spent		Amount yet to be Spent	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Contribution to Trust	1,395,325	4,401,000	2,078,028	1,212,948
For the Welfare of Widows	587,906	3,582,000	-	-
	1,983,231	7,983,000	2,078,028	1,212,948

Veto Switchgears and Cables Limited
Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021
Note 38 : Fair Value Measurement
(i) Financial instruments by category

Particulars	Refer note	As at 31-03-2021				As at 31-03-2020			
		Carrying Amount	FVPL	FVOCI	Amortised Cost	Carrying Amount	FVPL	FVOCI	Amortised Cost
Financial Assets:									
Investments									
Investments in equity shares	4	76,000.00	76,000	-		51,000	-	-	-
Others financial assets	5	19,915,308	-	-	19,915,308	16,265,714	-	-	16,265,714
Trade receivables	10	906,181,537	-	-	906,181,537	594,817,116	-	-	594,817,116
Cash and cash equivalents	11	125,885,830	-	-	125,885,830	151,027,636	-	-	151,027,636
Other Bank balances	12	6,154,102	-	-	6,154,102	5,928,120	-	-	5,928,120
Total Financial Assets		1,058,212,777	76,000	-	1,058,136,777	768,089,586	51,000	-	768,038,586
Financial Liabilities:									
Borrowings	15&18	349,215,560	-	-	349,215,560	239,187,111	-	-	239,187,111
Trade payables	19	320,921,926	-	-	320,921,926	96,358,242	-	-	96,358,242
Lease Liability	16	6,075,260	-	-	6,075,260	8,543,835	-	-	8,543,835
Other financial liabilities	20	78,110,808	-	-	78,110,808	68,593,335	-	-	68,593,335
Total Financial liabilities		754,323,554	-	-	754,323,554	412,682,523	-	-	412,682,523

The Company has not disclosed the fair values for financial instruments for loans (non current), other non current financial assets, trade receivables, cash and cash equivalents and bank balances other than cash and cash equivalents, Borrowings (current and non current), Trade payables, other current financial liabilities because their carrying amounts are reasonably approximation of fair value.

Veto Switchgears and Cables Limited**Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021**

Amount in ₹

Note 39: Leases

On transition, the adoption of the new standard IND AS 116 [Refer note 1.2(xxi)] resulted in recognition of 'Right of Use' asset of Rs. 1,02,68,579/- and a lease liability of Rs. 1,03,53,812/-. The cumulative effect of applying the standard, amounting to Rs. 85,233/- was debited to retained earnings. The effect of this adoption is insignificant on the profit before tax, profit for the period and earnings per share. Ind AS 116 will result in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

Following are the changes in the carrying value of right of use assets :

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Opening balance	8,129,857	10,268,579
Addition	-	-
Deletion	-	-
Depreciation	2,632,516	2,138,721
Closing balance	5,497,342	8,129,857

The following is the break-up of current and non-current lease liabilities :

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Current lease liabilities	2,569,264	2,468,575
Non-Current lease liabilities	3,505,996	6,075,260
	6,075,260	8,543,835

The following is the movement in lease liabilities:

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Opening balance	8,543,835	10,353,812
Addition		
Finance cost accrued during the period	558,035	581,423
Deletion	-	-
Payment of lease liabilities	3,026,610	2,391,400
Closing balance	6,075,260	8,543,835

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis :

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
- Less than one year	4,281,130	3,026,610
- Later than one year but not later than five years	2,420,136	6,701,266
- Later than five years	-	-
	6,701,266	9,727,876

Rental expense recorded for short-term leases was Rs. 52,64,202/- for the year ended March 31,2021.

Veto Switchgears and Cables Limited
Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

Note 40 : Financial risk management objectives and policies

i. Risk management framework

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Board of Directors. The activities of this department include management of cash resources, borrowing strategies, and ensuring compliance with market risk limits and policies.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment.

The audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

a) Credit risk

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

(i) Trade and other receivables from customers

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

The Group measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates. The Group uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors such as credit ratings from credit rating agencies, financial condition, ageing of accounts receivable and the Group's historical experience for customers.

Ageing of Accounts receivables :

Particulars	As at 31-03-2021	As at 31-03-2020
Not Due	-	-
0 - 6 months	826,427,717	543,042,223
6 - 12 months	66,887,799	27,585,748
Beyond 12 months	47,877,316	55,618,265
Total	941,192,832	626,246,236

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

The movement of the allowance for lifetime expected credit loss is stated below:

Particulars	31 March 2021	31 March 2020
Balance at the beginning of the year	31,429,120	29,172,473
Addition/(Reversal during the year)	3,582,175	2,256,647
Balance at the end of the year	35,011,295	31,429,120

ii) Credit risk on cash and cash equivalents is limited as the Group generally invest in deposits with banks and financial institutions with high credit ratings.

b) Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at reasonable price. The Group's objective is to at all times maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Group closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate source of financing through the use of short term bank deposits and cash credit facility. Processes and policies related to such risks are overseen by senior management. Management monitors the Group's liquidity position through rolling forecasts on the basis of expected cash flows. The Group assessed the concentration of risk with respect to its debt and concluded it to be low

Maturity profile of financial liabilities

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

As at March 31, 2021	On Demand	Less than 1 year	1 to 5 years	Total
Borrowings	345,312,751	943,310	3,902,809	350,158,870
Other current financial liabilities	-	77,167,498	-	77,167,498
Lease Liability	-	2,569,264	3,505,996	6,075,260
Trade payables	320,921,926	-	-	320,921,926
	666,234,677	80,680,072	7,408,805	754,323,554

As at March 31, 2020	On Demand	Less than 1 year	1 to 5 years	Total
Borrowings	238,058,532	12,273,390	1,128,579	251,460,501
Other current financial liabilities	-	56,319,945	-	56,319,945
Lease Liability	-	2,468,575	6,075,260	8,543,835
Trade payables	-	96,358,242	-	96,358,242
	238,058,532	167,420,152	7,203,839	412,682,523

c) Market risk

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

i. Currency risk

The Group is exposed to currency risk on account of its operating and financing activities. The functional currency of the Group is Indian Rupee. Our exposure are mainly denominated in U.S. dollars and Arab Emirates Dirham. The Group's business model incorporates assumptions on currency risks and ensures any exposure is covered through the normal business operations. This intent has been achieved in all years presented. The Group has put in place a Financial Risk Management Policy to identify the most effective and efficient ways of managing the currency risks.

Particulars	Amount in Forreign currency			
	31st March 2021		31st March 2020	
	AED	USD	AED	USD
Financial Asset				
Non Current Loans	-	-	-	-
Trade Receivables	3,448,322	-	4,091,328	-
Exposure for assets (a)	3,448,322	-	4,091,328	-
Financial Liabilities				
Trade Payables	-	-	-	-
Exposure for liabilities (b)	-	-	-	-
Net exposure (a-b)	3,448,322	-	4,091,328	-

Particulars	Amount in ₹			
	31st March 2021		31st March 2020	
	AED	USD	AED	USD
Financial Asset				
Non Current Loans	-	-	-	-
Trade Receivables	69,058,026	-	84,019,514	-
Exposure for assets (a)	69,058,026	-	84,019,514	-
Financial Liabilities				
Trade Payables	-	-	-	-
Exposure for liabilities (b)	-	-	-	-
Net exposure (a-b)	69,058,026	-	84,019,514	-

Sensitivity analysis

A reasonably possible strengthening / (weakening) of the Indian Rupee against US dollars at 31st March would have affected the measurement of financial instruments denominated in US dollars and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. In cases where the related foreign exchange fluctuation is capitalised to fixed assets or recognised directly in reserves, the impact indicated below may affect the Group's income statement over the remaining life of the related fixed assets or the remaining tenure of the borrowing respectively.

Impact of movement on Profit or (loss) and Equity :

Effect in INR (before tax)	31st March, 2021		31st March, 2020	
	Profit or (loss) and Equity		Profit or (loss) and Equity	
	Strengthening	Weakening	Strengthening	Weakening
1% movement				
AED	(690,580)	690,580	(840,195)	840,195
USD	-	-	-	-
	(690,580)	690,580	(840,195)	840,195

ii. Interest rate risk

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

Exposure to interest rate risk

Group's interest rate risk arises primarily from borrowings. The interest rate profile of the Group's interest-bearing financial instruments is as follows.

Particulars	As at 31-03-2021	As at 31-03-2020
Total Borrowings	350,158,870	251,369,516
	350,158,870	251,369,516

Cash flow sensitivity analysis for variable-rate instruments

The sensitivity analysis below have been determined based on the exposure to interest rates for financial instruments at the end of the reporting year and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in the case of instruments that have floating rates. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates :

Cash flow sensitivity (net)	Profit or loss	
	50 bp increase	50 bp decrease
31st March 2021		
Variable-rate loan instruments	(1,750,794)	1,750,794
Cash flow sensitivity (net)	(1,750,794)	1,750,794
31st March 2020		
Variable-rate loan instruments	(1,256,848)	1,256,848
Cash flow sensitivity (net)	(1,256,848)	1,256,848

iii. **Other price risk**

The Group is not exposed to the other price risk.

Note 41 : Capital Management

The Group aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders. Management monitors the return on capital as well as the debt equity ratio and make necessary adjustments in the capital structure for the development of the business. The capital structure of the Group is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day - to - day needs. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

Particulars	As at March 31, 2021	As at March 31, 2020
Loans and borrowings	350,158,870	251,369,516
Net Debt	350,158,870	251,369,516
Equity	1,943,053,074	1,777,653,753
Total Capital	1,943,053,074	1,777,653,753
Capital and Net Debt	2,293,211,944	2,029,023,269
Gearing ratio (Net Debt/Capital and Net Debt)	15.27	12.39

Note : For the purpose of computing debt to equity ratio, equity includes Equity share capital and Other Equity and Debt includes Long term borrowings, Short term borrowings and current maturities of long term borrowings.

Note 42 : Disclosure of additional information pertaining to the Parent Group and Subsidiaries:

a) For the Year ended 31st March 2021

Name of the Enterprises	Net Assets		Share in Profit or loss	Other comprehensive income		Total comprehensive income		
	Net Assets	As % of Consolidated Net Assets		Profit / (Loss)	As % of Consolidated Profit or Loss	Other comprehensive income	As % of Other comprehensive income	Total comprehensive income
Parent Veto Switchgears And Cables Limited	1,115,427,507	57.41%	144,516,553	97.41%	1,423,182	167.21%	145,939,734.97	97.81%
Subsidiaries Veto Overseas Private FZE	415,513,995	21.38%	(8,340,684)	-5.62%	(572,037)	-67.21%	(8,912,721.14)	-5.97%
Veto Electricals Private Limited	102,751,441	5.29%	1,834,568	1.24%	-	0.00%	1,834,568.08	1.23%
Veto Led Lighting Private Limited	112,426,141	5.79%	(247,567)	-0.17%	-	0.00%	(247,567.26)	-0.17%
Vankon Moduler Private Limited	191,810,178	9.87%	10,182,338	6.86%	-	0.00%	10,182,337.88	6.82%
Minority Interest in all subsidiaries	5,123,812	0.26%	410,543	0.28%	-	0.00%	410,543.23	0.28%
TOTAL	1,943,053,074	100.00%	148,355,752	100.00%	851,144	100.00%	149,206,896	100.00%

b) Note : The above figures are after eliminating intra group transactions and intra group balances as at 31st March, 2021
For the Year ended 31st March 2020

Name of the Enterprises	Net Assets		Share in Profit or loss	Other Comprehensive Income		Total Comprehensive Income		
	Net Assets	As % of Consolidated Net Assets		Profit / (Loss)	As % of Consolidated Profit or Loss	Other Comprehensive income	As % of Other comprehensive income	Total Comprehensive income
Parent Veto Switchgears And Cables Limited	1,519,246,825	85.46%	101,848,916	109.77%	650,715	6%	102,499,631	97.98%
Subsidiaries Veto Overseas Private FZE	298,499,122	16.79%	12,610,165	13.61%	11,158,355	94%	23,768,520	22.72%
Veto Electricals Private Limited	(40,075,212)	-2.25%	(21,642,312)	-23.35%	-	-	(21,642,312)	-20.69%
Veto Led Lighting Private Limited	(16,982)	0.00%	(16,982)	0%	-	-	(16,982)	-
Minority Interest in all subsidiaries	-	-	-	-	-	-	-	-
TOTAL	1,777,653,754	100%	92,799,787	100%	11,809,070	100%	104,608,857	100%

Note : The above figures are after eliminating intra group transactions and intra group balances as at 31st March, 2020

Veto Switchgears and Cables Limited**Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021**

Note 43 : Since the first quarter of Calendar Year 2020, the Covid-19 pandemic has impacted most of the countries, including India. This resulted in countries announcing lockdown and quarantine measures that sharply stalled economic activity. Accordingly, the operation of the Company were disrupted. The Company's manufacturing units at Haridwar and Mumbai were temporarily shut down as per the local guidelines during this period. Even the supply chains have been put under stress which has resulted in loss of business and temporary pressure on cash flows, liquidity, profitability and margins due to lower collection of receivables, operating expenses, payment obligations towards vendors and statutory authorities, etc.

However, with subsequent ease in the lockdown restrictions by the Government Authorities, the Company saw partial resumption since early May, 2020 and eventually, the Company has resumed its operations / business activities with full strength of Manpower from 1st of June, 2020.

The Company has assessed the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of Receivables, Inventories, Investments and other assets / liabilities.

Since, this situation is exceptional and is changing dynamically; the management of the Company is not in a position to gauge with certainty, the future impact on its operations. The management of the Company expects the operations to remain sub-normal in the immediate future, with a possibility of intermittent disruptions based on the evolving situation and varying Government guidelines and permissions. The Company continues to closely monitor the situation and shall take appropriate action as per regulatory guidelines. However, the markets have already opened across the segments and a clear upward trend is visible in daily sales numbers, the management of the Company is quite confident that the business operations will pick up progressively.

Note 44 : For financial year 2021, the Board recommended a final dividend of Re.1/- (par value of Rs. 10/- each) per equity share. This payment is subject to the approval of shareholders in the Annual General Meeting (AGM) of the Company.

Note 45 : Figures of the previous year have been regrouped, reclassified and/or rearranged wherever necessary.

In terms of our report of even date

For C A S & Co

Chartered Accountants

Firm Registration No. 111075W**For and on behalf of the Board**

Veto Switchgears and Cables Limited

Nitesh Musahib

Partner

Membership No. : 131146

Place: Mumbai

Date : June 30, 2021

Akshay Kumar Gurnani

Managing Director & CEO

DIN : 06888193

Place: Jaipur

Date : June 30, 2021

Narain Das Gurnani

Whole Time Director & CFO

DIN : 01970599

Varsha Rane Choudhary

Company Secretary



INDEPENDENT AUDITOR'S REPORT

To the Members **Veto Switchgears and Cables Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the Standalone financial statements of **Veto Switchgears and Cables Limited** (“the Company”), which comprise the balance sheet as at 31st March 2021, and the statement of Profit and Loss (Including Other Comprehensive Income), statement of cash flows and statement of changes in equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 31st March 2021, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone financial statements of the current period. These matters were addressed in the context of our audit of the Standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. During the course of our audit, we have determined that there are no key audit matters to be communicated in our report.

 CAS & CO
CHARTERED ACCOUNTANTS**Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the management discussion and analysis Board's Report, Annual Report, Report on Corporate governance and Business Responsibility report but does not included in the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and accounting principles generally accepted in India, including the 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 Standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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



Auditor's Responsibilities for the Audit of the Financial Statements

1. Our objectives are to obtain reasonable assurance about whether the Standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone financial statements.
2. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also :
 - Identify and assess the risks of material misstatement of the Standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the Standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
3. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

 CAS & CO
CHARTERED ACCOUNTANTS

4. 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.
5. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone 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.

Other Matters

We draw attention to Note no. 47 to the Standalone Financial Statements, which describes the uncertainties due to the outbreak of SARS-CoV-2 virus (COVID-19). In view of these uncertainties, the impact on the Company's financial statements is significantly dependent on future developments. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

- 1 As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in 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, 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 Standalone Ind AS financial statements dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Standalone financial statements comply with the IND AS as specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".



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

- i. The Company does not have any pending litigations which would impact its financial position;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There have been no delays in transferring amounts which were required to be transferred to the Investor Education and Protection Fund by the company.

3. In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For C A S & Co

Chartered Accountants

Firm's Registration No. 111075W

Nitesh Musahib

Partner

Mem. No. 131146

UDIN : 21131146AAAAET1491

Place: Mumbai

Date: June 30, 2021

C A S & C O
CHARTERED ACCOUNTANTS**Annexure “A” to Independent Auditor’s Report**

Annexure referred to in Paragraph 1 under “Report on Other Legal and Regulatory Requirements” in the Independent Auditor’s Report of even date to the members of **Veto Switchgears and Cables Limited** (“the Company”) on the Standalone Ind AS financial statements for the year ended 31st March 2021.

- (i) a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- b) As explained to us, the fixed assets have been physically verified by the management in accordance with a phased programme of verification, which in our opinion is reasonable, considering the size of the company and the nature of its assets. In accordance with this program certain fixed assets were verified during the year. The frequency of verification is reasonable and no discrepancies have been noticed on such physical verification.
- c) According to the information and explanations given to us and on the basis of our examination of records of the Company, the title deeds of immovable properties are held in the name of company.
- (ii) The inventories have been physically verified by the management during the year at reasonable intervals. Discrepancies noticed on physical verification of inventories as compared to book records were not material and have been properly dealt with in the books of account.
- (iii) a) The Company has granted unsecured loans to 4 parties covered in the register maintained under section 189 of the Companies Act, 2013.
- b) As explained to us and on the basis of information and explanation given to us, the rate of interest and terms and conditions on the basis of which such loans are granted are not prejudicial to the interest of the Company.
- c) As informed to us, no repayment schedule has been stipulated for repayment of principal and interest. There is no overdue amount outstanding for more than 90 days.
- (iv) Based on information and explanation given to us in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Sections of Section 185 and 186 of the Act.
- (v) In our opinion and according to the information and explanation given to us, the Company has not accepted any deposit from the public within the provision of Section 73 to 76 of the Act and the rules framed there under.
- (vi) The Central Government has prescribed the maintenance of cost record under Section 148(1) of the Act. We have not reviewed the cost records maintained by the Company but based on the information submitted by the Company we are of the view that such accounts and records have been made and duly maintained.



- (vii) a) According to the records of the Company, amount deducted/accrued in the books of accounts in respect of the undisputed statutory dues including Provident Fund, Employee's State Insurance, Income tax, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other Statutory Dues to the extent applicable to the Company, have been regularly deposited with the appropriate authorities. According to the information and explanations given to us there are no undisputed amount payable in respect of such statutory dues which have remained outstanding as at 31st March, 2021 for a period more than six months from the date they became payable.
- b) According to the information and explanation given to us, there are no dues with respect to income tax, sales tax, service tax, Goods & Service tax, value added tax, custom duty, excise duty which have not been deposited on account of any dispute.
- (viii) According to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks and financial institution.
- (ix) The Company has not raised money by way of public issue offer/ further public offer (including debt instruments) and term loan have been applied by the Company for the purposes for which they were raised.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practises in India, and according to the information and explanation given to us, we have neither come across any instances of fraud by the Company or any fraud on the Company by its officer or employees, noticed or reported during the year, nor have we been informed of any such instance by the Management.
- (xi) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3 (xii) of the Order is not applicable.
- (xiii) According to the information and explanation given to us, all transaction entered into by the Company with the related parties are in compliance with Sections 177 and 188 of Act, where applicable and the details have been disclosed in the financial Statements etc., as required by the applicable Indian Accounting Standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with the directors or persons connected with him during the year.

C A S & C O
CHARTERED ACCOUNTANTS

(xvi) According to the information and explanation given to us, the Company Is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For C A S & Co.

Chartered Accountants

Firm's Reg. No. 111075W

Nitesh Musahib

Partner

Mem. No. 131146

UDIN : 21131146AAAET1491

Place : Mumbai

Date : June 30, 2021



Annexure “B” to the Independent Auditor’s Report of even date on the Standalone Ind AS financial statements of Veto Switchgears and Cables Limited for the year ended 31st March 2021.

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

We have audited the internal financial controls over financial reporting of Veto Switchgears and Cables Limited (“the Company”) as of March 31, 2021 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, 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 issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

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

 C A S & C O
CHARTERED ACCOUNTANTS**Meaning of Internal Financial Controls Over Financial Reporting**

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For C A S & Co.

Chartered Accountants

Firm's Reg. No. 111075W**Nitesh Musahib**

Partner

Mem. No. 131146

UDIN : 21131146AAAAET1491

Place : Mumbai

Date : June 30, 2021

Veto Switchgears and Cables Limited
Balance Sheet as at 31st March, 2021

Amount in ₹

Particulars	Notes	As at 31st March, 2021	As at 31st March, 2020
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3A	119,689,233	102,336,751
Capital work in progress	3B	-	23,897,766
Other Intangible assets	3C	-	-
Investment Property	3D	139,373,375	142,247,830
Right of Use Asset	3E	8,592,506	12,286,237
Financial Asset			
Investments	4	393,595,193	126,967,993
Loans	5	179,155,264	285,611,614
Other financial assets	6	14,988,657	15,884,824
Deferred tax asset (net)	7	27,772,143	27,017,000
Income tax assets (net)	8	-	236,443
Other non - current assets	9	1,811,267	2,858,905
Total Non-Current Assets		884,977,638	739,345,362
Current Assets			
Inventories	10	651,134,388	593,908,312
Financial Asset			
Trade receivables	11	622,572,894	489,176,607
Cash and cash equivalents	12	31,117,181	67,060,938
Other bank balances	13	4,803,208	4,590,631
Other Current Asset	14	53,114,965	42,591,360
Total Current Assets		1,362,742,636	1,197,327,848
TOTAL ASSETS		2,247,720,274	1,936,673,210
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	15	191,149,550	191,149,550
Other equity	16	1,496,977,961	1,334,360,752
Total Equity		1,688,127,511	1,525,510,302
Liabilities			
Non-current Liabilities			
Financial liabilities			
Borrowings	17	1,223,156	1,128,579
Lease Liability	18	3,505,996	6,075,260
Provisions	19	2,144,350	2,605,820
Total Non-current Liabilities		6,873,502	9,809,659
Current Liabilities			
Financial liabilities			
Borrowings	20	337,840,266	238,058,532
Trade payables	21	127,510,105	92,935,064
Lease Liability	18	2,569,264	2,468,575
Other financial liabilities	22	64,957,066	58,188,072
Other current liabilities	23	11,610,055	8,078,662
Provisions	19	1,847,108	1,624,345
Income Tax Liabilities (Net)	24	6,385,398	-
Total Current Liabilities		552,719,261	401,353,250
TOTAL EQUITY AND LIABILITIES		2,247,720,274	1,936,673,210

Notes 1 to 49 form an integral part of the standalone financial statements

This is the Balance Sheet referred to in our audit report of even date

For C A S & Co

Chartered Accountants
Firm Registration No. 111075W

Nitesh Musahib
 Partner
 Membership No. : 131146

Place: Mumbai
 Date : June 30, 2021

For and on behalf of the Board

Veto Switchgears and Cables Limited

Akshay Kumar Gurnani
 Managing Director & CEO
 DIN : 06888193

Place: Jaipur
 Date : June 30, 2021

Narain Das Gurnani
 Whole Time Director & CFO
 DIN : 01970599

Varsha Rane Choudhary
 Company Secretary

Veto Switchgears and Cables Limited
Statement of Profit and Loss for the year ended 31st March ,2021

Amount in ₹

Particulars	Notes	Year ended 31st March, 2021	Year ended 31st March, 2020
INCOME			
Revenue from operation	25	1,526,562,243	1,206,973,144
Other income	26	27,119,454	56,465,496
Total Income		1,553,681,697	1,263,438,640
EXPENSES			
Cost of materials consumed	27	621,231,353	440,288,056
Purchases of stock-in-trade	28	476,538,963	385,742,294
Changes in inventories of finished goods and stock in trade	29	(62,659,984)	(9,158,979)
Employee benefits expense	30	109,150,216	103,199,693
Finance costs	31	17,467,986	37,151,021
Depreciation and amortisation expense	32	17,964,025	17,547,078
Other expenses	33	150,541,579	131,660,267
Total Expenses		1,330,234,139	1,106,429,430
Profit before tax (A-B)		223,447,559	157,009,211
Tax expenses :			
- Current tax		58,360,000	42,615,000
- Tax for earlier years		5,139,030	5,766,762
- Deferred tax liability / (asset)		(1,245,498)	(1,929,517)
Total Tax Expenses		62,253,532	46,452,245
Net Profit for the year		161,194,027	110,556,966
Other comprehensive income (OCI)			
Items not to be reclassified subsequently to profit or loss :			
- Re-measurement gains / (Loss) on defined benefits plans		1,913,537	874,918
- Income tax effect on above		(490,355)	(224,203)
Total Other comprehensive income (OCI)		1,423,182	650,715
Total comprehensive income for the year (E-F)		162,617,209	111,207,681
Earnings per equity share	34		
(Nominal value of share Rs.10 each)			
- Basic		8.48	5.82
- Diluted		8.48	5.82
Notes 1 to 49 form an integral part of the standalone financial statements			
This is the statement of profit and loss referred to in our audit report of even date			
For C A S & Co		For and on behalf of the Board	
Chartered Accountants		Veto Switchgears and Cables Limited	
Firm Registration No. 111075W			
Nitesh Musahib		Akshay Kumar Gurnani	Narain Das Gurnani
Partner		Managing Director & CEO	Whole Time Director & CFO
Membership No. : 131146		DIN : 06888193	DIN : 01970599
Place: Mumbai		Place: Jaipur	Varsha Ranee Choudhary
Date : June 30, 2021		Date : June 30, 2021	Company Secretary

Veto Switchgears and Cables Limited
Cash Flow Statement For the year ended 31st March, 2021

Amount in ₹

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
A. Cash flow from operating activities		
Net profit before taxation	223,447,559	157,009,211
<u>Adjustments for:</u>		
Depreciation on fixed assets	17,964,025	17,547,078
Interest expense	17,467,986	37,151,021
Provision for expected credit loss on trade receivables	3,582,175	2,256,647
Provision for doubtful receivables/ advances		162,975
Foreign Exchange Gain/Loss	-	(5,725,573)
Rent received	(8,580,000)	(5,488,000)
Remeasurement of defined benefit plans as per actuarial valuation	1,913,537	874,918
Interest income	(17,569,357)	(40,362,241)
Operating profit before working capital changes	238,225,925	163,426,036
<u>Adjustments for :</u>		
Decrease / (increase) in trade receivables	(136,978,462)	(29,708,081)
Decrease / (increase) in inventories	(57,226,076)	(7,025,679)
Decrease / (increase) in other financial assets	896,167	(349,806)
Decrease / (increase) in other non current assets	1,047,638	71,441
Decrease / (increase) in other current assets	(10,523,605)	(5,382,164)
(Decrease) / Increase in provisions	(238,707)	922,340
(Decrease) / Increase in trade and other payables	34,901,541	14,793,405
(Decrease) / Increase in other financial liabilities	18,008,089	13,257,829
Increase / (Decrease) in other current liabilities	3,531,394	4,381,256
Cash generated from / (used in) operations	91,643,904	154,386,577
Direct taxes paid	(56,877,190)	(44,879,414)
Cash Inflow / (Outflow) before Prior Period Adjustment	34,766,714	109,507,162
Prior Period adjustments	-	-
Net cash flow from operating activities	(A) 34,766,714	109,507,162
B. Cash flow from investing activities		
Purchase of property, plant and equipment (including capital work in progress)	(5,177,055)	(34,291,258)
Capital work in progress		
Loans & advances received back / (given)	(71,543,651)	13,757,410
Investment made / (Proceeds) from sale of equity instruments	(88,627,200)	(1,000,000)
Net (investments in)/ proceeds from bank deposits (having original maturity of more than three months)	(212,577)	(259,713)
Interest received	17,569,357	40,362,241
Rent received	8,580,000	5,488,000
Dividend received	-	-
Net cash flow from / (used in) investment activities	(B) (139,411,126)	24,056,680
C. Cash Flow from Financing Activities		
Proceeds from issue of Equity shares under ESOP	-	-
Proceeds / (Repayment) of long-term borrowings (net)	(11,144,518)	(16,538,096)
Proceeds / (Repayment) of short-term borrowings (net)	99,781,734	(133,726,379)
Payment of lease liabilities	(3,026,610)	(1,809,977)
Interest paid	(16,909,951)	(37,151,021)
Net cash flow from / (used in) financing activities	(C) 68,700,655	(189,225,473)
Net increase / (decrease) in cash and cash equivalents	A+B+C (35,943,757)	(55,661,631)
Cash and cash equivalents at the beginning of the year	67,060,938	122,722,569
Cash and cash equivalents at the end of the year	31,117,181	67,060,938

Components of cash and cash equivalents considered only for the purpose of cash flow statement		
Cash on hand	547,446	631,693
Balances with bank on current account	30,569,735	66,429,245
	31,117,181	67,060,938

Note :

The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

Notes 1 to 49 form an integral part of the standalone financial statements

This is the Cash Flow Statement referred to in our audit report of even date

For C A S & Co

Chartered Accountants

Firm Registration No. 111075W

For and on behalf of the Board

Veto Switchgears and Cables Limited

Nitesh Musahib

Partner

Membership No. : 131146

Place: Mumbai

Date : June 30, 2021

Akshay Kumar Gurnani

Managing Director & CEO

DIN : 06888193

Place: Jaipur

Date : June 30, 2021

Narain Das Gurnani

Whole Time Director & CFO

DIN : 01970599

Varsha Rane Choudhary

Company Secretary

Veto Switchgears and Cables Limited
Statement of Changes in Equity for the year ended 31 March 2021

(A) Equity share capital

Particulars	Number	Amount in ₹
Equity shares of Rs. 10 each issued, subscribed and paid		
As at 31 March 2019	1,91,14,955	191,149,550
Issue of equity shares	-	-
As at 31 March 2020	1,91,14,955	191,149,550
Issue of equity shares	-	-
As at 31 March 2021	1,91,14,955	191,149,550

B) Other equity

Amount in ₹

Particulars	Reserves and surplus			Items of Other comprehensive income	Total equity attributable to equity holders
	Securities premium reserve	Retained earnings	Capital Reserve	Gain / (loss) on fair value of defined benefit plans	
As at 31 March 2019	242,432,949	788,032,449	191,250,000	1,522,906	1,223,238,304
Total comprehensive income for the year	-	110,556,966	-	650,715	111,207,681
Retained Earnings adjustment on adoption of IND AS 116	-	(85,233)	-	-	(85,233)
As at 31 March 2020	242,432,949	898,504,182	191,250,000	2,173,621	1,334,360,752
Total comprehensive income for the year	-	161,194,027	-	1,423,182	162,617,209
As at 31 March 2021	242,432,949	1,059,698,209	191,250,000	3,596,803	1,496,977,961

This is the Statement of Changes in Equity referred to in our audit report of even date

For C A S & Co

Chartered Accountants

Firm Registration No. 111075W

Nitesh Musahib

Partner

Membership No. : 131146

Place: Mumbai

Date : June 30, 2021

For and on behalf of the Board of Directors

Veto Switchgears and Cables Limited

Akshay Kumar Gurnani

Managing Director & CEO

DIN : 06888193

Place: Jaipur

Date : June 30,

Narain Das Gurnani

Whole Time Director & CFO

DIN : 01970599

Varsha Ranee Choudhary

Company Secretary

Veto Switchgears and Cables Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021****Note 1 Corporate Information**

Veto Switchgears and Cables Limited (the Company) is a listed public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company has its manufacturing unit at Haridwar. The Company is engaged in manufacturing of wires & cables, electrical accessories & also deals in LED lighting, CFL & Fans.

Note 2.1 Significant Accounting Policies**i Basis of Preparation**

The financial statements of the Company have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") notified under the Companies (Accounting Standards) Rules, 2015.

The financial statements have been prepared under the historical cost convention with the exception of certain financial assets and liabilities which have been measured at fair value, on an accrual basis of accounting.

All the assets and liabilities have been classified as current and non-current as per normal operating cycle of the Company and other criteria set out in as per the guidance set out in Schedule III to the Act. Based on nature of services, the Company ascertained its operating cycle as 12 months for the purpose of current and non-current classification of asset and liabilities.

The Company's financial statements are reported in Indian Rupees, which is also the Company's functional currency, and all values are rounded to the nearest Rupees, except when otherwise indicated.

The standalone financial statements (the financial statements) of the Company for the year ended 31 March 2021 were authorised for issue in accordance with resolution of the Board of Directors on June 30, 2021

ii Accounting Estimates

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

Estimates and assumptions

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

Deferred tax assets

In assessing the realisability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

Defined benefit plans

The cost and present value of the gratuity obligation and compensated absences 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, attrition rate and mortality rates. 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.

Impairment of Receivables

The impairment provisions of financial receivables based on the assumptions about risk of default and expected loss rates.

iii Property, Plant and Equipment

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

Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost.

iv Intangible Assets

Costs relating to acquisition of trademarks are capitalised as "Intangible Assets"

On transition to Ind AS, the Company has opted to continue with the carrying values measured under the previous GAAP as at 1 April 2016 of its Intangible Assets and used that carrying value as the deemed cost.

v Depreciation/ Amortisation

Depreciation/ amortisation is provided:

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on Property, Plant & Equipment of the company has been provided as per the Written Down value method as per the useful lives of the respective Property, Plant & Equipment in the manner as prescribed by Schedule II of the Act. Leasehold improvements are written off over the noncancellable period of lease. Leasehold land have not been amortised being a perpetual in nature. Goodwill & Trade marks has been amortized over a period of five years.

vi Financial Instruments

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

a) Financial Assets**Initial Recognition**

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

Subsequent Measurement

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

Financial Assets at Amortised Cost

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

Financial Assets Measured at Fair Value

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

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

On transition to Ind AS, the Company has opted to continue with the carrying values measured under the previous GAAP as at 1 April 2016 of its equity investments in subsidiaries and used that carrying value as the deemed cost of these investments on the date of transition i.e. 1 April 2016.

Impairment of Financial Assets

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

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

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

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

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

De-recognition of Financial Assets

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

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

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

b) Equity Instruments and Financial Liabilities

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

Equity Instruments

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

Financial Liabilities**1) Initial Recognition**

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

2) Subsequent Measurement

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

Financial liabilities at FVPL

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

Financial liabilities at amortised cost

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

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

3) De-recognition of Financial Liabilities

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

c) Offsetting Financial Instruments

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

vii Inventories

Inventories are valued as follows:

- a Finished Goods are valued at lower of cost or net realisable value*.
- b Raw Materials are valued at lower of cost or net realisable value**.
- c Packing Materials are valued at cost or net realizable value**.
- d Stock in Trade is valued at lower of cost or net realisable value**.

* Cost is arrived at on retail method.

** Cost is arrived at on weighted average cost method.

viii Employee Benefits**a Defined Contribution Plan**

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

b Defined Benefit Plan

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

c Leave entitlement and compensated absences

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

d Short-term Benefits

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

ix Share - Based Compensation

The company recognizes compensation expense relating to employees stock option plan in statement of profit and loss account in accordance with IND AS 102, Share - Based Payment. Accordingly, compensation expense as determined on the date of the grant is amortised over the vesting period. The Company follows fair value method to calculate the value of the stock options.

x Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet comprises of cash at banks and on hand, which are subject to an insignificant risk of changes in value.

xi Borrowing Costs

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

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

xii Foreign Exchange Translation and Accounting of Foreign Exchange Transaction**a Initial Recognition**

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

b Conversion

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

c Treatment of Exchange Difference

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

xiii Revenue Recognition

a Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and that the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

b Revenue in respect of export sales is recognised on shipment of products.

c Sales are recognised net of discounts, rebates and returns.

d Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the Statement of Profit and Loss.

e Dividend income is recognized when the company's right to receive dividend is established.

f Claims for insurance are accounted on receipts/ on acceptance of claim by insurer.

xiv Income Tax

Income tax comprises of current and deferred income tax. Income tax is recognised as an expense or income in the Statement of Profit and Loss, except to the extent it relates to items directly recognised in equity or in OCI.

a Current Income Tax

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

b Deferred Income Tax

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

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

Minimum Alternative Tax ("MAT") credit is recognised as an asset only when and to the extent it is probable that the Company will pay normal income tax during the specified period.

xv Impairment of Non-Financial Assets

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

Recoverable amount is determined:

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

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

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

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

xvi Trade receivables

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

xvii Trade payables

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

xviii Earnings Per Share

Basic earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

xix Provisions, Contingent Liabilities and Contingent Assets

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

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

Contingent assets are disclosed in the financial statements.

xx Operating Segment

Operating segments are reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker (CODM). The Company has identified its Managing Director as CODM which assesses the operational performance and position of the Company and makes strategic decisions.

xxi Leases

Company as a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

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

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

Company as a lessor

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

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

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

Transition

Effective April 1, 2019, the Company adopted IND AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended March 31, 2019.

Veto Switchgears and Cables Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

Note 3 : Property, Plant and Equipment

Particulars	Amount in ₹									
	Leasehold Land	Factory Building	Office Building	Leasehold Improvement	Plant & Machinery	Office Equipments	Furniture & Fixtures	Computers	Vehicles	Total
Gross carrying value (at deemed cost)										
Balance as at 31 March 2019	35,397,630	38,680,805	17,846,280	9,955,050	97,215,204	3,273,043	12,080,381	2,423,165	29,736,896	246,608,454
Additions	-	-	-	-	3,880,768	264,480	7,922,976	250,817	675,920	12,994,961
Reclassified on adoption of IND AS 116	-	-	-	9,955,050	-	-	-	-	-	9,955,050
Balance as at 31 March 2020	35,397,630	38,680,805	17,846,280	-	101,095,972	3,537,523	20,003,356	2,673,982	30,412,816	249,648,364
Additions					1,419,000	192,179	25,968,671	218,260	1,276,711	29,074,821
Disposals					-				876,609	876,609
Reclassified on adoption of IND AS 116										
Balance as at 31 March 2021	35,397,630	38,680,805	17,846,280	-	102,514,972	3,729,702	45,972,027	2,892,242	30,812,918	277,846,576
Accumulated depreciation										
Balance as at 31 March 2019	-	26,365,598	214,302	4,556,409	71,433,017	3,040,909	9,503,825	2,302,065	23,307,392	140,723,536
Reclassified on adoption of IND AS 116				4,556,409						4,556,409
Depreciation charge		1,624,913	858,677		5,289,138	114,618	1,004,589	150,781	2,101,771	11,144,487
Balance as at 31 March 2020	-	27,990,510	1,072,979	-	76,722,155	3,155,527	10,508,413	2,452,866	25,409,163	147,311,614
Depreciation charge		1,456,739	816,860		4,838,430	168,748	2,454,151	163,136	1,497,775	11,395,838
Deletions / Adjustments									550,109	550,109
Balance as at 31 March 2021	29,447,249	1,889,839	1,889,839	-	81,560,585	3,324,275	12,962,564	2,616,002	26,356,829	158,157,343
Net carrying value										
Balance as at 31 March 2019	35,397,630	12,315,207	17,631,978	5,398,641	25,782,167	232,134	2,576,568	121,060	6,429,504	105,884,930
Balance as at 31 March 2020	35,397,630	10,690,295	16,773,300	-	24,373,817	381,996	9,494,943	221,116	5,003,653	102,336,751
Balance as at 31 March 2021	35,397,630	9,233,556	15,956,441	-	20,954,367	405,427	33,009,463	276,240	4,456,089	119,689,233

Veto Switchgears and Cables Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

B) Capital Work In Process

Particulars	Total
Gross carrying value (at deemed cost)	
Balance as at 31 March 2019	2,601,469
Additions	29,155,563
Capitalised during the year	7,859,266
Balance as at 31 March 2020	23,897,766
Addition	1,957,790
Capitalised during the year	25,855,556
Balance as at 31 March 2021	-

C) Intangible assets

Amount in ₹

Particulars	Trademark	Total
Gross carrying value (at deemed cost)		
Balance as at 1 April 2019	112,000	112,000
Additions	-	-
Balance as at 31 March 2020	112,000	112,000
Additions	-	-
Balance as at 31 March 2021	112,000	112,000
Accumulated amortisation		
Balance as at 1 April 2019	112,000	112,000
Amortisation charge	-	-
Balance as at 31 March 2020	112,000	112,000
Amortisation charge	-	-
Balance as at 31 March 2021	112,000	112,000
Net carrying value		
Balance as at 1 April 2019	-	-
Balance as at 31 March 2020	-	-
Balance as at 31 March 2021	-	-

Veto Switchgears and Cables Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

D) Investment Property		Amount in ₹	
Particulars	Leasehold Land	Building	Total
Gross carrying value (at deemed cost)			
Balance as at 31 March 2019	83,224,102	62,799,446	146,023,548
Capitalised from Capital Work in Progress	-	-	-
Balance as at 31 March 2020	83,224,102	62,799,446	146,023,548
Capitalised from Capital Work in Progress	-	-	-
Balance as at 31 March 2021	83,224,102	62,799,446	146,023,548
Accumulated depreciation			
Balance as at 31 March 2019	-	754,110	754,110
Depreciation charge	-	3,021,608	3,021,608
Balance as at 31 March 2020	-	3,775,718	3,775,718
Depreciation charge	-	2,874,456	2,874,456
Balance as at 31 March 2021	-	6,650,173	6,650,173
Net carrying value			
Balance as at 31 March 2019	83,224,102	62,045,337	145,269,439
Balance as at 31 March 2020	83,224,102	59,023,728	142,247,830
Balance as at 31 March 2021	83,224,102	56,149,273	139,373,375

Veto Switchgears and Cables Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

E) Right of Use Assets		Amount in ₹	
Particulars	Office Premises	Leasehold Improvements	Total
Gross carrying value (at deemed cost)			
Balance as at 31 March 2019	-	-	-
Additions	10,268,579	-	10,268,579
Reclassified on adoption of IND AS 116	-	9,955,050	9,955,050
Balance as at 31 March 2020	10,268,579	9,955,050	20,223,629
Additions	-	-	-
Reclassified on adoption of IND AS 116	-	-	-
Balance as at 31 March 2021	10,268,579	9,955,050	20,223,629
Accumulated Amortization			
Balance as at 31 March 2019	-	-	-
Reclassified on adoption of IND AS 116	-	4,556,409	4,556,409
Amortisation charge for the year	2,138,721	1,242,262	3,380,983
Balance as at 31 March 2020	2,138,721	5,798,671	7,937,392
Reclassified on adoption of IND AS 116	-	-	-
Amortisation charge for the year	2,632,516	1,061,215	3,693,731
Balance as at 31 March 2021	4,771,237	6,859,886	11,631,123
Net carrying value			
Balance as at 31 March 2019	-	-	-
Balance as at 31 March 2020	8,129,857	4,156,380	12,286,237
Balance as at 31 March 2021	5,497,342	3,095,164	8,592,506

Veto Switchgears and Cables Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

Amount in ₹

Note 4 : Investments

Particulars	As at 31st March, 2021	As at 31st March, 2020
Non Current Investments		
I. Investments valued at deemed cost		
Investment in equity shares		
i) In domestic subsidiaries	268,627,200	2,000,000
ii) In foreign subsidiaries	124,916,993	124,916,993
iii) In other companies	51,000	51,000
Total non-current investments	393,595,193	126,967,993

Note 4.1 Detailed list of non-current investments

Particulars	As at 31st March, 2021	As at 31st March, 2020
I. Investments valued at cost, fully paid up, unquoted, unless otherwise stated		
a) Investments in equity shares:		
i) In subsidiaries		
Veto Led Lighting Private Limited 9,00,000 (PY 1,00,000) Equity Shares of Rs.10 each fully paid up	90,000,000	1,000,000
Veto Electricals Private Limited 9,00,000 (PY 1,00,000) Equity Shares of Rs.10 each fully paid up	90,000,000	1,000,000
Vankon Moduler Private Limited 29,00,000 (PY Nil) Equity Shares of Rs.10 each fully paid up	88,627,200	-
ii) In foreign subsidiaries		
Veto Overseas Private FZE 64,75,000 (PY 64,75,000) Equity Shares of 1 AED each fully paid up	124,916,993	124,916,993
iii) In other companies		
Veto Lightings Private Limited 5,100 (PY 5,100) Equity Shares of Rs.10 each fully paid up	51,000	51,000
Total non-current investments	393,595,193	126,967,993

Particulars	As at 31st March, 2021	As at 31st March, 2020
Aggregate of non-current investments:		
Book value of investments	393,595,193	126,967,993
Investments carried at deemed cost	393,544,193	126,916,993
Investments carried at fair value through profit and loss	51,000	51,000

Note 5 : Loans

(Unsecured, Considered Good)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Non-current		
Considered good		
Loans & Advances to related parties (Refer Note No. 38) - to subsidiary companies	179,155,264	285,611,614
Total non-current loans	179,155,264	285,611,614

Note 6 : Other financial assets

Particulars	As at 31st March, 2021	As at 31st March, 2020
Non-current		
Security Deposits	9,218,457	8,524,368
VAT Receivables	5,770,200	7,360,456
Total Other Non - Current financial assets	14,988,657	15,884,824

Note 7 : Deferred tax asset (net)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Deferred income tax asset		
Fixed Assets : Impact of difference between tax depreciation and depreciation / amortisation charged for the financial reporting	17,777,453	17,035,127
Employee Benefits	1,022,835	1,084,005
Other Provisions	8,971,854	8,897,867
Total Deferred tax assets (net)	27,772,143	27,017,000

Note 8 : Income tax assets (net)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Advance Tax & TDS (net of provisions)	-	236,443
	-	236,443

(a) Income Tax Expense

Particulars	2020-21	2019-20
Current tax expense (A)		
Current year	58,360,000	42,615,000
Short/(Excess) provision of earlier years	5,139,030	5,766,762
	63,499,030	48,381,762
Deferred tax expense (B)		
Origination and reversal of temporary differences	(1,245,498)	(1,929,517)
	(1,245,498)	(1,929,517)
Tax expense recognised in the income statement (A+B)	62,253,532	46,452,245

(b) Amounts recognised in other comprehensive income

Particulars	2020-21			2019-20		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit plans	1,913,537	(490,355)	1,423,182	874,918	(224,203)	650,715
Total	2,329,683	806,257	1,523,426	(456,179)	(150,950)	(305,229)

(c) Reconciliation of effective Tax Rate

Particulars	2020-21	2019-20
Profit before tax	223,447,559	157,009,211
Tax using the Company's domestic tax rate (25.63 %)	57,259,778	40,234,552
Tax effect of :		
Tax effect on non-deductible expenses	(145,276)	450,931
Adjustments recognised in current year in relation to the current tax of prior years	5,139,030	5,766,762
	62,253,532	46,452,245
Tax expense as per Statement of Profit & Loss	62,253,532	46,452,245
Effective tax rate	27.86%	29.59%

Note 9 : Other non - current assets

Particulars	As at 31st March, 2021	As at 31st March, 2020
Capital Advances	619,990	1,071,990
Deferred assets on financial assets carried at amortised cost	1,191,277	1,786,915
Total Other non - current assets	1,811,267	2,858,905

Note 10 : Inventories

(valued at lower of cost or net realisable value)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Finished goods	192,716,961	163,025,798
Stock in trade	351,681,883	318,713,059
Raw materials	96,130,844	100,924,181
Packing materials	10,604,700	11,245,274
Total Inventories	651,134,388	593,908,312

Note 11 : Trade receivables

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unsecured, Considered Good	657,584,189	520,605,727
Less : Provision for expected credit loss	35,011,295	31,429,120
Total trade receivables	622,572,894	489,176,607

Note 12 : Cash and cash equivalents

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balances with banks:		
- In current accounts	30,569,735	66,429,245
Cash in hand	547,446	631,693
Funds in Transit	-	-
Total cash and cash equivalents	31,117,181	67,060,938

Note 13 : Other bank balances

Particulars	As at 31st March, 2021	As at 31st March, 2020
Earmarked balances with banks for:		
Margin money deposits with original maturity of more than 3 months and remaining maturities of less than 12 months	4,803,208	4,590,631
Total other bank balances	4,803,208	4,590,631

Note 14 : Other Current Asset

(Unsecured Considered Good)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Advance to Suppliers	24,311,687	16,409,517
Balance with Government Authorities	26,084,267	21,865,217
Staff Advances	1,808,658	1,808,931
Deferred assets on financial assets carried at amortised cost	595,638	595,638
Prepaid Expenses	314,714	1,912,057
	53,114,965	42,591,360

Note 17 : Borrowings

Particulars	As at 31st March, 2021	As at 31st March, 2020
Non current		
Secured		
Term loans from banks	-	11,090,985
Less: Current maturities of long term debt	-	11,000,000
Less: Interest accrued but not due	-	90,985
	-	-
Hire purchase loans from banks	2,166,466	2,310,984
Less: Current maturities of long term debt	943,310	1,182,405
	1,223,156	1,128,579
Total non-current borrowings	1,223,156	1,128,579

Additional information pursuant to long term borrowings :

a) Term loan amounting to Rs. NIL (PY: Rs.1,10,00,000) from Indian Oversease Bank carries interest of Base Rate + 2% p.a. The loan is repayable in 20 Quarterly instalments along with interest started from June, 2016. The loan is primarily secured by way of equitable mortgage of land and building of Corporate office under construction and collateral security of factory land and building of the Company, land and building of M/s. Vimal Power Cables Private Limited, hypothecation of fixed assets (excluding land and building and vehicles) of the Company, personal guarantee of two director and two promoters and corporate guarantee of Vimal Power cables Private Limited and Veto Electropowers (India) Private Limited (formerly Holding Company).

b) Hire Purchase Loans amounting to Rs. 21,66,466 (PY Rs. 23,10,984) from various banks and financial institutions are secured by hypothecation of respective vehicle financed. The loans carries interest @ 8.50% to 11% p.a. The loan is repayable in 36 to 60 equal monthly instalments.

Note 18 : Lease Liability

Particulars	As at 31st March, 2021	As at 31st March, 2020
Non-Current		
Lease Liability	3,505,996	6,075,260
	3,505,996	6,075,260
Current		
Lease Liability	2,569,264	2,468,575
	2,569,264	2,468,575

Note 19 : Provisions

Particulars	As at 31st March, 2021	As at 31st March, 2020
Non-Current		
Provision for gratuity	2,144,350	2,605,820
	2,144,350	2,605,820
Current		
Provision for gratuity	1,847,108	1,624,345
	1,847,108	1,624,345

Note 20 : Borrowings

Particulars	As at 31st March, 2021	As at 31st March, 2020
(Secured)		
Cash Credit Facility		
From Bank	337,840,266	238,058,532
	337,840,266	238,058,532

Additional information pursuant to secured short term borrowing :

Cash credit facility amounting to Rs. 33,78,40,266 (PY Rs. 23,80,58,532) from indian oversease bank carries interest rate of base rate + 1.75% p.a. The loan is secured by way of 1st charge on entire current assets of the Company and collateral security of factory land and building of the Company, land and building of M/s. vimal Power Cables Private Limited, hypothecation of fixed assets (excluding land and building and vehicles) of the Company, personal guarantee of two director and two promoters and corporate guarantee of Vimal Power cables Private Limited and Veto Electropowers (India) Private Limited (Formerly Holding Company).

Note 21 : Trade payables

Particulars	As at 31st March, 2021	As at 31st March, 2020
- Total outstanding dues of Micro Enterprises and Small Enterprises.	100,281,657	31,104,210
- Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	27,228,448	61,830,854
Total trade payables	127,510,105	92,935,064

The Company has amounts due to micro and small suppliers registered under the Micro, Small and Medium Enterprises Development Act 2006 (MSMED Act), as at 31 March 2021.

The disclosure pursuant to the said Act is as under:

Particulars	As at 31st March, 2021	As at 31st March, 2020
The principal amount remaining unpaid to any supplier as at the end of accounting year;	100,281,657	31,104,210
The interest due and remaining unpaid to any supplier as at the end of accounting year;	-	-
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the due date during each accounting year;	-	-
The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	-	-
The amount of interest accrued and remaining unpaid at the end of accounting year; and	-	-
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

Note: This information, as required to be disclosed under the MSMED Act, has been determined to the extent such parties have been identified on the basis of information available with the Company.

Interest paid or payable by the Company on the aforesaid principal amount has been waived by the concerned suppliers.

Note 22 : Other financial liabilities

Particulars	As at 31st March, 2021	As at 31st March, 2020
Current		
Current maturities of loan term debt	943,310	12,182,405
Interest accrued but not due	-	90,985
Trade deposits	53,462,817	37,967,670
Salary & Wages Payable	8,475,039	5,749,556
Duties & taxes payable	1,555,999	1,677,555
Unpaid Dividend (refer Note below)	519,901	519,901
Total other financial liabilities	64,957,066	58,188,072

Note: The unpaid dividend includes Rs 2,00,370/- and Rs.3,19,531/- in relation to interim and/ or final dividends declared by the company for FY 2015-16 and 2016-17 respectively against which claims have not been made. The amounts against the same have been set aside and deposited in separate scheduled bank accounts by the company in compliance with section 124 of the Companies Act 2013.

Note 23 : Other current liabilities

Particulars	As at 31st March, 2021	As at 31st March, 2020
Advance from debtors	4,788,879	3,511,873
Provision for Expenses	3,000,405	2,492,064
Deferred Revenue	3,820,771	2,074,725
	11,610,055	8,078,662

Note 24 : Income Tax Liabilities (Net)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Provision for Tax (net of Advance tax and TDS)	6,385,398	-
	6,385,398	-

Note 25 : Revenue from operation

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Revenue from operations		
Sale of Products *	1,526,562,243	1,206,973,144
Total Revenue from Operations	1,526,562,243	1,206,973,144

*** Details of Products Sold**

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Finished Goods		
Accessories & Others	411,506,937	299,255,272
Wire & Cables	500,034,343	411,138,413
	911,541,280	710,393,685
Traded Goods		
Accessories & Others	13,630,057	12,380,380
Wire & Cables	30,794,589	17,902,150
Lighting & Fittings	570,596,317	466,296,929
	615,020,963	496,579,459
	1,526,562,243	1,206,973,144

Note 26 : Other income

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Interest Income		
- on loans to wholly owned subsidiary	16,797,812	40,859,204
- on margin money deposits	222,566	487,730
- on others	7,289	43,324
- on unwinding of financial assets carried at amortised cost	541,689	496,963
Profit on sale of fixed assets	193,233	-
Rental income on Investment Property	8,580,000	5,488,000
Foreign Currency Fluction Gain / (Loss) on loans and advances to subsidiary	-	5,725,573
Gain on Foreign Exchange Fluctuations (Net)	-	3,055,959
Miscellaneous Income	776,864	308,743
Total other income	27,119,454	56,465,496

Note 27 : Cost of materials consumed

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Opening stock	100,924,181	103,313,450
Add: Purchases	616,438,017	437,898,786
Less: Closing stocks	96,130,844	100,924,181
Total Cost of Materials Consumed	621,231,353	440,288,056

* Purchases are stated net of discounts and rate difference.

Details of Material Consumed

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Copper	360,961,032	261,324,900
Alluminium	8,119,232	8,616,803
PVC Compound	33,053,796	36,800,981
Others	219,097,293	133,545,372
	621,231,353	440,288,056

Details of Inventory

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Copper	16,746,324	39,419,472
Alluminium	-	877,938
PVC Compound	7,043,524	2,120,160
Others	72,340,996	58,506,611
	96,130,844	100,924,181

Note 28 : Purchases of stock-in-trade

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Purchase of stock in trade	476,538,963	385,742,294
Total Purchases of stock-in-trade	476,538,963	385,742,294

Note 29 : Changes in inventories of finished goods and stock in trade

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Finished goods		
Opening stock		
- Accessories & Others	99,034,731	93,939,264
- Wire & Cables	63,991,067	91,165,783
	163,025,799	185,105,047
Closing stock		
- Accessories & Others	117,873,720	99,034,731
- Wire & Cables	74,843,240	63,991,067
	192,716,960	163,025,799
Changes in inventories of finished goods (A)	(29,691,161)	22,079,248
Stock in trade		
Opening stock		
- Accessories & Others	13,280,827	18,526,441
- Wire & Cables	14,600,653	9,567,231
- Lighting & Fittings	290,831,580	259,381,160
	318,713,059	287,474,832
Closing stock		
- Accessories & Others	20,127,346	13,280,827
- Wire & Cables	12,633,060	14,600,653
- Lighting & Fittings	318,921,476	290,831,580
	351,681,882	318,713,059
Changes in inventories of stock in trade (B)	(32,968,823)	(31,238,227)
Total Changes in inventories of finished goods and stock in trade (A+B)	(62,659,984)	(9,158,979)

Note 30 : Employee benefits expense

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Salary, wages and other allowances	95,691,541	88,811,722
Directors Remuneration	4,200,000	3,750,000
Provision for Gratuity	2,225,652	1,249,931
Contribution to provident fund and other funds	4,433,457	5,619,978
Staff welfare expenses	2,599,566	3,768,062
Total employee benefits expense	109,150,216	103,199,693

Note 31 : Finance costs

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Interest expense to:		
Banks	10,618,650	28,331,107
Others	2,607,502	2,161,118
Leasing Arrangements as per IND AS 116	558,035	581,423
Other Borrowing Cost	3,683,800	6,077,372
Total finance costs	17,467,986	37,151,021

Note 32 : Depreciation and amortisation expense

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Depreciation on tangible assets	11,395,838	11,144,487
Amortisation on intangible assets	-	-
Amortisation on Right of Use assets	3,693,731	3,380,983
Depreciation on Investment Property	2,874,456	3,021,608
Total depreciation and amortisation expense	17,964,025	17,547,078

Note 33 : Other expenses

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Manufacturing expenses		
Consumption of :		
- Consumable & stores	352,485	337,550
- Power & fuel	5,655,840	6,224,643
Job Charges	3,543,220	4,924,644
Repairs & Maintenance :		
- Plant & machinery	1,245,959	1,949,464
- Factory building	19,230	29,520
Freight & transportation	2,020,369	1,153,656
Other factory expenses	2,157,773	1,999,602
	14,994,875	16,619,078
Administration, Selling and Distribution expenses		
Rent (Refer note no 43)	4,193,989	3,097,131
Insurance	1,921,099	709,291
Rates & taxes	324,116	1,919,404
Repairs & maintenance		
- Others	4,805,456	3,721,663
Legal and professional fees	3,692,137	4,396,416
Auditor's remuneration *	485,000	472,500
Travelling & conveyance	14,856,367	13,244,858
Communication costs	642,128	904,132
Printing & stationery	330,544	417,162
Water & electricity charges	3,866,242	1,114,799
Commission	11,170,441	5,706,793
Packing material consumed	31,590,906	22,915,506
Advertising & sales promotion	26,572,090	20,792,508
Transportation, freight & handling charges	23,296,774	20,475,744
Expenditure on CSR activities	1,983,231	7,983,000
Provision for expected credit loss	3,582,175	2,256,647
Miscellaneous expenses	2,234,008	4,913,633
Total other expenses	150,541,579	131,660,267

*** Payment to Auditor includes**

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Audit fees	485,000	435,000
Other services	-	37,500
	485,000	472,500

Note 34 : Earnings per equity share

The amount considered in ascertaining the Company's earnings per share constitutes the net loss after tax. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of shares which could have been issued on conversion of all dilutive potential shares.

Basic and diluted EPS

Particulars		Year Ended 31st March, 2021	Year Ended 31st March, 2020
Net Profit after Tax as per Statement of Profit and Loss attributable to	(₹)	161,194,027	110,556,966
Weighted average number of equity shares for calculating Basic EPS	(Nos.)	19,002,713	19,002,713
Weighted Average Potential Equity Shares	(Nos.)	-	-
Total Weighted Average number of Equity Shares used for	(Nos.)	19,002,713	19,002,713
Basic EPS	(₹)	8.48	5.82
Diluted EPS	(₹)	8.48	5.82

Veto Switchgears and Cables Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021****Note 15 : Equity Share capital**

Particulars	As at	As at
	31st March, 2021	31st March, 2020
Authorised		
2,50,00,000 (PY 2,50,00,000) Equity shares of Rs.10/- each	250,000,000	250,000,000
	250,000,000	250,000,000
Issued, Subscribed and Fully Paid Up		
1,91,14,955 (PY 1,91,14,955) Equity shares of Rs. 10/- each fully paid up	191,149,550	191,149,550
	191,149,550	191,149,550

a) Reconciliation of shares outstanding at the beginning and at the end of the reporting period**Equity shares of Rs. 10/- each fully paid up**

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares				
At the beginning of the year	19,114,955	191,149,550	19,114,955	191,149,550
Issued during the year	-	-	-	-
Outstanding at the end of the year	19,114,955	191,149,550	19,114,955	191,149,550

b. Terms/rights attached to equity shares:

- The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share.
- The Company declare and pays dividend in Indian Rupees. Each equity shareholder has the same right of dividend.
- In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
- The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

c. Shareholding of more than 5%:

Name of the Shareholder	As at 31st March, 2021		As at 31st March, 2020	
	% held	No. of shares	% held	No. of shares
Veto Electropowers (India) Private Limited	37.30%	7,130,704	37.30%	7,130,704
Pushpa Devi Gurnani	6.68%	1,276,744	6.68%	1,276,744

d. Issue of Share Under ESOP

During FY 2018-19, the Company had allotted 7,87,855 shares under Employees Stock Option Plan (ESOP) of the Company.

e. Forfeiture of Share Warrants

During FY 2017-18, the Company had made a preferential issue of 45,00,000 Convertible Warrants of Rs. 10 each at a premium of Rs 160 per warrant and in accordance with SEBI guidelines the company has received 25 % upfront money amounting to Rs.19,12,50,000. The warrants can be exercised at anytime within a period of 18 months.

The said share warrants were not converted into equity shares on non-exercise of option before the due dates and accordingly, the upfront subscription amount of Rs. 19,12,50,000/- on issue of these warrants have been forfeited during the previous year and credited to the Capital Reserve.

Veto Switchgears and Cables Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

Note 16 : Other equity

Amount in ₹

Particulars	Reserves and surplus			Items of Other comprehensive income	Total equity attributable to equity holders
	Securities premium reserve	Retained earnings	Capital Reserve		
As at 31 March 2019	242,432,949	788,032,449	191,250,000	1,522,906	1,223,238,304
Total comprehensive income for the year	-	110,556,966	-	650,715	111,207,681
Retained Earnings adjustment on adoption of IND AS 116	-	(85,233)	-	-	(85,233)
As at 31 March 2020	242,432,949	898,504,182	191,250,000	2,173,621	1,334,360,752
Total comprehensive income for the year	-	161,194,027	-	1,423,182	162,617,209
As at 31 March 2021	242,432,949	1,059,698,209	191,250,000	3,596,803	1,496,977,961

Description of nature and purpose of reserve

Securities Premium Reserve

Securities Premium Reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

Retained Earnings

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

Capital Reserve

Capital Reserve represents reserves of the Company on the forfeiture of the upfront subscription amount received on the share warrants, on non-exercise of option before the due date to convert such warrants into equity shares. The reserve is utilised in accordance with the provisions of the Act.

Gain / (loss) on fair value of defined benefit plans

The Company has recognised remeasurement gains/ (loss) on defined benefit plans in OCI. These changes are accumulated within the OCI reserve within other equity. The Group transfers amounts from this reserve to retained earnings when the relevant obligations are derecognised.

Veto Switchgears and Cables Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

Note 35 : Contingent liabilities disclosures as required under Indian Accounting Standard 37, “Provisions,Contingent Liabilities and Contingent Assets” are given below:

Particulars	As at 31st March, 2021	As at 31st March, 2020
I) Guarantees		
Bank Guarantee	1,597,000	3,510,388
	1,597,000	3,510,388

Note 36 : Investment in subsidiaries, associates and joint ventures

- (a) These financial statements are separate financial statements prepared in accordance with Ind AS-27 “Separate Financial Statements” .
- (b) The Company’s investments in direct subsidiaries are as under:

Name of the subsidiaries	Country of incorporation	Portion of ownership interest as at 31 March 2021	Portion of ownership interest as at 31 March 2020	Portion of ownership interest as at 31 March 2019	Method used to account for the investment
Veto Electricals Private Limited	India	100.00%	100%	100%	At Cost
Veto Led Lighting Private Limited	India	100.00%	100%	NA	At Cost
Veto Overseas Private FZE	Dubai	100.00%	100%	100%	At Cost
Vankon Moduler Private Limited	India	95.50%	NA	NA	At Cost

During the year, the Company has acquired 95.50% stake in Vankon Modular Private Limited (VMPL). VMPL is engaged in manufacturing of Electrical Accessories, LED Lighting, Wires & Cables. The said entity is having market presence mainly in Delhi NCR, Uttar Pradesh, Rajasthan and Maharashtra. Accordingly, the figures of consolidated financial results for the quarter and year ended / as at 31st March, 2021 are not comparable.

Veto Switchgears and Cables Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021
Note 37 : Disclosure relating to employee benefits as per Ind AS 19 'Employee Benefits'
A Defined benefit obligations - Gratuity

The gratuity plan is governed by the Payment of Gratuity Act, 1972 under which an employee who has completed five years of service is entitled to specific benefits. The level of benefits provided depends on the member's length of service and salary at retirement age.

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognised in the same manner as gratuity.

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
a) Changes in defined benefit obligations		
Present value of obligation as at the beginning of the year		
Defined Benefit Obligation ("PBO") at the beginning of the year	8,661,415	7,446,226
Past service cost	-	-
Service cost	1,624,345	1,871,140
Interest cost	541,273	541,890
Actuarial loss / (gain)	(1,925,210)	(1,067,224)
Benefits paid	(148,437)	(130,617)
Present value of obligation as at the end of the year	8,753,396	8,661,415
b) Changes in Plan Assets		
Opening value of plan assets	4,431,260	4,138,411
Interest Income	317,394	360,413
Return on plan assets excluding amounts included in interest income	(11,673)	(192,306)
Contributions by employer	24,957	124,742
Benefits paid	-	-
Closing value of plan assets	4,761,938	4,431,260
c) The amounts recognised in the Balance Sheet are as follows:		
Present value of obligation as at the end of the year	8,753,396	8,661,415
Fair Value of plan assets as at the end of the year	4,761,938	4,431,260
Net (assets) / liability recognised in balance sheet	3,991,458	4,230,155
d) Expenses recognised in the Statement of Profit and Loss		
Service cost	1,624,345	1,871,140
Past service cost	-	-
Net Interest Cost	223,879	181,477
Total	1,848,224	2,052,617
e) Remeasurement (gains)/ losses recognised in OCI		
Actuarial changes arising from changes in financial assumptions	-	690,050
Actuarial changes arising from changes in demographic assumptions	-	-
Due to experience adjustments	(1,925,210)	(1,757,274)
Return on plan assets excluding amount included in interest income	11,673	192,306
Total	(1,913,537)	(874,918)

Particulars	31st March 2021	31st March 2020
f) Actuarial assumptions		
Discount rate	6.55% p.a.	6.55% p.a.
Normal retirement age (in years)	58	58
Salary escalation rate (% p.a.) *	7% p.a.	7% p.a.
Attrition rate	20% at younger ages reducing to 1% at older ages	20% at younger ages reducing to 1% at older ages
Mortality rate	Indian assured lives mortality (2006-08) ultimate	Indian assured lives mortality (2006-08) ultimate

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

g) Quantities sensitivity analysis for significant assumption is as below:

Particulars	31st March 2021	31st March 2020
	0.5 % increase	
i. Discount rate	8,417,788	8,334,854
	-3.83%	-3.77%
	0.5 % increase	
ii. Salary escalation rate	9,103,760	9,000,982
	4.00%	3.92%
	10% increase	
iii. Attrition rate	8,680,795	8,594,291
	0.83%	0.78%
	0.5 % decrease	
i. Discount rate	9,113,738	9,011,771
	4.12%	4.04%
	0.5 % decrease	
ii. Salary escalation rate	8,423,909	8,338,512
	3.76%	3.73%
	10% decrease	
iii. Attrition rate	8,828,341	8,731,063
	0.86%	0.52%

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation, keeping all other actuarial assumptions constant.

Particulars	31st March 2021	31st March 2020
h) Maturity analysis of defined benefit obligation		
1st Following Year	799,046	795,445
2nd Following Year	754,409	798,333
3 rd Following Year	774,815	768,397
4th Following Year	829,198	770,132
5th Following Year	702,221	757,194
Sum of Year 6 to 10 Year	4,166,790	4,381,287
Total expected payments	8,026,479	8,270,788

B Defined contribution plans

Particulars	31st March 2021	31st March 2020
a) The Company has recognised the following amounts in the Statement of Profit and Loss for the year:		
(i) Contribution to provident fund	3,631,091	4,343,641
(ii) Contribution to ESIC	802,366	1,276,337
	4,433,457	5,619,978

Particulars	31st March 2021	31st March 2020
b) Current/ non-current classification		
Gratuity		
Current	1,847,108	1,624,345
Non-current	2,144,350	2,605,820
	3,991,458	4,230,165

Veto Switchgears and Cables Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021****Note 38 : Segment reporting as required under Indian Accounting Standard 108, "Operating Segments"****Identification of Segments:**

The chief operational decision maker monitors the operating results of its Business segment separately for the purpose of making decision 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, Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108.

Operating Segments

Wire and Cables

Lighting & Fittings

Accessories & Others

Segment revenue and results:

The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure (net of allocable income).

Segment assets and Liabilities:

Segment assets include all operating assets used by the operating segment and mainly consist of inventory. Common assets and liabilities which can not be allocated to any of the business segment are shown as unallocable assets / liabilities.

(a) Summary of segment Information as at and for the year ended 31st March, 2021 and 31st March, 2020 is as follows:

Particulars	Amount in ₹	
	Year ended 31st March, 2021	Year ended 31st March, 2020
Segment Revenue		
Wire & Cables	530,828,933	429,040,564
Lighting & Fittings	570,596,317	466,361,929
Accessories & Others	425,136,994	311,664,652
Total Revenue	1,526,562,243	1,207,067,144
Segment Results		
Wire & Cables	75,969,550	52,198,250
Lighting & Fittings	171,456,448	167,388,748
Accessories & Others	166,939,644	88,773,279
	414,365,641	308,360,277
Less : Unallocable Expenses	182,605,526	153,118,465
Less : Depreciation	17,964,025	17,547,078
Operating Profit	213,796,091	137,694,734
Less : Finance Cost	17,467,986	37,151,021
Add : Other Income	27,119,454	56,465,496
Profit Before Tax	223,447,559	157,009,209
Less : Tax expense (Net)	62,253,532	46,452,245
Profit After Tax	161,194,027	110,556,964

Particulars	As at	
	31st March, 2021	31st March, 2020
Segments Assets		
Wire & Cables	111,266,148	123,509,290
Lighting & Fittings	318,921,476	290,831,580
Accessories & Others	210,342,062	168,322,170
Unallocated	1,607,190,588	1,354,010,171
Total Capital Employed	2,247,720,274	1,936,673,210
D. Segments Liabilities		
Wire & Cables	429,759	8,902,846
Lighting & Fittings	58,042,861	21,295,279
Accessories & Others	49,526,347	42,805,873
Unallocated	451,593,796	338,158,911
	559,592,763	411,162,909

Note 39 : Related party disclosures as required under Indian Accounting Standard 24, "Related party disclosures" are given below:

a) Names of related parties and nature of relationship (to the extent of transactions entered into during the year except for control relationships where all parties are disclosed)

Nature of relationship	Nature of the party
(i) Key Managerial Personnel Akshay Gurnani Naraindas Gurnani Jyoti Gurnani Bhavna Giamalani	Managing Director & Chief Executive Officer Whole time Director & Chief Financial Officer Director Company Secretary Cum Compliance Officer
(ii) Entity of which the company is an associate	Veto Electropower (India) Private Limited
(iii) Subsidiary Companies	Veto Electricals Private Limited Veto Led Lighting Private Limited Veto Overseas Private FZE Vankon Moduler Pvt Ltd
(iv) Enterprises owned or significantly influenced by KMP and / or their relatives	Vimal Power Cables Private Limited Tulsi Palace Resort Private Limited V1 Infradevelopers Private Limited Kripa Realmart Private Limited Anjali Packaging
(v) Relative of Director	Pushpa Devi Gurnani

b) Transactions carried out with related parties referred to above, in ordinary course of business and balances outstanding:

b. Transactions with Related Parties :

Name of Party	Nature of Transaction	Year ended March 31, 2021	Year ended March 31, 2020
Akshay Gurnani	Remuneration	2,400,000	1,650,000
Naraindas Gurnani	Remuneration	1,200,000	1,200,000
Jyoti Gurnani	Remuneration	600,000	600,000
Bhavna Giamalani	Salary paid	18,000	189,394
Pushpa Devi Gurnani	Salary paid	600,000	150,000
Veto Electricals Private Limited	Interest Income	9,958,893	24,528,630
	Advance Granted	70,016,484	160,087,999
	Loan Received Back	189,500,000	180,798,863
	Rent Income	96,000	88,000
Veto Led Lighting Private Limited	Investment made	-	1,000,000
	Interest Income	4,824,107	3,101,907
	Advance Granted	4,948,258	107,414,431
	Loan Received Back	89,000,000	310,191
Veto Overseas Private FZE	Investment made*	-	106,796,993
	Loan Granted	-	-
	Interest Income	420,448	13,228,667
	Loan Received Back	-	141,009,990
Vankon Moduler Pvt Ltd	Investment made*	88,627,200	-
	Loan Granted	168,464,181	-
	Loan Received Back	86,832,995	-
	Interest Income	1,462,702	-
Veto Electropower (India) Private Limited	Rent	144,000	144,000
Vimal Power Cables Private Limited	Purchases	-	-
	Rent	300,000	300,000
Tulsi Palace Resorts Pvt. Ltd	Sales (Net)	91,106	-
Kripa Realmart Private Limited	Rent	660,000	660,000
V1 Infradevelopers Private Limited	Rent Income	8,400,000	5,400,000
Anjali Packaging	Purchase of Packing Material	14,303	29,837

* Conversion of loan outstanding to Investment in Equity share capital

c. Balance Outstanding of Related Parties :

Name of Party	Receivable / Payable	Year ended March 31, 2021	Year ended March 31, 2020
Akshay Gurnani	Remuneration Payable	163,800	125,000
Naraindas Gurnani	Remuneration Payable	65,000	100,000
Jyoti Gurnani	Remuneration Payable	46,000	50,000
Bhavna Giamalani	Salary Payable	-	15,000
Pushpa Devi Gurnani	Salary Payable	46,000	50,000
Veto Electrical Private Limited	Loans Receivable	60,929,447	171,200,987
Vankon Moduler Pvt Ltd	Loans Receivable	82,984,186	-
Veto Led Lighting Private Limited	Loans Receivable	30,616,704	110,206,147
Veto Electropower (India) Private Limited	Rent payable	483,424	
Veto Overseas FZE	Loans Receivable	4,624,927	4,204,479
V1 Infradevelopers Private Limited	Trade Receivable/Rent Receivable	12,224,694	5,832,000
Tulsi Palace Resort Private Limited	Trade Recievables	38,389	32,904
Kripa Realmart Private Limited	Trade payable	-	397,424
Vimal Power Cables Private Limited	Rent payable	104,875	
Anjali Packaging	Trade payable	-	27,149

Note 40 : Disclosure with regards to section 186 of the Companies Act, 2013

During the year, the Company has granted Unsecured loan to its Subsidiary Companies for General Corporate Purposes. Details as

Amount in ₹

Name of the Subsidiary	Opening Balance	Loan given During the year	Closing Balance	Interest Rate
Veto Electricals Private Limited	171,200,987	70,016,484	60,929,447	10%
Veto Led Lighting Private Limited	110,206,147	4,948,258	30,616,704	10%
Veto Overseas FZE	4,204,479	-	4,624,927	10%
TOTAL	285,611,614	74,964,742	96,171,079	

Note 41 : Disclosure with regards to regulation 34 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015

Amount of Loans & Advances in nature of loans outstanding from subsidiaries as at 31st March, 2021 :

Amount in ₹

Name of the Subsidiary	Closing Balance	Maximum Outstanding
Veto Electricals Private Limited	60,929,447	60,929,447
Veto Led Lighting Private Limited	30,616,704	30,616,704
Veto Overseas FZE	4,624,927	4,204,479

Note 42 : Expenditure on Corporate Social Responsibility Activities

As per provisions of section 135 of the Companies Act, 2013, the Company has to incur at least 2% of average net profits of the preceding three financial years towards Corporate Social Responsibility ("CSR"). Accordingly, a CSR committee has been formed for carrying out CSR activities as per the Schedule VII of the Companies Act, 2013.

Details of CSR Expenditure:

a) Gross amount required to be spent by the Company during the year.

Amount in ₹

Particulars	As at 31st March 2021	As at 31st March 2020
	Amount required to be spent by the Company	4,061,259
	4,061,259	3,914,879

b) Amount spent during the year

Amount in ₹

Particulars	Amount Spent		Amount yet to be Spent		Total	Total
	31st March 2021	31st March 2020	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Contribution to trust	1,395,325	4,401,000	2,078,028	-	3,473,353	4,401,000
Others	587,906	3,582,000	-	-	587,906	3,582,000
	1,983,231	7,983,000	2,078,028	-	4,061,259	7,983,000

Veto Switchgears and Cables Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021
Amount in ₹
Note 43: Leases

On transition, the adoption of the new standard IND AS 116 [Refer note 1.2(xxii)] resulted in recognition of 'Right of Use' asset of Rs. 1,02,68,579/- and a lease liability of Rs. 1,03,53,812/-. The cumulative effect of applying the standard, amounting to Rs. 85,233/- was debited to retained earnings. The effect of this adoption is insignificant on the profit before tax, profit for the period and earnings per share. Ind AS 116 will result in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

Following are the changes in the carrying value of right of use assets :

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Opening balance	8,129,857	10,268,579
Addition	-	-
Deletion	-	-
Depreciation	2,632,516	2,138,721
Closing balance	5,497,342	8,129,857

The following is the break-up of current and non-current lease liabilities :

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Current lease liabilities	2,569,264	2,468,575
Non-Current lease liabilities	3,505,996	6,075,260
	6,075,260	8,543,835

The following is the movement in lease liabilities:

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Opening balance	8,543,835	10,353,812
Addition		
Finance cost accrued during the period	558,035	581,423
Deletion	-	-
Payment of lease liabilities	3,026,610	2,391,400
Closing balance	6,075,260	8,543,835

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis :

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
- Less than one year	4,281,130	3,026,610
- Later than one year but not later than five years	2,420,136	6,701,266
- Later than five years	-	-
	6,701,266	9,727,876

Rental expense recorded for short-term leases was Rs. 41,93,989/- for the year ended March 31,2021.

Veto Switchgears and Cables Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

Note 44: Fair Value Measurement

(i) Financial instruments by category

Particulars	Refer note	31st March 2021						31st March 2020				Amount in ₹	
		Carrying Amount	FVPL	FVOCI	Amortised Cost	Carrying Amount	FVPL	FVOCI	Amortised Cost				
Financial Assets:													
Investments													
Investments in equity shares	4	393,595,193	51,000	-	393,544,193				126,967,993	51,000	-	-	126,916,993
Loans	5	179,155,264	-	-	179,155,264				285,611,614	-	-	-	285,611,614
Others financial assets	6	14,988,657	-	-	14,988,657				15,884,824	-	-	-	15,884,824
Trade receivables	11	622,572,894	-	-	622,572,894				489,176,607	-	-	-	489,176,607
Cash and cash equivalents	12	31,117,181	-	-	31,117,181				67,060,938	-	-	-	67,060,938
Other Bank balances	13	4,803,208	-	-	4,803,208				4,590,631	-	-	-	4,590,631
Total Financial Assets		1,246,232,397	51,000	-	1,246,181,397				989,292,607	51,000	-	-	989,241,607
Financial Liabilities:													
Borrowings	17 & 18	339,063,422	-	-	339,063,422				239,187,111	-	-	-	239,187,111
Trade payables	21	127,510,105	-	-	127,510,105				92,935,064	-	-	-	92,935,064
Lease Liability	18	6,075,260	-	-	6,075,260				8,543,835	-	-	-	8,543,835
Other financial liabilities	22	64,957,066	-	-	64,957,066				58,188,072	-	-	-	58,188,072
Total Financial Liabilities		537,605,853	-	-	537,605,853				398,854,082	-	-	-	398,854,082

The Company has not disclosed the fair values for financial instruments for loans (non current), other non current financial assets, trade receivables, cash and cash equivalents and bank balances other than cash and cash equivalents, Borrowings (current and non current), Trade payables, other current financial liabilities because their carrying amounts are reasonably approximation of fair value.

Veto Switchgears and Cables Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021
Note 45 : Financial risk management objectives and policies
i. Risk management framework

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

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews

a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations,

(i) Trade and other receivables from customers

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

The Company measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors such as credit ratings from credit rating agencies, financial condition, ageing of accounts receivable and the Company's historical experience for customers.

Ageing of Accounts receivables :
Amount in ₹

Particulars	Amount in ₹	
	As at 31-03-2021	As at 31-03-2020
Not Due	-	-
0 - 6 months	562,165,847	437,401,714
6 - 12 months	47,541,026	27,585,748
Beyond 12 months	47,877,316	55,618,265
Total	657,584,189	520,605,727

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

The movement of the allowance for lifetime expected credit loss is stated below:
Amount in ₹

Particulars	31 March 2021	31 March 2020
Balance at the beginning of the year	31,429,120	29,172,473
Addition/(Reversal during the year)	3,582,175	2,256,647
Balance at the end of the year	35,011,295	31,429,120

ii) Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high credit ratings.

b) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate source of financing through the use of short term bank deposits and cash credit facility. Processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. The Company assessed the concentration of risk with respect to its debt and concluded it to be low

Maturity profile of financial liabilities

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

As at March 31, 2021	Amount in ₹			
	On Demand	Less than 1 year	1 to 5 years	Total
Borrowings	337,840,266	943,310	1,223,156	340,006,732
Other financial liabilities	-	64,013,756	-	64,013,756
Trade payables	-	127,510,105	-	127,510,105
Lease liabilities	-	2,569,264	3,505,996	6,075,260
	1,075,211,705	737,371,439	4,729,152	537,605,853

As at March 31, 2020	Amount in ₹			
	On Demand	Less than 1 year	1 to 5 years	Total
Borrowings	238,058,532	12,273,390	1,128,579	251,460,501
Other financial liabilities	-	45,914,682	-	45,914,682
Trade payables	-	92,935,064	-	92,935,064
Lease liabilities	-	2,468,575	6,075,260	8,543,835
	797,708,163	559,649,631	7,203,839	398,854,082

c) Market risk

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

i. Currency risk

The Company is exposed to currency risk on account of its operating and financing activities. The functional currency of the Company is Indian Rupee. Our exposure are mainly denominated in U.S. dollars and Arab Emirates Dirham. The Company's business model incorporates assumptions on currency risks and ensures any exposure is covered through the normal business operations. This intent has been achieved in all years presented. The Company has put in place a Financial Risk Management Policy to identify the most effective and efficient ways of managing the currency risks.

Particulars	Amount in Foreign currency			
	31st March, 2021		31st March, 2020	
	USD	AED	USD	AED
Financial Asset				
Non Current Loans	-	225,617	-	204,737
Trade Receivables	-	682,386	-	786,761
Exposure for assets (a)	-	1,001,896	-	991,498
Financial Liabilities				
Trade Payables	-	-	-	-
Exposure for liabilities (b)	-	-	-	-
Net exposure (a-b)	-	1,001,896	-	991,498

Particulars	Amount in ₹			
	31st March, 2021		31st March, 2020	
	USD	AED	USD	AED
Financial Asset				
Non Current Loans	-	4,624,927	-	4,204,479
Trade Receivables	-	13,988,241	-	16,156,926
Exposure for assets (a)	-	20,067,979	-	20,361,405
Financial Liabilities				
Trade Payables	-	-	-	-
Exposure for liabilities (b)	-	-	-	-
Net exposure (a-b)	-	20,067,979	-	20,361,405

Sensitivity analysis

A reasonably possible strengthening / (weakening) of the Indian Rupee against US dollars and AED at 31st March would have affected the **Impact of movement on Profit or (loss) and Equity :**

Effect in INR (before tax)	Amount in ₹			
	31st March, 2021		31st March, 2020	
	Profit or (loss) and Equity Strengthening	Profit or (loss) and Equity Weakening	Profit or (loss) and Equity Strengthening	Profit or (loss) and Equity Weakening
1% movement				
USD	-	-	-	-
AED	(200,680)	200,680	(203,614)	203,614
	(200,680)	200,680	(203,614)	203,614

ii) Interest rate risk

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

Exposure to interest rate risk

Company's interest rate risk arises primarily from borrowings. The interest rate profile of the Company's interest-bearing financial instruments is as follows.

Particulars	Amount in ₹	
	As at 31-03-2021	As at 31-03-2020
Total Borrowings	340,006,732	251,460,501
	340,006,732	251,460,501

Cash flow sensitivity analysis for variable-rate instruments

The sensitivity analysis below have been determined based on the exposure to interest rates for financial instruments at the end of the reporting year and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in the case of instruments that have floating rates. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates :

Cash flow sensitivity (net)	Amount in ₹	
	Profit or (loss) 50 bp increase	Profit or (loss) 50 bp decrease
31st March 2021		
Variable-rate loan	(1,700,034)	1,700,034
Cash flow sensitivity (net)	(1,700,034)	1,700,034
31st March 2020		
Variable-rate loan	(1,257,303)	1,257,303
Cash flow	(1,257,303)	1,257,303

iii) Other price risk

The Company is not exposed to the other price risk.

Note 46 : Capital Management

The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders. Management monitors the return on capital as well as the debt equity ratio and make necessary adjustments in the capital structure for the development of the business. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day - to - day needs. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

Particulars	Amount in ₹	
	As at March 31, 2021	As at March 31, 2020
Borrowings	340,006,732	251,460,501
Net Debt	340,006,732	251,460,501
Equity	1,688,127,511	1,525,510,302
Total Capital	1,688,127,511	1,525,510,302
Capital and Net Debt	2,028,134,243	1,776,970,803
Gearing ratio (Net Debt/Capital and Net Debt)	17%	14%

Note : For the purpose of computing debt to equity ratio, equity includes Equity share capital and Other Equity and Debt includes Long term borrowings, Short term borrowings and current maturities of long term borrowings.

Note 47 : Since the first quarter of Calendar Year 2020, the Covid-19 pandemic has impacted most of the countries, including India. This resulted in countries announcing lockdown and quarantine measures that sharply stalled economic activity. Accordingly, the operation of the Company were disrupted. The Company's manufacturing units at Haridwar and Mumbai were temporarily shut down as per the local guidelines during this period. Even the supply chains have been put under stress which has resulted in loss of business and temporary pressure on cash flows, liquidity, profitability and margins due to lower collection of receivables, operating expenses, payment obligations towards vendors and statutory authorities, etc.

However, with subsequent ease in the lockdown restrictions by the Government Authorities, the Company saw partial resumption since early May, 2020 and eventually, the Company has resumed its operations / business activities with full strength of Manpower from 1st of June, 2020.

The Company has assessed the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of Receivables, Inventories, Investments and other assets / liabilities.

Since, this situation is exceptional and is changing dynamically; the management of the Company is not in a position to gauge with certainty, the future impact on its operations. The management of the Company expects the operations to remain sub-normal in the immediate future, with a possibility of intermittent disruptions based on the evolving situation and varying Government guidelines and permissions. The Company continues to closely monitor the situation and shall take appropriate action as per regulatory guidelines. However, the markets have already opened across the segments and a clear upward trend is visible in daily sales numbers, the management of the Company is quite confident that the business operations will pick up progressively.

Note 48 : For financial year 2021, the Board recommended a final dividend of Re.1/- (par value of Rs. 10/- each) per equity share. This payment is subject to the approval of shareholders in the Annual General Meeting (AGM) of the Company.

Note 49 : Previous year's figure's have been re-grouped, re-arranged & re-classified, wherever considered necessary, to confirm the current period figures.

As per our report of even date attached**For C A S & Co**

Chartered Accountants

Firm Registration No. 111075W

For and on behalf of the Board

Veto Switchgears and Cables Limited

Nitesh Musahib

Partner

Membership No. : 131146

Akshay Kumar Gurnani

Managing Director & CEO

DIN : 06888193

Narain Das Gurnani

Whole Time Director & CFO

DIN : 01970599

Place: Mumbai

Date : June 30, 2021

Place: Jaipur

Date : June 30, 2021

Varsha Ranee Choudhary

Company Secretary

Progress at a Glance of Last 10 Years - Veto Switchgears and Cables Limited (Standalone)									Rs. In Lakhs		
Particulars	I GAAP							IND AS			
	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Gross Sales/ Revenue from Operations	5314.89	6860.29	7413.99	9447.72	9730.22	11209.48	12033.93	12368.78	10893.31	12069.73	15,265.62
Other Income	6.19	9.53	27.80	87.46	53.64	78.10	444.70	604.44	663.65	564.65	271.19
Total Revenue	5308.15*	6869.82	7441.79	9535.18	9783.86	11287.58	12478.628	12973.22	11556.96	12634.39	15,536.81
Earnings Before Interest and Tax	612.62	996.65	995.53	1027.71	1359.2	1557.80	1,935.31	3212.09	1730.93	1941.6	2409.15
Profit Before Tax	491.91	753.92	761.72	843.63	975.56	994.04	1,534.63	2987.16	1358.16	1570.09	2234.47
Profit After Tax	603.51	722.41	587.64	608.97	714.54	765.54	1,218.65	2004.08	933.00	1105.57	1611.93
Net Worth	1982.76	2710.15	5944.66	6553.67	7266.33	7565.53	8,989.12	12811.41	14143.87	15255.10	16881.28
No. of Equity Shares	53.32	58.30	116.60	183.27	183.27	183.27	183.27	183.27	191.14	191.14	191.14
Paid up Equity to Capital	533.23	538.21	1666.10	1832.71	1832.71	1832.71	1,832.71	1832.71	1911.49	1911.49	1911.49
Dividend Paid	0	0	0	0	0	366.54**	183.27	183.27	0	0	0
Book Value	37.19	46.49	50.98	35.76	39.65	41.28	49.05	69.90	74.00	79.81	88.32
EPS	12.07	6.47	4.47	3.32	3.90	4.18	6.65	10.88	4.91	5.82	8.48
Secured Loan Term Loan	191.8	23.25	14.54	605.54	600	563.75	571.02	298.95	60.00	0.00	0.00
Working Capital	1053.54	1865.09	362.79	2909.94	2834.53	3401.43	2335.6	3214.23	3717.84	2380.58	3378.40
Hire Purchase Loan	17.45	47.36	48.92	29.4	26.64	37.78	15.91	26.15	17.77	11.28	21

* Decrease in stock

**Exclusive of DDT

Caution regarding forward-looking statements

This document contains statements about expected future events and financial and operating results of Veto switchgears and Cables Limited, which are forward looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of the Veto switchgears and Cables Limited Annual Report 2020-21.



WE ARE AVAILABLE AT

Rajasthan • Madhya Pradesh • Gujarat • Maharashtra
Himachal Pradesh • Delhi • Uttarakhand • Uttar Pradesh
Punjab • Haryana • Jharkhand • Assam • Kerala

VETO SWITCHGEARS AND CABLES LTD.

Corp. Office : Plot No. 10, Days Hotel, Airport Plaza, Behind Raddison Blu Hotel, Durgapura, Tonk Road, Jaipur
Regd. Office. : 506, 5th Floor, Landmark Building, Link Road, Andheri (W), Mumbai - 400 053 (India)
Factory : (Haridwar) Plot, No. 65-67, 74-77, Sector-2E, Sidcul, Ranipur, Haridwar - 24403 (UK) India
Website : www.vetoswitchgears.com • Email : info@vetoswitchgears.com