



**i Power Solutions India Ltd.**  
www.ipwrs.com

Ref No.DCS/iPower

Date: 21<sup>st</sup> August, 2021

The General Manager,  
Department of Corporate Services,  
The BSE Limited,  
Dalal Street, Mumbai-400 001.

Scrip Code: 512405

Dear Sir,

Sub: Annual Report for the year 2020-2021

We are forwarding herewith annual report for the financial year 1<sup>st</sup> April, 2020 to 31<sup>st</sup> March, 2021 for your record.

Thanking you,

Yours faithfully,

For iPower Solutions India Ltd.

A handwritten signature in blue ink, appearing to read 'V. Parandhaman'.

V.PARANDHAMAN  
Chairman

# **i Power Solutions India Limited**



**36<sup>th</sup> Annual Report**

**2020 - 21**

## **BOARD OF DIRECTORS**

- Mr. V.PARANDHAMAN** - Chairman cum Managing Director
- Mr. D.RAVICHANDRA BABU** - Independent Director
- Mr. K.BHASKARAN** - Independent Director
- Mr. R.JAYAPRAKASH** - Independent Director
- Mrs. N. R. ALAMELU** - Woman Director & Independent Director
- Mr. P.K.RAGHUKUMAR** - Company Secretary
- Mr. G.RAMASUBRAMANIAM** - Chief Financial Officer

## **REGISTERED CUM CORPORATE OFFICE**

**New No.17, Old No.7/4,  
Vaigai Street,  
Besant Nagar, Chennai-600 090.  
CIN: L72200TN2001PLC047456**

## **STATUTORY AUDITORS**

**CA. MACHARLA ROSAIAH  
MACHARLA & ASSOCIATES**

**Chartered Accountants**

**New No. 648, Old No. 641, Venus Complex  
Poonamallee High Road, Aminjikarai  
Chennai - 600 029.**

## **INTERNAL AUDITOR**

**Mr. V.R.SRIDHARAN  
Chartered Accountant**

## **BANKERS**

**Bank of Maharashtra, Chennai – 600090.  
Indian Bank, Chennai – 600090.**

## **NOTICE TO THE SHAREHOLDERS**

Notice is hereby given that the 36<sup>th</sup> Annual General Meeting of the members of M/s. iPower Solutions India Limited will be held on Thursday, the 16<sup>th</sup> Day of September 2021 at 2.30 P.M IST through video conferencing (“VC”) / other audio visual means (“OAVM”) to transact the following business.

### **ORDINARY BUSINESS:**

1. To consider and adopt the Audited Financial Statements of the Company for the Financial Year Ended 31<sup>st</sup> March 2021 including the Audited Balance Sheet as at 31st March, 2021, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the reports of the Board of Directors and the Auditors thereon.
  
2. To appoint a Director in the place of Mr.V Parandhaman (DIN: 00323551) who retires by rotation and being eligible offers himself for re-appointment.

By Order of the Board  
**For iPower Solutions India Limited**

Sd./-  
**V.PARANDHAMAN**  
**Chairman & Managing Director**  
**DIN: 00323551**

Date: 06/08/2021  
Place: Chennai

### **NOTES**

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM/EGM through VC/OAVM.
  
2. In terms of MCA Circulars, since physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, facility of appointment of Proxies by Members under Section 105 of the Act, will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to the Notice. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
  
3. Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the Company a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.

4. The Register of Members and the Share Transfer Books of the Company will remain closed from 10<sup>th</sup> September 2021 to 16<sup>th</sup> September 2021 (both days inclusive).
5. A statement giving the relevant details of the Director seeking re-appointment under item 2 of the accompanying notice as required under sub clause 3 of regulation 36 of the SEBI (listing obligations and Disclosure requirements) regulations, 2015, is annexed hereto.
6. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
7. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
8. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
9. 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.ipwrs.com](http://www.ipwrs.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
10. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
11. In continuation of this Ministry's **General Circular No. 20/2020**, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January,13,2021.

12. In compliance with Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended, and Regulation 44 of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing a facility to its members to exercise their votes electronically through remote e-voting facility arranged by Central Depository Services (India) limited for all the items of business as set out in the notice of AGM and confirms that the business can be transacted through e-voting in pursuance of the above provisions.
13. The voting rights of members shall be in proportion to their shareholding in the paid up equity share capital of the Company as on Thursday, **9<sup>th</sup> day of September, 2021** being the cut-off date.
14. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting or voting during the AGM through electronic means.
15. Any person who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of cut-off date, may obtain the login id and password by sending a request to [audit@ipwrs.com](mailto:audit@ipwrs.com)
16. Mrs. Saimathy, Practicing Company Secretary (Membership No. A20466) has been appointed as the Scrutiniser to scrutinise the e-voting process in a fair and transparent manner.
17. The Scrutiniser shall after the conclusion of voting during the general meeting, will first count the votes cast during the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 2 (Two) days of the conclusion of the AGM, a consolidated scrutiniser's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of voting forthwith. The Results declared along with the report of the Scrutiniser shall be placed on the website of the Company [www.ipwrs.com](http://www.ipwrs.com) and on the website of CDSL viz [www.evotingindia.com](http://www.evotingindia.com) after the declaration of result by the Chairman or a person authorised by him in writing. Simultaneously, the results shall also be forwarded to BSE Limited, Mumbai.
18. The Company is concerned about the environment and utilises the natural resources in a sustainable way. We request you to update your email address with your Depository Participant or RTA to enable us send Annual Report, Notices and all other communications via e-mail.
19. Members who are holding shares in more than one folio are requested to intimate the Registrar and Share Transfer Agent (Cameo Corporate Services Ltd), the details of all folio numbers for consolidation in to a single folio.

20. Members can avail the facility of nomination in respect of securities held by them in physical form pursuant to the provision of Section 72 of the Act. Members desiring to avail this facility may send their nomination in the prescribed form duly filled-in to RTA (Cameo Corporate Services Ltd). Members holding shares in electronic mode may contact their respective Depository Participant (DP) for availing this facility.
21. Members desiring any information as regards the financial statements are requested to write an email to the Company to its e-mail id audit@ipwrs.com at least seven days before the date of the meeting (AGM).
22. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they maintaining their demat accounts. Members holding shares in a physical form can submit their PAN to the Company or RTA.
23. Since the AGM will be held through VC/OAVM, the route map is not annexed with the Notice.
24. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members or Register of Beneficial holders as made available by the depositories, will be entitled to vote at the AGM.
25. Shareholders may send their questions in advance mentioning their name, demat account number/folio number, email id, mobile number at audit@ipwrs.com on or before 10<sup>th</sup> September, 2021. Replies to the same will be given by the company suitably.

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

- (i) The voting period begins on 13<sup>th</sup> September 2021 at 9.00 A M and ends on 15<sup>th</sup> September 2021 at 5 P M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 9<sup>th</sup> September, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that 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.

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"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting</li> </ol>



	<p>option where the evoting 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 <b>NSDL</b></p>	<ol style="list-style-type: none"> <li>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: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> 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 &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “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 &amp; voting during the meeting</li> </ol>
<p>Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b></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 &amp; voting during the meeting.</p>

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

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

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

- (v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**
- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://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](http://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:

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>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.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>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.</p> <ul style="list-style-type: none"> <li>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.</li> </ul>

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <iPOWER SOLUTIONS INDIA LIMITED> on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

(xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

(xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

(xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://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](mailto: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](mailto: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; [audit@ipwrs.com](mailto:audit@ipwrs.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/ EGM 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 **5 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **5 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

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

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto: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](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

By Order of the Board  
**iPower Solutions India Limited**

Sd./-  
**V.PARANDHAMAN**  
**Chairman & Managing Director**  
**DIN: 00323551**

Date: 06/08/2021  
Place: Chennai

Details of Director seeking re-appointment at the forthcoming annual General meeting (in pursuance of sub clause 3 of regulation 36 of the SEBI (listing obligations and Disclosure requirements) regulation, 2015 (as on 31st March, 2021)

<b>Particulars</b>	Mr. V Parandhaman
DIN	00323551
Date of Birth	14/02/1956
Education Qualification	CA, Certified Public Accountant, California, Cost and Management Accountant, London, Cost and Works Accountant, India
Date of appointment on the Board	29/06/2000
Expertise in specific Functional area	Strategic Planning & Executive Decision making.
Directorship held in other public companies (excluding foreign companies)	Nil
Memberships / Chairmanships of committees of other Public companies (includes only Audit and Shareholders/ Investors Grievance Committee)	Nil
Number of shares held in the Company	31,17,431
Terms & conditions of appointment or reappointment along with details of remuneration sought to be paid and remuneration last drawn by such person.	As per Nomination and Remuneration Policy of the Company and terms of appointment

## DIRECTORS' REPORT

Dear Members,

Your directors are pleased to present the 36<sup>th</sup> Annual Report and the Company's audited financial statements for the financial year ended 31st March, 2021.

### FINANCIAL PERFORMANCE

The Company's financial performance, for the year ended March 31, 2021 is summarized below;

S.No	CONTENTS OF THE REPORT																																						
1	<p><b>FINANCIAL SUMMARY/HIGHLIGHTS, OPERATIONS, STATE OF AFFAIRS:</b></p> <p>(In INR)</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Particulars</th> <th style="text-align: right;">2020-21</th> <th style="text-align: right;">2019-20</th> </tr> </thead> <tbody> <tr> <td>Revenue from Operation</td> <td style="text-align: right;">20,80,004</td> <td style="text-align: right;">20,99,022</td> </tr> <tr> <td>Other Income</td> <td style="text-align: right;">80</td> <td style="text-align: right;">-</td> </tr> <tr> <td>Profit Before Interest, Depreciation and Tax</td> <td style="text-align: right;">2,46,580</td> <td style="text-align: right;">1,79,201</td> </tr> <tr> <td>Finance Charges</td> <td style="text-align: right;">-</td> <td style="text-align: right;">-</td> </tr> <tr> <td>Profit Before Depreciation and Tax</td> <td style="text-align: right;">2,46,580</td> <td style="text-align: right;">1,79,201</td> </tr> <tr> <td>Provision for Depreciation</td> <td style="text-align: right;">1,35,992</td> <td style="text-align: right;">1,59,658</td> </tr> <tr> <td>Net Profit Before Tax</td> <td style="text-align: right;">1,10,588</td> <td style="text-align: right;">19,543</td> </tr> <tr> <td>Provision for Tax</td> <td style="text-align: right;">24,740</td> <td style="text-align: right;">5,085</td> </tr> <tr> <td>Net Profit After Tax</td> <td style="text-align: right;">85,848</td> <td style="text-align: right;">14,458</td> </tr> <tr> <td>Transfer to General Reserve</td> <td style="text-align: right;">-</td> <td style="text-align: right;">-</td> </tr> <tr> <td>Surplus/(Deficit) carried to Sheet</td> <td style="text-align: right;">85,848</td> <td style="text-align: right;">14,458</td> </tr> </tbody> </table>			Particulars	2020-21	2019-20	Revenue from Operation	20,80,004	20,99,022	Other Income	80	-	Profit Before Interest, Depreciation and Tax	2,46,580	1,79,201	Finance Charges	-	-	Profit Before Depreciation and Tax	2,46,580	1,79,201	Provision for Depreciation	1,35,992	1,59,658	Net Profit Before Tax	1,10,588	19,543	Provision for Tax	24,740	5,085	Net Profit After Tax	85,848	14,458	Transfer to General Reserve	-	-	Surplus/(Deficit) carried to Sheet	85,848	14,458
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	<p>The Company has its presence spanning across USA, Europe and UAE and its focus areas are Web / e-commerce solutions, software application development, information processing and BPO work. The Company is doing open source software projects in PHP, Web applications, Android applications etc. The Company is committed to software development in open source platform. The Company has a social networking portal called vanavil.com.</p>																																						
2	<p><b>EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:</b> in view of the lockdown across the country due to CoviD-19 pandemic, the performance of the Company was adversely affected as execution of some of the orders was delayed. New order bookings are affected leading to significant challenges in going forward. The Board of Director expects that the business will improves in the subsequent months.</p>																																						
3	<p><b>CHANGE IN THE NATURE OF BUSINESS, IF ANY:</b> There has been no change in the nature of business of the Company during the Financial Year.</p>																																						
4	<p><b>DIVIDEND:</b> The Company has not recommended any dividend for this financial year in view of financial constraints.</p>																																						
5	<p><b>AMOUNT, IF ANY, CARRIED FORWARD TO RESERVES:</b> The Company retained the entire surplus in the Profit and Loss Account and hence no transfer to General Reserve was made during the Year.</p>																																						



6	<p><b>BOARD MEETINGS:</b></p> <p>The Board of Directors met 4 times during this financial year on 21<sup>st</sup> May 2020, 28<sup>th</sup> July 2020, 6<sup>th</sup> November 2020 and 18<sup>th</sup> January 2021. For details of meetings of the board, please refer to the Corporate Governance report, which is a part of this report. The intervening gap between the meetings was within the period prescribed under the Companies act, 2013. The Board of Directors has passed a Circular Resolution on 19<sup>th</sup> August 2020.</p>
7	<p><b>DIRECTORS AND KEY MANAGERIAL PERSONNEL :</b></p> <p>(A) Mr.V.Parandhaman (DIN – 00323551) – Promoter Director – Chairman cum Managing Director  (B) Mr.R.Jayaprakash (DIN – 02138581) – Independent Non-Executive Director  (C) Mr.K.Bhaskaran (DIN – 01952820) - Independent Non-Executive Director  (D) Mr.D.RavichandraBabu (DIN – 00016326) - Independent Non-Executive Director  (E) Mrs. N R Alamelu (DIN – 02138648) - Independent Non-Executive Woman Director</p> <p>In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the company, Mr. V Parandhaman (DIN: 00323551), Director retires by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment. The Board recommends his reappointment for the consideration of the members of the company at the forthcoming annual general meeting. Brief details of V Parandhaman (DIN: 00323551), has been mentioned in the notice convening the Annual General Meeting at “Information pursuant to the Listing Regulations and Secretarial Standards in respect of Appointment/ Re-appointment of Directors.</p> <p><b>Brief Profile of Directors proposed to be Re-appointed:</b></p> <p>Mr. V Parandhaman is a Bachelor Degree holder of Science, University of Madras. He did his CA and obtained certificates in Computer Programming Language in the year 1981. He is the member of Cost and Works Accountant, India since 1983 and a member of Cost and Management Accountant, London since 1985 and he did his C.A., Certified Public Accountant, California in the year 1991.</p> <p>Mr. V Parandhaman is the promoter and chairman of the Company and has got wide range of experience in the business of the Company.</p> <p><b>Following are few of his career achievements:</b></p> <p>1981-1983 – He worked as Audit Manager. A.F. Ferguson and Company, Bombay, in charge of the auditing and Systems Works for multinational companies and national companies, in different industries.</p> <p>1983-1988- Controller – Hong Kong Branch, Bahrian, Offshore Banking Unit, in charge of the Accounting and EDP functions of the Banking Units in Bahrian.</p> <p>1989-1991 – Internal Audit Manager – Mather Federal Credit Union, Sacramento, Ca, USA, in charge of the internal and systems audit functions for the bank which had branches in USA, Greece and Turkey.</p> <p>1991-1993 – Certified Public Accountant- Sacramento, Ca. had a successful business consulting, system studies, auditing etc.</p>

1993-1998- President: Global Solutions, Sacramento, Ca, The Company was doing turnkey software projects and onsite consulting. The Company was merged with RCM technologies Inc., a company traded in Nasdaq Stock Exchange.

From 1998—Promoter and chairman of I Power Solutions India Limited.

Mr. V Parandhaman is the spouse of Mrs.Vasumathy Parandhaman who is holding 1200 equity shares constituting 0.03%.

Mr. V Parandhaman does not have directorship or membership of committee of Board in any other listed Company.

8. **DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS**

The Company has received necessary declaration from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013 that the Independent Directors of the Company meet with the criteria of their Independence laid down in Section 149(6).

**BOARD EVALUATION**

9.

Pursuant to the provisions of the Companies act, 2013 and Regulation 4(f) and Regulation 17 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees.

The evaluation process for measuring the performance of Executive/Non-Executive and Independent Directors is being conducted through a survey which contains a questionnaire capturing each Board and Committee Member's response to the survey which provides a comprehensive feedback to evaluate the effectiveness of the Board and its Committees as a whole and also their independent performance. The methodology adopted by each Director who responded to the survey has graded their peers against each survey item from 1 to 5 with 1 marking the lower efficiency and 5 the highest efficiency which revealed more realistic data on measuring the effectiveness of the Board dynamics, flow of information, decision making of Directors and performance of Board and Committee as a whole.

The Independent Directors evaluation is being done by the entire Board with main focus on their adherence to the Corporate Governance practices and their efficiency in monitoring the same. They are also being evaluated on various parameters viz., their performance by way of active participation , in Board and Committee meetings, discussing and contributing to strategic planning, fulfillment of Independence criteria as specified under SEBI (LODR) Regulations, 2015 as amended and their independence from the Management etc., ensuring non participation of Independent Director being evaluated.

The performance of the Chairman of the Company was reviewed by the Independent Directors who ensured during their review, that the Chairman conducted the Board proceedings in an unbiased manner without any conflict with his personal interest at any point of time. It was further ascertained by the Independent Directors that the Chairman allowed the Board Members to raise any concerns on any business of the Board during their Meetings and addressed them in the best interest of the Company.

As per the SEBI Circular SEBI/HO/CFD/CMD/CIR/P/2018 /79dated 10th May 2018, the followings details are being provided on Board evaluation

	<p>Observations of board evaluation carried out for the year.</p> <p>Previous year's observations and action taken.</p> <p>Proposed actions based on current year observations.</p>	<p>There were no observations arising out of board evaluation during the year as the evaluation indicates that the Board has functioned effectively within its powers as enumerated under The Companies Act, 2013 and in consonance with the Articles of Association of the Company.</p> <p>There were no observations during the previous year warranting any action</p> <p>As there were no observations, the action to be taken does not arise.</p>
10	<p><b>TRAINING AND FAMILIARISATION PROGRAM FOR INDEPENDENT DIRECTORS</b></p> <p>Every Independent Director on being inducted into the Board attends an orientation program. To familiarise the new directors with the strategy, operations and functions of our Company, the Executive Directors/Senior Managerial Personnel make presentations to the inductees about the Company's strategy, operations, product offerings, organisation structure, human resources, technologies, facilities and risk management.</p> <p>Further, at the time of appointment of Independent Directors, the Company issues a formal letter of appointment outlining his/her role, functions, duties and responsibilities as a Director. The detailed familiarization program for Independent Directors is hosted on the website of the Company and the web link for same <a href="#">Click here</a></p>	
11.	<p><b>COMMITTEES OF THE BOARD</b></p> <p>As on March 31, 2021, the Board had four committees: the Audit Committee, the Nomination And Remuneration Committee, the Stakeholders Relationship Committee and the Risk Management Committee. A majority of the committees consists entirely of independent Directors. During the year 4 meetings of Audit Committee, 2 meetings of Stakeholders Relationship Committee, 2 meetings of Nomination And Remuneration Committee and 2 meetings of Risk Management committee were also held, the details of which viz., dates and number of meetings attended by each director etc., are given in the Corporate Governance report. Also, all recommendations made by the committees were approved by the Board. A detailed note on the composition of the board and its committees is provided in the Corporate Governance report.</p>	
12	<p><b>DETAILS OF POLICIES DEVELOPED BY THE COMPANY</b></p> <p>The Company has developed and implemented (i) Nomination and Remuneration Policy, (ii) Risk Management Policy and (iii) Whistle-Blower Policy – Vigil Mechanism, the details are given in Annexure -1</p>	
13	<p><b>CORPORATE SOCIAL RESPONSIBILITY:</b></p> <p>Pursuant to section 135 of the Companies Act, 2013, every company having net worth of Rs.500 crore or more, or turnover of Rs.1000 crore or more or a net profit of Rs.5 crore or more during the financial year shall constitute a CSR Committee. Our Company has not triggered any of the above limits; hence, no committee in this has been constituted.</p>	
14	<p><b>DISCLOSURE AS REQUIRED UNDER SECTION 22 OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013</b></p> <p>The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.</p> <p>The Internal Complaints Committee (“ICC”) has been set up to redress the complaints received regarding sexual harassment. All employees are covered under this policy.</p>	

15.	<p>The following is the summary of the complaints received and disposed off during the financial Year 2019-20:</p> <p>a) No. of complaints received: NIL</p> <p>b) No. of complaints disposed off: NIL</p> <p><b>VIGIL MECHANISM:</b></p> <p>Pursuant to the provisions of revised Regulation 22 of SEBI (Listing Obligations &amp; Disclosure Requirements) Regulations, 2015 and section 166 (9)&amp;(10) of the Companies act, 2013, the Company had established a vigil mechanism for Directors and employees to report concerns of unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct.</p>
16.	<p><b>DIRECTOR'S RESPONSIBILITY STATEMENT:</b></p> <p><b>In pursuance of section 134 (5) of the Companies Act, 2013, the Directors hereby confirm that:</b></p> <p>(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;</p> <p>(b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;</p> <p>(c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;</p> <p>(d) the directors had prepared the annual accounts on a going concern basis; and</p> <p>(e) the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.</p> <p>(f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively</p>
17.	<p><b>INFORMATION ABOUT THE FINANCIAL PERFORMANCE / FINANCIAL POSITION OF THE SUBSIDIARIES / ASSOCIATES/ JV</b></p> <p>The company does not have any subsidiaries, associates or joint ventures.</p>
18.	<p><b>EXTRACT OF ANNUAL RETURN:</b></p> <p>As per the MCA Notification dated 28th August, 2020 making an amendment to Rule 12(1), a web link of the Annual Return is furnished in accordance with sub section (3) of Section 92 of The Companies Act, 2013 and as prescribed in Form MGT-9 of The Companies ( Management and Administration) Rules, 2014</p> <p>You may please refer to our Company's weblink <a href="#">Click here</a></p>
19.	<p><b>AUDITORS:</b></p> <p>M/s. Macharla &amp; Associates. Chartered accountants (Firm Registration No. 013818S,) existing auditors of the Company were appointed for a period of 5(five) years by the members of the Company in the 34<sup>th</sup> annual General meeting held on 14<sup>th</sup> August 2019. The Company has received a certificate from the Auditors to the effect they are not disqualified to continue as Auditors of the Company for the financial year 2020-21.</p> <p>Total Fees for all the Services paid by the Company, on a consolidated basis, to the Statutory Auditors</p>

20	<p>Statutory Audit Fees: Rs.82,600/- Tax Audit : Rs.18,526/-</p> <p><b>AUDITORS' REPORT</b></p> <p>There are no qualifications, reservations or adverse remarks made by M/s. Macharla &amp; Associates., Chartered Accountants, Statutory Auditors in their report for the Financial Year ended 31st March, 2021.</p> <p>The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company under subsection(12) of section 143 of the Companies Act, 2013, during the year under review.</p>
21	<p><b>SECRETARIAL AUDIT:</b></p> <p>Secretarial audit report as provided by Mrs.Saimathy, Practising Company Secretary, is annexed to this Report as <b>ANNEXURE 11</b></p>
22	<p><b>COMMENTS ON SECRETARIAL AUDIT REPORT:</b></p> <p>The Board of Directors undertake to rectify all the remarks made by Secretarial Auditor and to do necessary compliance in the current year</p>
23	<p><b>INTERNAL AUDITOR</b></p> <p>The Board of Directors based on the recommendation of the Audit Committee has re-appointed Mr. V R Sridharan., Chartered Accountants, Chennai, as the Internal Auditors of your Company. The Internal Auditors are submitting their reports on quarterly basis.</p>
24.	<p><b>CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:</b></p> <p>The Company informs that the disclosure of particulars under section 134(3)(m) of the Companies act, 2013 read with Rule 8 (3) of Companies (Accounts) Rules, 2014 relating to conservation of Energy etc is not applicable to the Company as no energy intensive works are undertaken by the company.</p> <p>Particulars relating to Technology Absorption etc., have not been furnished as the Company has neither undertaken any Research &amp; Development activities in the Field of operations nor imported any technology thereto.</p> <p>In respect of Foreign Exchange earnings and outgo (in US\$), details are given below: Foreign Exchange Earnings: US\$ 21075 / INR 15,42,857 /-</p> <p>Foreign Exchange Outgo: US\$ - Nil</p>
25.	<p><b>DETAILS RELATING TO DEPOSITS, IF ANY:</b></p> <p>The Company has not accepted any deposits during the Financial Year.</p>
26.	<p><b>PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:</b></p> <p>The Company has duly complied with the provision of Section 186 of the Companies Act, 2013 and it has not given any loans, guarantees and investments during the financial year.</p>
27.	<p><b>RISK MANAGEMENT :</b></p> <p>The Company has well defined Risk Management Policy in place. The fact that the Risks and opportunities are inevitably intertwined, is well recognised policy by the Company and thus aims to identify, manage and</p>

	<p>minimize, <u>risks</u>, strategically. It is committed to embedding risk management throughout the organisation and its systems and controls are designed to ensure that exposure to significant risk is properly managed. With the predefined risk management principles and policy, the Company identifies, categorizes, assess and addresses <u>risks</u>.</p> <p>Key Elements of Risks:</p> <p>(i) Global Economic Situation: The Economic environment around the world is showing sign of growth. Growth in the software industry has been fairly positive.</p> <p>(ii) Cost pressure: Increasing operating cost may create a pressure on margin. The Company is focusing to put up framework for cost management.</p> <p>(iii) Regulatory risks: Any Change in regulations in the field of our operations, would have an impact on the operations. The Company is vigilant on such changes for easy adaptability.</p> <p>(iv) Emerging Trend: New technologies and trends used in software industry may impact consumers' behavior. The Company continuously scan business environment for early detection of emerging trend.</p>
28.	<p><b>RELATED PARTY TRANSACTIONS :</b> There are no related party transactions during the financial year under review under section 188 of the Companies Act 2013.</p>
29	<p><b>ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:</b></p> <p>The Company has in place an Internal Control System, commensurate with the size, scale and complexity of its operations. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.</p>
30	<p><b>SUBSIDIARIES/ ASSOCIATE COMPANIES/ JOINT VENTURES:</b></p> <p>The Company has no subsidiaries/ associate companies/ joint ventures as on 31st March, 2020.</p>
31.	<p><b>DISCLOSURE ABOUT COST AUDIT :</b> Details of cost audit are not provided as the commercial operations are very limited and no cost audit is undertaken.</p>
32.	<p><b>RATIO OF REMUNERATION TO EACH DIRECTOR :</b> At present Directors are not receiving any remuneration from the company in view of the financial constraints.</p>
33	<p><b>VIGIL MECHANISM:</b> The Company has a Whistle Blower Policy framed to deal with instance of fraud and mismanagement, if any in the Company. The details of the Policy are posted on the website of the Company.</p>
34	<p><b>MANAGEMENT DISCUSSION AND ANALYSIS:</b></p> <p>Pursuant to Regulation 34 (2) (e) of SEBI (LODR) Regulations, 2015, a report on Management Discussion &amp; Analysis is herewith annexed as <b>Annexure-III</b>.</p>
35	<p><b>CORPORATE GOVERNANCE REPORT:</b></p>

	<p>Though the Compliance with the provisions of under Regulation 27 (2) of SEBI (Listing Obligations &amp; Disclosures Requirement) Regulation 2015 shall not apply to your company as paid up equity share capital not exceeding Rs. 10 Crores and Net worth not exceeding Rs. 25 Crores as on the last day of the previous financial year as per circular of SEBI bearing number CIR/CFD/POLICY CELL/7/2014 dated 15th September 2014. the Company has complied with the Corporate Governance code as stipulated under the listing agreement with the stock exchange. a separate section on Corporate Governance, along with Certificate from the auditors confirming the compliance, is annexed and forms part of the annual report. Pursuant to Regulation 34 read with Schedule V of SEBI (LODR) Regulations, 2015, a report on Corporate Governance is herewith annexed as <b>Annexure-IV.</b></p>
36	<p><b>PARTICULARS OF EMPLOYEES:</b></p>
	<p>The Company is not required to provide any information pursuant to Section 197 (12) read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of employees of the Company and in terms of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014,</p>
37	<p><b>SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:</b></p>
	<p>There are no significant material orders passed by the Regulators /Courts/ Tribunals which would impact the going concern status of the Company and its future operations.</p>
38	<p><b>MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY</b> There were no Material Changes and Commitments Affecting the Financial Position of the Company.</p>
39.	<p><b>LISTING WITH STOCK EXCHANGES:</b> Shares of the Company are listed on BSE and the Company confirms that it has paid the Annual Listing Fees for the year 2020-21.</p>
40.	<p><b>SECRETARIAL STANDARDS :</b> The company confirms that the Secretarial Standards, as applicable on the date of this report are followed by the Company.</p>
41.	<p><b>ACKNOWLEDGEMENT:</b> Your directors thank and acknowledge the continuous co-operation and assistance extended by Bank of Maharashtra, Indian Bank, BSE Limited, Cameo Corporate Services Ltd., our employees and the various customers who are patronizing our products.</p>

For and on behalf of the board  
Sd./-

**V.Parandhaman**  
**Chairman & Managing Director**  
DIN: 00323551

Place: Chennai  
Date: 06/08/2021

**POLICIES DEVELOPED AND IMPLEMENTED BY THE COMPANY**

**i. Nomination and Remuneration Policy of i Power Solutions India Limited**

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013, as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

Definitions:

“Remuneration” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;

“Key Managerial Personnel” means:

- (i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- (ii) Chief Financial Officer;
- (iii) Company Secretary; and
- (iv) Such other officer as may be prescribed.

“Senior Managerial Personnel” mean the personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management, of rank equivalent to General Manager and above, including all functional heads.

Objective:

The objective of the policy is to ensure that

- (i) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- (ii) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (iii) Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.



## Role of the Committee:

The role of the NRC will be the following:

- (i) To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- (ii) To formulate criteria for evaluation of Independent Directors and the Board.
- (iii) To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- (iv) To carry out evaluation of Director's performance.
- (v) To recommend to the Board the appointment and removal of Directors and Senior Management.
- (vi) To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- (vii) To devise a policy on Board diversity, composition, size.
- (viii) Succession planning for replacing Key Executives and overseeing.
- (ix) To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- (x) To perform such other functions as may be necessary or appropriate for the performance of its duties.

## APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

- (i) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Policy.
- (ii) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.
- (iii) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

## TERM / TENURE

### a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

### b) Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

## EVALUATION

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

## REMOVAL

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

## RETIREMENT

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

## POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL

- (i) Remuneration to Managing Director / Whole-time Directors:
- (ii) The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
- (iii) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.
- (iv) Remuneration to Non- Executive / Independent Directors:
- (v) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- (vi) All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
- (vii) Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
- (viii) The Services are rendered by such Director in his capacity as the professional; and
- (ix) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.
- (x) Remuneration to Key Managerial Personnel and Senior Management:  
  
The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
- (xi) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time.

- (xii) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

## IMPLEMENTATION

- (i) The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- (ii) The Committee may Delegate any of its powers to one or more of its members.

### **(ii) Risk Management Policy**

The Board of Directors of your Company has adopted a Risk Management Policy which details the procedures to be followed by the Company with regard to risk management. The Company has formed a Risk Management Committee comprising of four members of the Board who shall evaluate and review the risk factors associated with the operations of the Company and recommend to the Board the methods to mitigate the risk and advise from time to time various measures to minimise the risk and monitor the risk management for the Company.

The policy broadly defines the scope of the Risk Management Committee which comprises of:-

- Reviewing and approving the Risk Management Policy and associated frameworks, processes and practices of the Company.
- Ensuring that the Company is taking the appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities.
- Evaluating significant risk exposures of the Company and assess management's actions to mitigate the exposures in a timely manner (including one-off initiatives, and ongoing activities such as business continuity planning and disaster recovery planning & testing).
- Co-coordinating its activities with the Audit Committee in instances where there is any overlap with audit activities (e.g. internal or external audit issue relating to risk management policy or practice).
- Reporting and making regular recommendations to the Board.

The Company has adopted an all pervasive risk management policy to ensure that effective Risk Management is in place to address the overall business risks and concerns. The Risk Management Committee constituted by the company is assigned with the responsibility of assisting the Board in (a) providing insights in to making comprehensive risk management practices; (b) approving the Company's Risk Management Policies and Procedures; and (c) monitoring all the risks that the organisation faces, such as strategic, operational, financial, security, regulatory, legal, IT, reputational other risks that have been identified. The risk management process covers risk identification, assessment, development of mitigation strategy, implementation of action plan, monitoring and reporting. Risks are periodically reviewed by the Risk Management Committee and the Board. The risks identified by the business and functions are

systematically addressed through mitigating actions on a continual basis. The Audit Committee bears additional oversight over financial risks and controls.

### **iii. Vigil mechanism & whistle blower policy of i Power Solutions India limited**

#### **Preface**

i Power Solutions India Limited (Company) is committed to conducting its business in accordance with applicable laws, rules and regulations and the highest standards of business ethics and to full and accurate disclosures. The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. The purpose of this mechanism is to eliminate and help to prevent malpractices, to investigate and resolve complaints, take appropriate action to safeguard the interests of the Company and to ensure that any person making a complaint (referred to as "a whistleblower") is protected, while at the same time actively discouraging frivolous and insubstantial complaints. Company shall oversee the vigil mechanism through Audit committee and if any of the members of the committee have a conflict of interest in a given case, they should recuse themselves and the others on the committee would deal with the matter on hand.

#### **Scope of Vigil Mechanism**

1. To act as an additional internal element of the Company's compliance and integrity policies.
2. Not a substitute for other formal internal arrangements and procedures.
3. Seeks to ensure that anyone who is aware (director or employee of the company) of a breach of Company policies and procedures, suspected or actual frauds and embezzlement, illegal, unethical behavior or violation of company's code of conduct or ethics etc., feels free to bring this to the attention of appropriate personnel in the Company, without fear of victimization, harassment or retaliation.

#### **Applicability**

This Mechanism applies to the following:

- (i) All the Directors
- (ii) All the employees and ex-employees and their representative bodies of different departments of the Company
- (iii) All the Business Associates of the Company

## Compliance with Laws, Rules and Regulations

Section 177 of the Companies Act, 2013 provides for a requirement for all listed companies to establish a mechanism called 'Vigil Mechanism' for all the Directors and employees to report to the management instances of unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy.

Accordingly, this Vigil Mechanism is required to provide adequate safeguards against victimization of persons who use such mechanisms and also to ensure direct access to the Chairman of the Audit Committee in appropriate or exceptional cases.

### Definitions

- (i) Act” means the Companies Act, 2013 and relevant rules; as amended from time to time;
- (ii) Audit Committee” means a Committee constituted by the Board of Directors of the Company in accordance with the Companies Act, 2013;
- (iii) “Board” means the Board of Directors of the Company;
- (iv) “Company” means **i Power Solutions India limited**
- (v) “Disciplinary Action” means any action that can be taken on the completion of / during the investigation proceedings including but not limiting to a warning, imposition of fine, suspension from official duties or any such action as is deemed to be fit considering the gravity of the matter.
- (vi) “Directors” means all the directors of the Company including directors of its subsidiaries and associates.
- (vii) “Employee” means every employee on the permanent or temporary rolls of the Company and ex-employees including its subsidiaries and associates (whether working in India or abroad) and includes their representative bodies.
- (viii) “Fraud” in relation to affairs of a company or anybody corporate, includes any act, omission, concealment of any fact or abuse of position committed by any person or any other person with the connivance in any manner, with intent to deceive, to gain undue advantage from, or to injure the interests of, the company or its shareholders or its creditors or any other person, whether or not there is any wrongful gain or wrongful loss.
- (ix) “Investigation Subject” means a person or group of persons against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.
- (x) “Policy” means The Vigil Mechanism/Whistle Blower Policy.
- (xi) “Protected Disclosure” means any communication made in good faith by the whistle blower that discloses or demonstrates information that may indicate evidence towards unethical or improper activity.

- (xii) “Reporting Authority” means any member of the Audit Committee.
- (xiii) “Whistle Blower” means a person making a Protected Disclosure under this Policy. Whistle Blower or complainant could be Director(s)/employee/ex-employee including their representative bodies /business associate whether at the Senior Management level or at lower level.
- (xiv) “Wrongful Gain” means the gain by unlawful means of property to which the person gaining is not legally entitled.
- (xv) “Wrongful Loss” means the loss by unlawful means of property to which the person losing is legally entitled.

## **Disclosure**

The information on suspected wrongful conduct should be such information which is intended to cover serious concerns that could have a large impact on the Company such as actions that:

1. Abuse of Authority
2. Breach of contract
3. Negligence causing substantial and specific danger to public health and safety
4. Manipulation of company data/records
5. Financial irregularities, including fraud, or suspected fraud
6. Criminal offence
7. Pilferation of confidential/propriety information
8. Deliberate violation of law/regulation
9. Wastage/misappropriation of company funds/assets
10. Breach of employee Code of Conduct or Rules
11. Any other unethical, biased, favoured, imprudent event
12. Amount to serious improper conduct, including any kind of harassment (sexual or otherwise)

The above list is only illustrative and should not be considered as exhaustive.

Policy should not be used in place of the Company grievance procedures or be a route for raising malicious or unfounded allegations against colleagues.

## **Investigation**

1. Whistle Blower can make Protected Disclosure to Reporting Authority, as soon as possible after becoming aware of the suspected or actual frauds and embezzlement, illegal, unethical behavior or violation of company's code of conduct or ethics etc.
2. Whistle Blower must put his/her name to allegations. Concerns expressed anonymously WILL NOT BE investigated.
3. If initial enquiries by the Reporting Authority indicate that the concern has no basis, or it is not a matter to be investigated pursued under this Policy, it may be dismissed at this stage and the basis for such dismissal will be recorded and such decision will be documented.
4. Where initial enquiries indicate that further investigation is necessary, this will be carried through either by the Reporting Authority.

### **Documentation and Reporting**

1. Written report of the findings would be made. The record would include:

- (i) Facts of the Matter
- (ii) Whether the Protected Disclosure was raised previously by anyone or not, and if made, the outcome thereof;
- (iii) Whether any Protected Disclosure was raised previously against the same Investigation Subject;
- (iv) The financial/ otherwise loss which has been incurred / would have been incurred by the Company.
- (v) Findings of Reporting authority;
- (vi) Impact Analysis (If applicable).
- (vii) The timeline for final decision of investigation (Maximum 15 days).

2. In case the Protected Disclosure is proved, take such Disciplinary Action as the Committee may think fit and take preventive measures to avoid reoccurrence of the matter;



- (i) In case the Protected Disclosure is not proved, extinguish the matter and take note of the same; Or
- (ii) Depending upon the seriousness of the matter, the Committee may refer the matter to the Audit Committee with proposed disciplinary action/countermeasures. In case the Audit Committee thinks that the matter is too serious, it can further place the matter before the Board with its recommendations. The Board may decide the matter as it deems fit.
- (iii) In case of repeated frivolous complaints being filed by a director or an employee, the audit committee may take suitable action against the concerned director or employee including reprimand.
- (iv) In exceptional cases, where the Whistle Blower is not satisfied with the outcome of the investigation and the decision, he/she can make a direct appeal to the Chairman of the Audit Committee.

### **Protection**

- (i) No unfair treatment will be meted out to a Whistle Blower by virtue of his/her having reported a Protected Disclosure under this Policy.
- (ii) The Company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle Blower. Complete protection will, therefore, be given to Whistle Blower against any unfair practice like retaliation, threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion, discrimination, any type of harassment, biased behavior or the including any direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his duties/functions including making further Protected Disclosure.
- (iii) As a matter of general deterrence, the Company shall publicly inform employees of the penalties imposed and discipline of any person from misconduct arising from retaliation.
- (iv) Any investigation into allegations of potential misconduct will not influence or be influenced by any disciplinary or redundancy procedures already taking place concerning an employee reporting a matter under this policy.
- (v) The Company will take steps to remove difficulties if any, which the Whistle Blower may experience as a result of making the Protected Disclosure. Thus, if the Whistle Blower is required to give evidence in criminal or disciplinary

proceedings, the Company will arrange for the Whistle Blower to receive advice about the procedure, etc.

- (vi) The identity of the Whistle Blower shall be kept confidential.
- (vii) Any other Employee assisting in the said investigation or furnishing evidence shall also be protected to the same extent as the Whistle Blower.

The independent directors shall ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;

### **Secrecy and Confidentiality**

The Whistle Blower, the Investigation Subject, Audit Committee, and everyone involved in the process shall:

1. maintain complete confidentiality/ secrecy of the matter
2. not discuss the matter in any informal/social gatherings/meetings
3. discuss only to the extent or with the persons required for the purpose of completing the process and investigations
4. not keep the papers unattended anywhere at any time
5. keep the electronic mails/files under password

If anyone is found not complying with the above, he/ she shall be held liable for such disciplinary action as is considered fit.

### **Reporting**

A quarterly report with number of complaints received under the Policy and their outcome shall be placed before the Audit Committee.

### **Amendment**

The Company reserves the right to amend or modify this Policy in whole or in part, at any point of time. Any amendment to the Policy shall take effect from the date when it is approved by the Audit Committee of the Company and hosted on the Company website.

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**for the Financial Year ended March 31, 2021**  
**[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies**  
**(Appointment and Remuneration Personnel) Rules, 2014]**

To  
The Members  
I POWER SOLUTIONS INDIA LIMITED  
New No.17, Old No.7/4, Vaigai Street,  
Besant Nagar, Chennai-600090

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by I POWER SOLUTIONS INDIA LIMITED., (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under.
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment.
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (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, 2009/2018. (Not applicable to the Company during the audit period);
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. (Not applicable to the Company during the audit period);

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008/2018; (Not applicable to the Company during the audit period)

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the audit period); and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998/2018;(Not applicable to the Company during the audit period)

(i) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

We have also examined compliance with the applicable clauses of Secretarial Standards issued by the institute of Company Secretaries of India and Listing Agreements entered into by the Company with BSE Limited.

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

1. Filing of few forms with MCA with additional fees in accordance with the requirements to be met with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above to the required extent.
2. The Company has sent soft copy of notice of Annual General Meeting along with Annual Report for the financial Year ended 31.03.2020 only to those shareholders whose email id was registered with RTA.
3. Functional website has not updated with all details.
4. It is noted that the Company was not required to comply with the Corporate Governance requirement as per Regulation 15 (2) of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 as the paid up equity share capital has not exceeded Rs. 10 Crores and Net worth has not exceeded Rs. 25 Crores as on the last day of the previous financial year as per circular of SEBI bearing number CIR/CFD/POLICY CELL/7/2014 dated 15<sup>th</sup> September 2014.
5. The Company has not made certain disclosures in Annual Report which is mandatory under Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015, Companies Act, 2013 and Secretarial Standard issued by ICSI.

6. The limited review report and auditor's reports submitted to the stock exchanges on quarterly or annual basis by auditor who is not under peer review process of Institute of Chartered Accountants of India and holds a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.
7. It is observed that the CFO of the Company has purchased the shares in the open market during closure of Trading window under SECURITIES AND EXCHANGE BOARD OF INDIA (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015. However the transaction limit is inconsiderable.

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis and relied on the representation made by the Company and its Officers for system and mechanism formed by the Company for compliances, the Company has complied with the following laws as applicable specifically to the Company:

\* The information Technologies Act, 2000 and rules made there under

\* Software Technology Parks of India rules and regulations

The list of major heads/ group of Acts, Law and Regulations as applicable to the Company as per management declaration and representation, is mentioned below. In relation to these laws we have relied on the representation made by the Company and its Officers for system and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations as applicable to the Company:

1. The Sexual Harassment of Women of workplace (Prevention, prohibition and redressal) Act, 2013.
2. Labour Laws:
  - i. The Employees Provident Funds and Miscellaneous Provision's Act, 1952.
  - ii. Employees' State Insurance Act, 1948
  - iii. Minimum Wages Act, 1946.
  - iv. Maternity Benefit Act, 1960
  - v. Payment of Bonus Act, 1965
  - vi. Labour Laws (Exemption from Furnishing Returns and Maintaining Registers by Certain Establishments) Act, 1988
  - vii. Child Labour (Prohibition & Regulation) Act, 1986.
  - viii. Equal Remuneration Act, 1976
  - ix. Payment of Gratuity Act, 1979

We further report, that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals

We further report that:

The Board of Directors of the Company was constituted with Executive Director, Non-Executive Director and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review. **Since all the Directors are Independent Directors except Mr. V Parandhaman, Managing Director, the provisions relating to section 152 (Director's period of office is liable to determination by retirement of Directors by rotation) could not be complied.**

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and in case of shorter notice consent of all directors was obtained 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.

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

We further report that:

**We further report that there are systems and processes in the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. The scope of Corporate Compliance mechanism may be strengthened in order to make it commensurate with the size and the nature of the Company's business.**

We further report that during the audit period, except for the following events, there was no event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.:

ii. Mrs. Namagiripettai Ramachandran Alamelu (DIN: 02138648) whose appointment as Independent Director expired in terms of Section 149 of the Companies Act, 2013, was appointed as Independent Director for a second term of five consecutive years at the Annual General Meeting held on 24<sup>th</sup> December 2020.

ii. It is observed that the company has obtained approval from Registrar of Companies, Chennai on 1<sup>st</sup> September 2020 granting extension of 3 months for conducting Annual General Meeting. However, the Ministry of Corporate Affairs has granted General Extension till 31.12.2020 for all companies to conduct their Annual General Meeting. Hence the Company has conducted the Annual general Meeting on 24<sup>th</sup> December 2020.

iii. The Company has availed the benefits of circulars issued by MCA and SEBI granting extension of time for filing various forms and returns.

Place: Chennai  
Date : 06/08/2021

Sd/-  
**SAIMATHY**  
Practicing Company Secretary

UDIN: A020466C000749634

Mem No : 20466  
COP : 16417

To,  
The Members  
I POWER SOLUTIONS INDIA LIMITED

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

1) Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3) We have not verified the correctness and appropriateness of financial records and Books of Account of the company.

4) Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

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

7. Due to the ongoing Covid-19 pandemic, we have conducted online verification and examination of records,  
as facilitated by the Company for the purpose of issuing this report.

Place: Chennai  
Date : 06/08/2021

UDIN: A020466C000749634

Sd/-  
**SAIMATHY**  
Practicing Company Secretary  
Mem No : 20466  
COP : 16417

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****iPower Solutions India Limited****CIN L72200TN2001PLC047456**

iPower Solutions India Limited, the leading e-commerce and web related service provider has reported significant results for the year ended 31.03.2021.

**PERFORMANCE REPORT**

iPower Solutions India Limited has announced its audited financial results for the year ended 31st March 2021.

iPower Solutions India Limited showed a net profit of Rs. 0.86 for the financial year 2021 as compared to Rs. 0.14 Lacs of previous year 2020.

The Company focuses its training business and proposes to develop its own brand name.

Particulars	(Rs. in '000)	
	Year ended 31.03.2021	Year ended 31.03.2020
Net Income	2,080	2,099
Total Expenditure	1,969	2,079
Tax Expenses	25	5
Net Profit	86	14
% of Profit growth	514	(92)

The Net income from operation for the year ending 31.03.2021 is Rs.20.80 Lacs compared to previous year's figure of Rs. 20.99 Lacs for the year ending 31.03.2020.



The total expenditure for the year ending 31.03.2021 is Rs.19.69 Lacs as compared to previous year's figure of Rs. 20.79 for the year ending 31.03.2020.

The Net profit for the year ending 31.03.2021 is Rs.0.86 Lacs as compared to the previous year figure of Rs. 0.14 Lacs shows increase of 514%

### **Consolidated**

During the year the company on a consolidated basis witnessed an growth in the segments of Software Development & Services, Education & Training and e-Governance; resulting in a turnover of Rs.20.80 Lacs in sales revenue, as compared to Rs 20.99 Lacs in the previous year.

The profit before tax posted for the financial year 2020-21 stood at Rs.1.11. lacs as against Rs.0.19 lacs of previous year, registering decrease of Rs.0.92 lacs

The shares of the Company remain unaltered during the financial year.

### **Review of operations**

There has been some improvement in Gross Income

### **Outlook for the next year**

With the global economy and Indian economy turning around we are hoping for the best.

### **Risks and Concerns**

World wide recession, U.S. Protectionism. Increasing costs

### **Risks Mitigation**

Carefully looking at the opportunities and reduction in the loss.

### **Opportunities and Threats**

Growing IT field. Competition from low cost competitors.

### **Internal control systems**

We have very good internal control system, commensurate with our size.

### **Industrial Relations and Human Resources Management,**

Keeping very good human relationships with the staff and maintaining contacts with the industry.

### **Development of new products**

Always looking for niche areas for product developments in newer technology areas.

### **Cautionary statement**

Competition and size restriction

## **CORPORATE GOVERNANCE REPORT**

### **I Company's Philosophy on code of Corporate Governance**

Corporate Governance is reflected in the manner in which the Company deals with its shareholders, employees, customers as also every other stakeholder including the society in which the Company operates. Your Company is committed towards transparency in all its dealings, adhering to the corporate values and leveraging the corporate values and leveraging the corporate resources in alignment with the benefits to the stakeholders.

The promoters of your Company are committed to moulding Governance with the culture of the Company that is built upon core values, beliefs and ethics.

Your Company's pursuit towards achieving good governance is an ongoing process and it continues to practice corporate Governance of the good standard.

### **II Board of Directors**

The Board of Directors is headed by the Chairman and Managing Director Mr. Venugopalan Parandhaman. The Board consists of eminent persons with considerable professional expertise in various fields such as Administration, Banking, Finance, Engineering, Information Technology, etc. The Board of Directors of the Company has Five Directors with four (including one woman director) independent Non-Executive Directors. The Chairman is an Executive Director and the number of Independent Non-Executive Directors on the Board is more than 50% of the Board Strength at any point of time.

All independent Non-Executive Directors comply with the requirements of the Listing Agreement for being "Independent Directors". Further the Independent Directors have also affirmed that they satisfy all the prescribed requirements for being an Independent Director.

As per the provisions of the Articles of Association of the Company, Mr. V Parandhaman retires by rotation and being eligible offers himself for re-appointment at the forthcoming Annual General Meeting. The Board recommends his re-appointment for consideration of the Shareholders.

The Notice of the Annual General Meeting scheduled to be held on 16<sup>th</sup> September 2021 complies with this requirement.

**a) Composition of the Board**

The Composition of the Board of Directors as on March 31, 2021 is given below -

Name	Category	Designation	Total number of Committee Membership in other companies	Total number of Committee Chairmanship in other companies	Directorship in other companies	No of Shares held in the Company
Mr. V.Parandhaman 00323551	Promoter Director	Chairman cum M. D	--	--	Yali Technologies Private Limited	31,17,431
Mr. D. Ravichandra Babu 00016326	Independent Non-Executive Director	Director	--	--	M/s. Mitta Investment Services Private Limited	4,550
Mr. K. Bhaskaran 01952820	Independent Non-Executive Director	Director	--	--	M/s. Bilvac Techno Management (P) Ltd.	--
Mr. R.Jayaprakash 02138581	Independent Non-Executive Director	Director	--	--	M/s. Maxworth Home Limited  M/s K - Soft Systems Limited  Vidyabharathi Innovative Business And Educational Solutions Private Limited	--
Mrs. N R Alamelu 02138648	Independent Non-Executive Woman Director	Director	--	--	M/s.K Soft Systems Private Limited	--

The Board has identified the following skill set with reference to its business and industry which are available with the Board:

Name of Director	Expertise in specific functional area
Mr. V.Parandhaman	Strategic Planning & Executive Decision making.
Mr. D. Ravichandra Babu	_Accounts, Finance and Management
Mr. K. Bhaskaran	Software, Development and Web designing
Mr. R.Jayaprakash	Corporate head and as an IT entrepreneur in Software development
Mrs. N R Alamelu	Head of the Educational Institution. Currently she is the Principal of Aarupadai Veedu Institute of Technology, Chennai

### **Relationship among Directors**

Except Mr. Jayaprakash and Mr. Namagiripettai Ramachandran Alamelu, none of the Directors are related to one another.

### **(b) Board Procedure**

A detailed Agenda folder is sent to each Director in advance of Board and Committee Meetings. To enable the Board to discharge its responsibilities effectively, the Chairman apprises the Board at every Meeting of the overall performance of the Company. The Board also reviews strategy and business plans, annual operating and capital expenditure budgets, compliance reports of all laws applicable to the Company, as well as steps taken by the Company to rectify instances of non-compliances, review of major legal issues, minutes of the Board Meetings, Company's adoption of quarterly / half-yearly / annual results, minutes of Meeting of Audit and other Committees of the Board and information on recruitment of officers just below the Board level, including the Compliance officer.

### **(C) Number of Board Meetings, attendance record of the Directors at Meeting of the Board and at the Annual General Meeting**

The Board of Directors met 4 times during this financial year on 21<sup>st</sup> May 2020, 28<sup>th</sup> July 2020, 6<sup>th</sup> November 2020 and 18<sup>th</sup> January 2021. The intervening gap between the meetings was within the period prescribed under the Companies act, 2013. The Board of Directors has passed a Circular Resolution on 19<sup>th</sup> August 2020.

The attendance of the Directors at these Meetings is as under:

Name	Board Meetings held during the year	Board Meetings attended during the year	Attendance at the last AGM held on 24/12/2020 (yes /No)
Mr. V.Parandhaman	4	4	Yes
Mr. D.Ravichandra Babu	4	4	Yes
Mr. K.Bhaskaran	4	4	Yes
Mr. R.Jayaprakash	4	4	Yes
Mrs. N.R.Alamelu	4	4	Yes

The Thirty fifth Annual General Meeting of the company was held on 24<sup>th</sup> December 2020.

**d) Code of Conduct**

- i. The Board will lay down a code of conduct for all Board members and senior management of the company. The code of conduct has been communicated to the Directors.
- ii. All Board members and senior management personnel shall affirm compliance with the code on an annual basis.

**Explanation:** For this purpose, the term “Senior Management” shall mean personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management one level below the executive directors, including all functional heads.

**III Committees of the Board**

**(a) AUDIT COMMITTEE**

- (i) Brief description of terms of reference.
- (ii) Composition & qualification, name of members and Chairman.
- (iii) Meetings and attendance during the year.

**(i) Brief description of terms of reference**

The terms of reference of the Audit Committee are as per Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013 and includes such other functions as may be assigned to it by the Board from time to time.

The Audit Committee reviews, acts and reports to the Board of Directors with respect to;

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
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 before submission to the board for approval, with particular reference to
  - i) 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.
  - ii) Changes, if any, in accounting policies and practices and reasons for the same.
  - iii) Major accounting entries involving estimates based on the exercise of judgment by management.
  - iv) Significant adjustments made in the financial statements arising out of audit findings.
  - v) Compliance with listing and other legal requirements relating to financial statements.
  - vi) Disclosure of any related party transactions.
  - vii) Review of draft Auditors Report, in particular qualifications / remarks / observations made by the Auditors on the financial statements.
  - viii) Management Discussion and Analysis of financial conditions and result of operations.
5. Review of Statement of significant related party transactions submitted by the management.
6. Review of management letters/letters of internal control weaknesses issued by the statutory auditors.
7. Review of internal audit reports relating to internal control weaknesses.
8. Review of appointment, removal and terms of remuneration of the Chief Internal Auditor.
9. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
10. Review of the financial statements of subsidiary Companies.
11. Review and monitor the auditor's independence and performance and effectiveness of audit process.

12. Approval or any subsequent modification of transactions of the company with related parties.
13. Scrutiny of inter-corporate loans and investments.
14. Valuation of undertakings or assets of the Company, wherever it is necessary.
15. Evaluation of internal financial controls and risk management systems.
16. To look into the reasons for substantial defaults in the payment to the shareholders (in case of non-payment of declared dividends) and creditors.
17. 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 utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter.
18. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
19. 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.
20. Discussion with internal auditors of any significant findings and follow up there on.
21. Reviewing the risk management policies, practices and 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.
22. 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.
23. To review the functioning of the Whistle Blower Mechanism.
24. Approval of appointment / reappointment / remuneration of CFO (or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background etc. of the candidate.
25. Carrying out any other function as may be mentioned in the terms of reference of the Audit Committee.
26. Quarterly statements of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
27. Annual statements of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7)..

The Audit Committee discharges its functions and obligations on regular basis and on the occurrence of the events.

Though the financial results are sent to the Audit Committee and the Board at the same time, the Audit Committee reviews the audited quarterly, half-yearly and yearly financial results with the management

before submitting them to the Board for its consideration and approval. The Chairman of the Audit Committee is present at the Annual General Meeting.

**Powers of the Audit Committee includes:**

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

(ii) Composition & Qualification

The Company has a qualified and independent Audit Committee comprising of Four directors as members of which Two-thirds of the members are independent directors. All members of audit committee are financially literate with the Chairman of the Committee having the experience in finance, accounting, having requisite professional certification in accounting, financial management experience.

None of the members receive, directly or indirectly, any consulting, advisory or compensator fees from the Company other than their remuneration as a Director.

Mr. R.Jayaprakash	Chairman
Mr. V. Parandhaman	Member
Mr. K.Bhaskaran	Member
Mr. D. Ravichandra Babu	Member

(iii) Meetings and Attendance for the year ended 2020-21

The audit committee met 4 times during the year ended 31<sup>st</sup> March, 2021. The Meetings held during the year were on 21<sup>st</sup> May 2020, 28<sup>th</sup> July 2020, 6<sup>th</sup> November 2020 and 18<sup>th</sup> January 2021.

Name of Director	No. of Meetings	Meetings attended
Mr. R.Jayaprakash	4	4
Mr. V. Parandhaman	4	4
Mr. K.Bhaskaran	4	4
Mr. D. Ravichandra Babu	4	4



**(b) SHAREHOLDERS / INVESTORS GRIEVANCES COMMITTEE**

The Stakeholders Relationship Committee has been formed in compliance of Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Section 178 of the Companies Act, 2013 comprising of Four directors including 3 Independent Non-Executive Directors. The status on complaints is reported to the Board of Directors as an agenda item.

The Committee specifically looks into redressing of shareholders' and investors' complaints such as:

- a. Redressal of grievances of shareholders, debenture holders and other security holders.
- b. Transfer and transmission of securities.
- c. Dealing with complaints related to transfer of shares, non-receipt of declared dividend, non-receipt of Balance Sheet etc.
- d. Issuance of duplicate shares certificates.
- e. Review of dematerialization of shares and related matters.
- f. Performing various functions relating to the interests of shareholders/investors of the Company as may be required under the provisions of the Companies Act, 2013, SEBI (LODR) Regulations, 2015 with the Stock Exchanges and regulations/guidelines issued by the SEBI or any other regulatory authority In order to expedite the process and for effective resolution of grievances/complaints, the Committee has delegated powers to the Registrar and Share Transfer Agents to redress all complaints/grievances/enquiries of the shareholders/investors. It redresses the grievances/ complaints of shareholders/investors under the supervision of Compliance Officer of the Company.

The Committee, along with the Registrars and Share Transfer Agents of the Company follows the policy of attending to the complaints, if any, within seven days from the date of its receipt.

**Composition of Shareholders / Investors Grievances Committee**

Members of the Committee are:

Mr. K Bhaskaran	Member, Non-Executive - Independent Director
Mr. R Jayaprakash	Member, Non-Executive - Independent Director
Mr. D Ravichandra Babu	Chairman, Non-Executive - Independent Director
Mr. V Parandhaman	Member, Executive -Director

The Shareholders / Investors Grievances Committee met 4 times during the year ended 31st March 2021. The Meetings held during the year were on 28<sup>th</sup> July 2020 and 18<sup>th</sup> January 2021.

Name of Director	No. of Meetings	Meetings attended
Mr. K. Bhaskaran	2	2
Mr. D Ravichandra Babu	2	2
Mr. V. Parandhaman	2	2
Mr. Jayaprakash	2	2
Mr. V Parandhaman	2	2

The committee oversees performance of the Registrar and Share transfer agents of the company and recommends measures for overall improvement in the quality of investor services.

**(c) NOMINATION AND REMUNERATION COMMITTEE:**

The Nomination and Remuneration Committee has been formed in compliance of Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Section 178 of the Companies Act, 2013 comprising of 3 Independent Non-Executive Directors.

**i Power's** remuneration policy is based on three principles: *pay for responsibility, pay for performance and potential* and *pay for growth*. The Company's remuneration committee is vested with all the necessary powers and authority to ensure appropriate disclosure on the remuneration of the Whole-Time Directors and to deal with all elements of remuneration package of all such Directors.

Details on composition of the Nomination and Remuneration Committee and the attendance by each Member of the Committee are as under:

Name of the Director	Category	No. of Meetings held during the Year	No. of meetings Attended
K Bhaskaran	<b>Chairman,</b> Non-Executive - Independent Director	2	2
R Jayaprakash	<b>Member,</b> Non-Executive - Independent Director	2	2
D Ravichandra Babu	<b>Member,</b> Non-Executive - Independent Director	2	2

### **Meetings of Nomination and Remuneration Committee:**

The committee met 2 times during the year ended 31<sup>st</sup> March, 2021. The Meetings held during the year were on 28<sup>th</sup> July 2020 and 18<sup>th</sup> January 2021.

The main object of this Committee is to identify persons who are qualified to become directors and who may be appointed in senior management of the Company, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance, recommend the remuneration package of both the Executive and the Non-Executive Directors on the Board and also the remuneration of Senior Management, one level below the Board. The Committee reviews the remuneration package payable to Executive Director(s) and recommends to the Board the same and acts in terms of reference of the Board from time to time.

### **Terms of reference:**

The terms of reference of the Nomination and Remuneration Committee are as under:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key Managerial Personnel and other employees.
2. Formulation of criteria for evaluation of Independent Directors and the Board.
3. Devising a policy on Board diversity.
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 their appointment and removal.
5. To recommend/review remuneration of Key Managerial Personnel based on their performance and defined assessment criteria.
6. To decide on the elements of remuneration package of all the Key Managerial Personnel i.e. salary, benefits, bonus, stock options, pensions etc.
7. Recommendation of fee / compensation if any, to be paid to Non-Executive Directors, including Independent Directors of the Board.
8. Payment / revision of remuneration payable to Managerial Personnel.
9. While approving the remuneration, the committee shall take into account financial position of the Company, trend in the industry, qualification, experience and past performance of the appointee.
10. The Committee shall be in a position to bring about objectivity in determining the remuneration package while striking the balance between the interest of the Company and shareholders.
11. Any other functions / powers / duties as may be entrusted by the Board from time to time.

The Company has adopted a policy relating to the remuneration for Directors, Key Managerial Personnel and other employees of the Company which is disclosed on the website of the Company [www.avantel.in](http://www.avantel.in).

The Company has paid only Sitting Fee during the Financial Year 2018-19

## **REMUNERATION OF DIRECTORS:**

### **All pecuniary relationship or transactions of the Non-Executive Directors:**

The Company has not entered into any pecuniary transactions with the Non-Executive Directors. During the year, the Company has paid sitting fee to the Non-Executive Directors.

### **Criteria of making payments to Non-Executive Directors:**

The Company has paid sitting fee to all the Directors. The details of which are detailed below:

<b>Name of the Director</b>	<b>Sitting Fee paid</b>
Mr. V.Parandhaman	Rs.8000/-
Mr. D.Ravichandra Babu	Rs.8000/-
Mr. K.Bhaskaran	Rs.8000/-
Mr. R.Jayaprakash	Rs.8000/-
Mrs. N.R.Alamelu	Rs.8000/-

### **(d) RISK MANAGEMENT COMMITTEE:**

The Company is not required to constitute Risk Management Committee pursuant to Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. However the Company has constituted the Risk Management Committee to mitigate the risk associated with the operation of the Company.

#### **Terms of reference**

The terms of reference of the Risk Management Committee include the following:

1. Framing, implementing, reviewing and monitoring the risk management plan for the Company;
2. Laying down risk assessment and minimization procedures and the procedures to inform Board of the same;
3. Oversight of the risk management policy/ enterprise risk management framework (identification, impact assessment, monitoring, mitigation & reporting);
4. Review key strategic risks at domestic/international, macro-economic & sectoral level (including market, competition, political & reputational issues);
5. Review significant operational risks; and
6. Performing such other activities as may be delegated by the Board of Director or specified/ provided under the Companies Act, 2013 or by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or statutorily prescribed under any other law or by any other regulatory authority.
7. Review of risks specifically associated with cyber security.

## Composition

Details on composition of the Risk Management Committee and the attendance by each Member of the Committee are as under:

Name of the Director	Category	No. of Meetings held during the Year	No. of meetings Attended
V Parandhaman	<b>Executive Director, Member</b>	<b>2</b>	<b>2</b>
K Bhaskaran	<b>Chairman, Non-Executive - Independent Director</b>	<b>2</b>	<b>2</b>
R Jayaprakash	<b>Member, Non-Executive - Independent Director</b>	<b>2</b>	<b>2</b>
D Ravichandra Babu	<b>Member, Non-Executive - Independent Director</b>	<b>2</b>	<b>2</b>

### Meetings of Risk Management Committee:

The committee met one time during the year ended 31<sup>st</sup> March, 2021. The Meetings held during the year were on 28<sup>th</sup> July, 2020 and 18<sup>th</sup> January 2021

### IV. CODE OF CONDUCT:

All the Directors and senior management confirmed the compliance of code of conduct. The Company has posted the Code of Conduct for Directors and Senior Management on the website [www.ipwrs.com](http://www.ipwrs.com)

### V. MEETING OF INDEPENDENT DIRECTORS

During the year under review, the Independent Directors met on 18<sup>th</sup> January 2021, inter alia, to discuss:

Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;

Evaluation of 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 timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

## **VI. FAMILIARIZATION PROGRAMME FOR BOARD MEMBERS:**

A formal familiarization programme was conducted about the amendments in the Companies Act, 2013, Rules prescribed thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other applicable laws of the Company.

It is the general practice of the Company to notify the changes in all the applicable laws from time to time in every Board Meeting conducted.

The details of such familiarization programs for Independent Directors are posted on the website of the Company [www.ipwrs.com](http://www.ipwrs.com)

## **VII. PERFORMANCE EVALUATION:**

Pursuant to the provisions of the Companies act, 2013 and Regulation 4(f) and Regulation 17 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees.

The evaluation process for measuring the performance of Executive/Non-Executive and Independent Directors is being conducted through a survey which contains a questionnaire capturing each Board and Committee Member's response to the survey which provides a comprehensive feedback to evaluate the effectiveness of the Board and its Committees as a whole and also their independent performance. The methodology adopted by each Director who responded to the survey has graded their peers against each survey item from 1 to 5 with 1 marking the lower efficiency and 5 the highest efficiency which revealed more realistic data on measuring the effectiveness of the Board dynamics, flow of information, decision making of Directors and performance of Board and Committee as a whole.

The Independent Directors evaluation is being done by the entire Board with main focus on their adherence to the Corporate Governance practices and their efficiency in monitoring the same. They are also being evaluated on various parameters viz., their performance by way of active participation , in Board and Committee meetings, discussing and contributing to strategic planning, fulfillment of Independence criteria as specified under SEBI (LODR) Regulations, 2015 as amended and their independence from the Management etc., ensuring non participation of Independent Director being evaluated.

The performance of the Chairman of the Company was reviewed by the Independent Directors who ensured during their review, that the Chairman conducted the Board proceedings in an unbiased manner without any conflict with his personal interest at any point of time. It was further ascertained by the Independent Directors that the Chairman allowed the Board Members to raise any concerns on any business of the Board during their Meetings and addressed them in the best interest of the Company.

As per the SEBI Circular SEBI/HO/CFD/CMD/CIR/P/2018 /79 dated 10th May 2018, the followings details are being provided on Board evaluation

Observations of board evaluation carried out for the year.

There were no observations arising out of board evaluation during the year as the evaluation indicates that the Board has functioned effectively within its powers as enumerated under The Companies Act, 2013 and in consonance with the Articles of Association of the Company.

Previous year's observations and action taken.

There were no observations during the previous year warranting any action

Proposed actions based on current year observations.

As there were no observations, the action to be taken does not arise.

#### **IV SUBSIDIARY COMPANIES**

The Company does not have any Subsidiary Companies.

The Managing Director and the Chief Financial Officer have certified to the Board in accordance with Regulation 33(2) (a) of SEBI Listing Regulations pertaining to CEO/CFO certification for the Financial Year ended 31st March, 2020.

#### **V DISCLOSURES**

##### **(A) Basis of related party transactions**

Disclosure on materially significant related party transactions i.e. transactions of the company of material nature with its promoters, the directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the company at large.

There are no materially significant related party transactions made by the company with its Promoters, Directors or Management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large.

##### **(B) Disclosure of Accounting Treatment in Preparation of its Financial Statements.**

The Company has followed the guidelines of Accounting Standards laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements.

##### **(C) Board Disclosures – Risk management**

Your Company has a well-defined risk management framework in place. The risk management framework adopted by the Company is discussed in detail in the Management Discussion and Analysis chapter of this Annual Report. Your Company has established procedure to periodically place before the Board the risk

assessment and minimization procedures being followed by the Company and steps taken by it to mitigate these risks.

**(D) Proceeds from public issues, rights issues, preferential issues etc.**

During the financial year ended 31.03.2021 the Company has not raised any funds through Public issue, rights issues and preferential issues.

**(E) Remuneration of Directors**

The Company has not paid any Remuneration to Whole-time Directors/Managing Director.

**(F) Management**

As part of the directors' report or as an addition thereto, a Management Discussion and Analysis report annexed as part of the Annual Report to the shareholders.

**(G) Disclosure regarding appointment or re-appointment of Directors**

According to the Articles of Association of i Power's, not less than 2/3<sup>rd</sup> of the total number of Directors of the Company shall be person whose period of office is liable to determination by retirement of Directors by rotation. All the Directors are eligible and are offering themselves for re-election as and when required.

**(H) Disclosures regarding stock exchange compliance**

The Company has complied with all requirements of the Listing Agreements entered into with the Stock Exchanges as well as the regulations and guidelines of SEBI. Consequently there were no structures or penalties imposed by either SEBI or the stock exchanges or any statutory authority for non compliance of any matter related to the capital markets during the last three years. The Company has complied with the mandatory requirements of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015

2. No personnel have been denied access to the Audit committee.

(J ) The Whistle Blower (Vigil) mechanism provides a channel to the employees to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of Conduct or policy and also provides for adequate safeguards against victimization of employees by giving them direct access to the Chairman of the Audit Committee in exceptional cases. No person has been denied access to the Chairman of the Audit Committee.

The Policy covers malpractices and events which have taken place / suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of Company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the Company is affected and formally reported by whistle blowers concerning its employees. The Whistle Blower Policy of the Company is also posted on the website of the Company .



(K) The Company has complied with the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has complied with the Discretionary Requirements as specified by Regulation 27(1) of SEBI Listing Regulations which are as under:

\* Reporting of the Internal Auditor: The internal auditor of the company reports directly to the audit committee.

(L). There are no Shares lying in Demat Suspense Account.

## **VI MEANS OF COMMUNICATION**

The main channels of communication to the shareholders is through the annual report which includes inter alia, the Directors' report, the report on Corporate Governance and the quarterly, half-yearly and annual financial results advertisements.

The quarterly, half-yearly and annual financial results advertisements, official press releases and presentation to analysts are regularly displayed on the company's website [www.ipwrs.com](http://www.ipwrs.com).

**Newspapers** wherein results normally published

The financial results are published in the following newspapers

Business Standard  
Makkal Kural

This information is also submitted to the Stock Exchanges in accordance with the Listing Agreement and displayed at BSE Website.

## **VII GENERAL SHAREHOLDER INFORMATION**

### **2. Registrar and Transfer Agents**

During the year our share transfer and all other investor related matters are attended to and processed by the Company's Registrar and Transfer Agents-

#### **M/s Cameo Corporate Services Limited**

'Subramanian Buildings' No.1 Club House Road, Chennai – 600 002.

Tel No. +91 44 2846 0390 (6 lines)

Fax No. +91 44 2846 0129

Grams: CAMEO E-mail: [cameo@cameoindia.com](mailto:cameo@cameoindia.com)

## 2. General Body Meetings

Details of last three annual general meetings are given below.

Financial Year ended	Date	Time	Venue
31.03.2018	07.09.2018	2.30 pm	Registered Office: New No.17, Old No.7/4, Vaigai Street, Besant Nagar, Chennai
31.03.2019	14.08.2019	2.30 PM	Registered Office: New No.17, Old No.7/4, Vaigai Street, Besant Nagar, Chennai
31.03.2020	24.12.2020	2.30 PM	video conferencing (“VC”) / other audio visual means (“OAVM”) at the Registered Office as Venue.

**Postal Ballot:** As the requirement did not arise, the company has not made use of postal ballot.

**Extra-Ordinary General Meeting:** There was no Extra-Ordinary General Meeting of the Company held during the year 2020-21.

**Special Resolutions:** No special resolutions were passed at the Annual General Meeting held for the financial year 2017-18 on 7<sup>th</sup> September 2018:

Following special resolutions were passed at the Annual General Meeting held for the financial year 2018-19 on 14<sup>th</sup> August, 2019:

- i. Appointment of Mr. V Parandhaman as the Managing Director of the Company
- ii. Appointment of Mr. D Ravichandra Babu (DIN: 00016326) as an Independent Director of the Company for a second term of five consecutive years, in terms of Section 149 of the Companies Act, 2013:
- iii. Appointment of Mr. K Bhaskaran (DIN: 01952820) as an Independent Director of the Company for a second term of five consecutive years, in terms of Section 149 of the Companies Act, 2013.
- iv. Appointment of Mr. Jayaprakash (DIN: 02138581) as an Independent Director of the Company for a second term of five consecutive years, in terms of Section 149 of the Companies Act, 2013:

Following special resolutions were passed at the Annual General Meeting held for the financial year 2019-20 on 24<sup>th</sup> December 2020:

Appointment of Mrs. Namagiripettai Ramachandran Alamelu (DIN: 02138648) as an Independent Director of the Company for a second term of five consecutive years, in terms of Section 149 of the Companies Act, 2013:

### 3. Annual General Meeting

Date	Thursday, 16 <sup>th</sup> September 2021
Time	2.30 PM
Venue	Through Video Conference / Other Audio Visual Means

### 4. Financial Year: 1st April 2020 - 31st March 2021

Financial calendar: Adoption of the Quarterly Results for the quarter ending (Approximately)

Financial reporting for Quarter ending 30.06.2021	Before 15th September 2021
Financial reporting for Quarter ending 30.09.2021	before 15th November 2021
Financial reporting for Quarter ending 31.12.2021	before 15th February 2022
Financial reporting for Quarter ending 31.03.2022	before 31st May 2022

### 5. Book closure: 10<sup>th</sup> September 2021 to 16<sup>th</sup> September 2021 (Both days inclusive)

### 6. Listing on Stock Exchanges: BSE Limited

The Annual Listing fees for the year 2021-22 has been paid to the Stock Exchange.

### 7. Stock Code: BSE Limited- 512405

### 8. Demat International Security Identification Number (ISIN) in NSDL and CDSL for equity shares - INE468F01010

The shares of the Company are under compulsory demat trading. The Company has made necessary arrangements with NSDL and CDSL for demat facility. As on 31st March, 2021, 99.78 % of the Company's Shares are dematerialized.

### 9. Address for correspondence:

i Power Solutions India Limited  
New No.17, Old No.7/4,  
Vaigai Street, Chennai-600 020.

### 10. Share Transfer System

The Company's share are traded in the Stock Exchanges compulsorily in demat mode. Shares in physical mode which are lodged for transfer at either with the Company or with the Share Transfer agent are

processed and share certificates are returned within the time prescribed by the authorities. A summary of transfer/ transmission etc. of the company so approved by the Chairman/ Company Secretary is placed at every board meeting.

The Company obtains from a Company Secretary in practice; Half-yearly certificate of compliance with the share transfer formalities as required under Clause 47(c) of the Listing Agreement with Stock Exchanges and files a copy of the certificate with the BSE.

## MARKET PRICE DATA

High, low during each month and trading volumes of the Company's Equity Shares during the last financial year 2020-21 at The BSE Limited (BSE) areas under:

Month	BSE		
	High	Low	Traded Quantity
April,2020	3.95	3.88	-
May, 2020	3.95	3.88	100
June, 2020	3.95	3.95	785
July, 2020	4.02	3.88	6411
August,2020	4.02	3.94	10078
September, 2020	3.89	3.82	4247
October, 2020	3.75	3.75	268
November,2020	3.89	3.68	20400
December,2020	3.75	3.54	16566
January, 2021	3.81	3.57	2850
February, 2021	3.81	3.81	3703
March, 2021	3.81	3.71	540

The securities of the Company are not suspended from trading during the financial year ended March 31, 2021.

**DISTRIBUTION OF SHAREHOLDING:**

Share Holding		Share Holders		Share Holdings	
Rs.	Rs.	Numbers	% of Total	Shares	% of Total
10	- 5000	1141	75.07	2147000	4.83
5001	- 10000	177	11.64	1565770	3.52
10001	- 20000	89	5.85	1362970	3.06
20001	- 30000	47	3.09	1175740	2.64
30001	- 40000	15	0.99	559360	1.26
40001	- 50000	15	0.99	713570	1.60
50001	- 100000	20	1.32	1428660	3.21
100001	& Above	16	1.05	35536930	79.88
Total		1520	100.00	44,49,000	100.00

**CATEGORIES OF SHAREHOLDERS AS ON 31ST MARCH, 2021:**

Sl. No.	Category of Shareholders	No. of Shares	Percentage%
1.	<b>Promoter &amp; Promoter Group including Directors/relatives of directors</b>	31,23,181	70.20
2	<b>Body Corporate</b>	42,227	0.95
3	<b>Individuals</b>	12,13,358	27.27
4	<b>Resident - HUF</b>	66710	1.50
5	<b>Non-Resident Indian</b>	3524	0.080
	<b>Total</b>	<b>4449000</b>	<b>100.00</b>

## **11. Share Reconciliation Audit**

As stipulated by SEBI, a Practicing Company secretary carries out the share reconciliation audit to reconcile the total admitted Capital with NSDL and CDSL and the total issued and listed Capital. this audit is carried out every quarter and the report thereon is submitted to stock exchanges and is also placed before the board of Directors.

## **12. Declaration on Code of Conduct**

This is to confirm that the board of Directors of the Company has laid down a Code of Conduct for its members and senior management personnel of the Company. It is further confirmed that all the Directors and senior management personnel of the Company has affirmed compliance with the Code of Conduct of the Company for the financial year ended 31st march, 2021 as envisaged in Clause 49 of the listing agreement with the stock exchanges.

Place: Chennai  
Date: 06/08/2021

For and on behalf of the board  
**Sd./-**  
V.Parandhaman  
Chairman & Managing Director  
DIN: 00323551

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

To

The Members,  
I POWER SOLUTIONS INDIA LIMITED,  
New No.17, Old No.7/4, Vaigai Street  
BESANT NAGAR, CHENNAI 600 020.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s I POWER SOLUTIONS INDIA LIMITED having CIN L72200TN2001PLC047456 and having registered office at NEW NO.17, OLD NO.7/4, VAIGAI STREET BESANT NAGAR CHENNAI- 600090 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with regulation 34(3) read with Schedule V Para-C sub clause 10(i) of the Securities Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors identification number (Din) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the board of the Company as stated below for the financial Year ending on 31st march, 2021 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities And Exchange Board Of India, Ministry Of Corporate Affairs, or any such other Statutory Authority.

Sl No	Name of Director	Din	Date of appointment in Company
1	DAMODARAN RAVICHANDRA BABU	00016326	15/11/2001
2	VENUGOPALAN PARANDHAMAN	00323551	29/06/2000
3	KRISHNAMURTHI BHASKARAN	01952820	19/10/2002
4	JAYAPRAKASH	02138581	30/07/2010
5	NAMAGIRIPETTAI RAMACHANDRAN ALAMELU	02138648	31/03/2015

Ensuring the eligibility for the appointment/ continuity of every director on the board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This is neither an assurance as to the future viability of the Company nor the effectiveness with which the management has conducted the affairs of the Company.

SD/-  
SAIMATHY  
PRACTICING COMPANY SECRETARY  
ACS No 20466  
C P No: 16417

Place: CHENNAI  
Date: 06.08.2021  
UDIN: A020466C000749645



CERTIFICATION OF CODE OF CONDUCT

The Members,  
I POWER SOLUTIONS INDIA LIMITED,  
New No.17, Old No.7/4, Vaigai Street  
BESANT NAGAR, CHENNAI 600 020.

This is to confirm that the Board of Directors of the Company has laid down a Code of Conduct for its members and senior management personnel of the Company. It is further confirmed that all the Directors and senior management personnel of the Company has affirmed compliance with the Code of Conduct of the Company for the financial Year ended 31st March 2021 as envisaged under Schedule V of regulation 34(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

For and on behalf of the board

**Sd./-**

V.Parandhaman

Chairman & Managing Director

DIN: 00323551

Place: Chennai  
Date: 06.08.2021

## STATUTORY COMPLIANCE CERTIFICATE

The Members,  
I POWER SOLUTIONS INDIA LIMITED,  
New No.17, Old No.7/4, Vaigai Street  
BESANT NAGAR, CHENNAI 600 020.

Pursuant to part B of schedule II of regulation 17(8) of SEBI (listing obligations & Disclosure requirements) Regulations, 2015, this is to certify that:

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

i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

ii) 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 year which are fraudulent, illegal or violation of the Company's code of conduct.

c) we accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit Committee, deficiencies in the design or operation of such internal controls if any, of which, we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d) they have indicated to the auditors and the audit Committee

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

ii) significant change in accounting policies during the year and that the same have been disclosed in the notes to the financial statements,

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

For and on behalf of the board

**Sd./-**

V.Parandhaman  
DIN: 00323551  
Chairman & Managing Director

**Sd./-**

Raghukumar Kalyanakrishnan Perambur  
PAN: AAFPR4454E  
Company Secretary

**Sd./-**

Ramasubramaniam Gurusamy  
PAN: ASEPR4100J  
Chief Financial officer.

Place: Chennai

Date: 06.08.2021

**CA. MACHARLA ROSAIAH  
MACHARLA & ASSOCIATES**

Chartered Accountants

New No. 648, Old No. 641, Venus Complex, Poonamallee High Road, Aminjikarai, Chennai - 600 029

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

**To the Members of iPower Solutions India Ltd**

We have examined the compliance of conditions of Corporate Governance by iPower Solutions India Limited, for the year ended 31st March 2021, as stipulated in Schedule V(D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to me, and based on the representations made by the Directors and the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Schedule V(D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, of the above-mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India we have to state that no investor grievances were pending for a period of one month against the Company as per the records maintained by the Shareholders/Investor's Grievance committee.

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

Sd./-

**For MACHARLA & ASSOCIATES**

Chartered Accountants

FRN: 013818S

**(MACHARLA ROSAIAH)**

Proprietor

Membership No. :223435

Place: Chennai

Date: 30/06/2021

UDIN: 21223435AAAAKK5246

## **INDEPENDENT AUDITOR'S REPORT**

To the Members of **I POWER SOLUTIONS INDIA LIMITED**

### **Report on the Standalone Financial Statements**

#### **Opinion**

We have audited the accompanying standalone financial statements of **I POWER SOLUTIONS INDIA LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of the 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 financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

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

#### **Emphasis of Matter**

As more fully described in Note 1.2 to the financial statements & the Significant Accounting Policies to the financial statements, the company has taken over the assets and liabilities of Vanavil technology Private limited by amalgamation and the scheme of amalgamation was approved by the High court order dated 21st day of September, 2001. The Capital work in progress of the Portal assessed at Rs.4.40 crore. Certain WIP of small projects from Vanavil was taken over to the tune of Rs.0.13 crore and relevant expenditure from the date of amalgamation to till date were added to this social net working platform. The company has incurred 2.48 crores towards Capital Work in progress of this portal. Once the portal is completed in all aspects, it will be capitalized in the books of accounts of the company. The company is not contemplating of any transfer to other company.

Our opinion is not modified in respect of this matter.

### **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 including Annexures to Board's Report, Business Responsibility Report, Corporate Governance Report, and Shareholder Information, but does not include the financial statements and our auditor's report thereon.

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

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

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the 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 Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

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

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

### **Auditor's Responsibility**

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

they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

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

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

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.

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

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
  - e) On the basis of the written representations received from the directors of the Company as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

UDIN: **21223435AAAAKI7378**

Sd/-

**For MACHARLA & ASSOCIATES**

Chartered Accountants

FRN: 013818S

**(MACHARLA ROSAIAH)**

Partner

M.No.223435

Place: Chennai

Date: 30.06.2021



## **ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT**

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements section of our report to the Members of **I POWER SOLUTIONS INDIA LIMITED** of even date)

### **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”)**

We have audited the internal financial controls over financial reporting of **I POWER SOLUTIONS INDIA LIMITED** (“the Company”) as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected

depend on the auditor's 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.

### **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.

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

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also,

Projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 Institute of Chartered Accountants of India.

UDIN: 21223435AAAAKI7378

Sd/-

**For MACHARLA & ASSOCIATES**

Chartered Accountants

FRN: 013818S

**(MACHARLA ROSAIAH)**

Partner

M.No.223435

Place: Chennai

Date: 30.06.2021

## **ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of I POWER SOLUTIONS INDIA LIMITED of even date)**

i. In respect of the Company's fixed assets:

(a) The Company maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the standalone financial statements, the lease agreements are in the name of the Company.

ii. The Company is in the business of providing software & allied services and does not have any physical inventories. Accordingly, reporting under clause 3 (ii) of the Order is not applicable to the Company.

iii. According to the information and explanations given to us, the Company has not granted any unsecured loans to the bodies corporate, covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2021 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.

vii. According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Value Added Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, Goods and Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.

viii. The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.

ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.

x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

xi. In our opinion and according to the information and explanations given to us, the Company has not paid any managerial remuneration during the year. Hence, reporting under the provisions of section 197 read with Schedule V to the Act shall not arise.

xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors, except those provided in the Note No 6.1 of the Notes to accounts forming part of the Financial statements.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

UDIN: **21223435AAAAKI7378**

**Sd/-**

**For MACHARLA & ASSOCIATES**

Chartered Accountants

FRN: 013818S

**(MACHARLA ROSAIAH)**

Partner

M.No.223435

Place: Chennai

Date: 30.06.2021

**M/S. IPOWER SOLUTIONS INDIA LIMITED**  
**CIN: L72200TN2001PLC047456**  
**NEW NO.17, OLD NO.7/4, VAIGAI STREET, BESANT NAGAR**  
**CHENNAI, TAMILNADU - 600090**

BALANCE SHEET AS AT 31st MARCH, 2021

Sl.No.	PARTICULARS	Note No.	Amount in	
			As at March 31,	
			2021	2020
<b>I</b>	<b>ASSETS:</b>			
	<b>Non-current assets</b>	<b>1</b>		
	Property, Plant and Equipments	1.1	911,738	1,047,729
	Capital work-in-progress	1.2	70,379,303	70,379,303
	Investment properties		-	-
	Goodwill		-	-
	<b>Other intangible Assets</b>			
	Investment accounted for using equity method		-	-
	<b>Financial Assets</b>	<b>2</b>		
	i) Investments		-	-
	ii) Loans	2.1	40,100	94,372
	iii) Other financial assets		-	-
	Deffered tax assets (Net)		-	-
	Other Non-current assets		-	-
	<b>TOTAL NON-CURRENT ASSETS (I)</b>		<b>71,331,141</b>	<b>71,521,404</b>
	<b>CURRENT ASSETS</b>	<b>3</b>		
	Inventories			
	<b>Financial Assets</b>			
	i) Investments			
	ii) Trade Receivables	3.1	399,709	19,045
	iii) Cash And cash equivalents	3.2	166,043	142,928
	iv) Bank balance other than (iii)		-	-
	v) Loans		-	-
	vi) Other financial assets		-	-
	Other current assets	3.3	180,632	110,954
	Assets classified as held for sale		-	-
	<b>TOTAL CURRENT ASSETS (II)</b>		<b>746,384</b>	<b>272,927</b>
	<b>TOTAL ASSETS (I+II)</b>		<b>72,077,525</b>	<b>71,794,331</b>
<b>II</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Equity</b>	<b>4</b>		
	Equity Share Capital	4.1	44,490,000	44,490,000
	<b>Other equity</b>	<b>5</b>		
	Equity components of compound financial investments			
	Reserves and surplus	5.1	309,397	223,549
	Other reserves			
	<b>Equity attributable to owners</b>		<b>44,799,397</b>	<b>44,713,549</b>
	Non controlling interest		-	-
	<b>Total Equity</b>		<b>44,799,397</b>	<b>44,713,549</b>
<b>2</b>	<b>LIABILITIES</b>			
<b>3</b>	<b>Non- current liabilities</b>	<b>6</b>		
	<b>Financial liabilities</b>			
	(i) Borrowings	6.1	27,119,494	26,964,618
	(ii) Other financial liabilities		-	-
	Provision for income tax		28,753	-
	Deffered tax liabilities (Net)	6.2	59,431	63,444
	Other Non current liabilities		-	-
	<b>TOTAL NON CURRENT LIABILITIES</b>		<b>27,207,678</b>	<b>27,028,062</b>
<b>4</b>	<b>Current Liabilities</b>	<b>7</b>		
	<b>Financial liabilities</b>			
	(i) Borrowings		-	-
	(ii) Trade payables		-	-
	(a) Other financial liabilities		-	-
	Income tax liabilities			9,720
	Other current liabilities	7.1	70,450	43,000
	<b>TOTAL NON CURRENT LIABILITIES</b>		<b>70,450</b>	<b>52,720</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>72,077,525</b>	<b>71,794,331</b>
	<b>Significant accounting policies Notes on Financial Statements</b>	<b>11</b>		

As per our Report attached

**For MACHARLA AND ASSOCIATES**  
Chartered Accountants.  
Firm Regn No.0138185

**For iPower Solutions India Limited**

Sd/-  
**(MACHARLA ROSAIAH)**  
Partner  
Membership No.223435

Sd/-  
**(P.K.RAGHU KUMAR)**  
COMPANY SECRETARY  
Membership No.A4769

Sd/-  
**(G.RAMASUBRAMANIAM)**  
CFO

Sd/-  
**(V.PARANDHAMAN)**  
DIRECTOR  
DIN: 00323551

Sd/-  
**(D.RAVICHANDRA BABU)**  
DIRECTOR  
DIN: 00016326

Place : Chennai  
Date: 30/06/2021

**M/S. IPOWER SOLUTIONS INDIA LIMITED**  
**CIN: L72200TN2001PLC047456**  
**NEW NO.17, OLD NO.7/4, VAIGAI STREET, BESANT NAGAR**  
**CHENNAI, TAMILNADU - 600090**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st March, 2021**

Sl.No	PARTICULARS	Note No.	Amount in	
			As at March 31,	
			2021	2020
	<b>Continuing operations</b>	<b>8</b>		
<b>I</b>	Revenue from operations	8.1	2,080,004	2,099,022
<b>II</b>	Other Income	8.2	80	-
<b>III</b>	<b>Total Revenue (I + II)</b>		<b>2,080,084</b>	<b>2,099,022</b>
	<b>IV Expenses</b>	<b>9</b>		
	Cost of Material Consumed and Operating Cost		-	-
	Purchase of Stock in trade		-	-
	Changes in inventories of finished goods, work in progress and Stock-in- trade		-	-
	Employee benefits expense	9.1	733,516	580,078
	Finance Costs		-	-
	Depreciation and amortization expense	9.2	135,992	159,658
	Other expense	9.3	1,099,988	1,339,743
	<b>Total Expense</b>		<b>1,969,496</b>	<b>2,079,479</b>
<b>V</b>	Profit before exceptional and extraordinary items and tax (III-IV)		<b>110,588</b>	<b>19,543</b>
<b>VI</b>	Exceptional Items		-	-
<b>VII.</b>	Profit before extraordinary items and tax (V-VI)		<b>110,588</b>	<b>19,543</b>
<b>VIII</b>	Extraordinary items		-	-
<b>IX</b>	Profit before tax (VII-VIII)		<b>110,588</b>	<b>19,543</b>
<b>X Tax expense:</b>				
	(1) Current tax		28,753	9,720
	(2) Deferred tax		(4,013)	(4,635)
			24,740	5,085
<b>XI</b>	Profit/(Loss) for the period from continuing operations (IX - X)		<b>85,848</b>	<b>14,458</b>
<b>XII</b>	Profit/(Loss) for the period from discontinuing operations		-	-
<b>XIII</b>	Tax expense of discontinuing operations		-	-
<b>XIV</b>	Profit/(Loss) from discontinuing operations (after tax) (XII-XIII)		-	-
<b>XV</b>	Profit/(Loss) for the period (XI + XIV)		<b>85,848</b>	<b>14,458</b>
<b>XVI Earnings per equity share:</b>		10		
	(1) Basic	10.1	<b>0.019</b>	0.003
	(2) Diluted	10.1	<b>0.019</b>	0.003
	<b>Significant accounting policies Notes on Financial Statements</b>	<b>11</b>		

As per our Report attached

For MACHARLA AND ASSOCIATES  
Chartered Accountants.  
Firm Regn No.0138185

For iPower Solutions India Limited

Sd/-  
(MACHARLA ROSAIAH)  
Partner  
Membership No.223435

Sd/-  
(P.K.RAGHU KUMAR)  
COMPANY SECRETARY  
Membership No.A4769

Sd/-  
(G.RAMASUBRAMANIAM)  
CFO

Sd/-  
(V.PARANDHAMAN)  
DIRECTOR  
DIN: 00323551

Sd/-  
(D.RAVICHANDRA BABU)  
DIRECTOR  
DIN: 00016326

Place : Chennai  
Date: 30/06/2021



**M/S. iPOWER SOLUTIONS INDIA LIMITED**  
**CIN: L72200TN2001PLC047456**  
**NEW NO.17, OLD NO.7/4, VAIGAI STREET, BESANT NAGAR**  
**CHENNAI, TAMILNADU - 600090**

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2021**

PARTICULARS		Amount in Rs	
		As at March 31,	
		2021	2020
<b>NOTE-1 NON-CURRENT ASSETS:</b>			
<b>NOTE-1.2 CAPITAL WORK-IN-PROGRESS:-</b>			
<b>1.2</b>	<b>CAPITAL WORK-IN-PROGRESS</b>		
	WEB PORTAL, RESERCH AND DEVELOPMENT	70,379,303	70,379,303
		<b>70,379,303</b>	<b>70,379,303</b>
<b>NOTE-2. FINANCIAL ASSETS:-</b>			
<b>2.1</b>	<b>LOANS</b>		
	LOANS AND ADVANCE	40,100	94,372
		<b>40,100</b>	<b>94,372</b>
<b>NOTE-3 CURRENT ASSETS:</b>			
<b>3.1</b>	<b>TRADE RECEIVABLES</b>		
	TRADE RECEIVABLES ( UNSECURED, CONSIDER GOOD) - O/S FOR NOT MORE THAN 6 MONTHS	399,709	19,045
		<b>399,709</b>	<b>19,045</b>
<b>3.2</b>	<b>CASH AND CASH EQUIVELANT:</b>		
	CASH IN HAND	13,578	8,695
	CASH AT BANK	152,465	134,233
		<b>166,043</b>	<b>142,928</b>
<b>3.3</b>	<b>OTHER CURRENT ASSETS</b>		
	ITC OF GST PAID	175,732	106,054
	MISC	4,900	4,900
		<b>180,632</b>	<b>110,954</b>

As per our Report attached

**For MACHARLA AND ASSOCIATES**

Chartered Accountants.

Firm Regn No.0138185

For iPower Solutions India Limited

Sd/-  
**(MACHARLA ROSAIAH)**  
 Partner  
 Membership No.223435

Sd/-  
**(P.K.RAGHU KUMAR)**  
 COMPANY SECRETARY  
 Membership No.A4769

Sd/-  
**(G.RAMASUBRAMANIAM)**  
 CFO

Sd/-  
**(V.PARANDHAMAN)**  
 DIRECTOR  
 DIN: 00323551

Sd/-  
**(K.RAVICHANDRA BABU)**  
 DIRECTOR  
 DIN: 00016326

Place : Chennai  
 Date: 30/06/2021

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2021**

PARTICULARS		Amount in Rs	
		As at March 31,	
		2021	2020
<b>NOTE-5 OTHER EQUITY</b>			
<b>5.1 RESERVES AND SURPLUS:</b>		-	-
	<b>TOTAL (A)</b>	-	-
	<b>SURPLUS FROM THE STATEMENT OF PROFIT AND LOSS</b>		
	OPENING BALANCE	223,549	361,380
	LESS: INCOME TAX PAID FOR THE AY: 19-20 ADJUSTED		(84,210)
	LESS: DEFERRED TAX LIABILITY ADJUSTED		(68,079)
	ADD: AMOUNT TRANSFERRED FROM STATEMENT OF P& L A/C	85,848	14,458
	<b>TOTAL (B)</b>	<b>309,397</b>	<b>223,549</b>
	<b>GRAND TOTAL(A+B)</b>	<b>309,397</b>	<b>223,549</b>
<b>NOTE-6 FINANCIAL LIABILITIES</b>			
<b>6.1 BORROWINGS</b>			
	LOAN FROM DIRECTOR / CURRENT ACCOUNT	27,119,494	26,964,618
	<b>TOTAL</b>	<b>27,119,494</b>	<b>26,964,618</b>
<b>6.2 DEFERRED TAX LIABILITIES (NET)</b>			
	OPG BALANCE	<b>63,444</b>	<b>68,079</b>
	LIABILITY CREATED AS AN ADJUSTMENT TO THE RESERVES (SUB SCH-1)	<b>(4,013)</b>	<b>(4,635)</b>
	DEFERRED TAX REVERSALS DURING THE YEAR (SUB SCH-1)	<b>59,431</b>	<b>63,444</b>
<b>NOTE-7 CURRENT LIABILITIES</b>			
<b>7.1 OTHER CURRENT LIABILITIES</b>			
	AUDIT FEES PAYABLE		-
	DIRECTOR SITTING FEES PAYABLE	24,000	24,000
	TDS PAYABLE	3,188	1,500
	PROFESSIONAL & CONSULTANCY CHARGES PAYABLE	35,462	17,500
	OTHER SUNDRY LIABILITIES	7,800	-
		<b>70,450</b>	<b>43,000</b>

As per our Report attached

**For MACHARLA AND ASSOCIATES**

For iPower Solutions India Limited

Chartered Accountants.

Firm Regn No.0138185

Sd/-  
**(MACHARLA ROSAIAH)**  
Partner  
Membership No.223435

Sd/-  
**(P.K.RAGHU KUMAR)**  
COMPANY SECRETARY  
Membership No.A4769

Sd/-  
**(G.RAMASUBRAMANIAM)**  
CFO

Sd/-  
**(V.PARANDHAMAN)**  
DIRECTOR  
DIN: 00323551

Sd/-  
**(K.RAVICHANDRA BABU)**  
DIRECTOR  
DIN: 00016326

Place : Chennai

Date: 30/06/2021

**M/S. iPOWER SOLUTIONS INDIA LIMITED**

**CIN: L72200TN2001PLC047456**

**NEW NO.17, OLD NO.7/4, VAIGAI STREET, BESANT NAGAR**

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2021**

PARTICULARS		Amount in	
		As at March 31,	
		2021	2020
<b>NOTE-8 CONTINUING OPERATIONS:-</b>			
<b>8.1</b>	<b>SALE OF PRODUCTS &amp; SERVICES</b>		
	SALE OF SERVICES	2,080,004	2,099,022
		<b>2,080,004</b>	<b>2,099,022</b>
<b>NOTE-9 EXPENSES:</b>			
<b>9.1</b>	<b>EMPLOYEES BENEFIT EXPENSES</b>		
	STAFF SALARIES, STAFF WELFARE AND OTHERS	733,516	580,078
		<b>733,516</b>	<b>580,078</b>
<b>9.2</b>	<b>DEPRECIATION AND AMORTIZATION EXPENSES</b>		
	DEPRECIATION ON FIXED ASSETS	135,992	159,658
		<b>135,992</b>	<b>159,658</b>

As per our Report attached

**For MACHARLA AND ASSOCIATES**

Chartered Accountants.

Firm Regn No.0138185

For iPower Solutions India Limited

Sd/-  
**(MACHARLA ROSAIAH)**  
Partner  
Membership No.223435

Sd/-  
**(P.K.RAGHU KUMAR)**  
COMPANY SECRETARY  
Membership No.A4769

Sd/-  
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CFO

Sd/-  
**(V.PARANDHAMAN)**  
DIRECTOR  
DIN: 00323551

Sd/-  
**(K.RAVICHANDRA BABU)**  
DIRECTOR  
DIN: 00016326

Place : Chennai

Date: 30/06/2021

## M/S. iPOWER SOLUTIONS INDIA LIMITED

CIN: L72200TN2001PLC047456

NEW NO.17, OLD NO.7/4, VAIGAI STREET, BESANT NAGAR

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2021

PARTICULARS	Amount in	
	As at March 31,	
	2021	2020
<b>NOTE - 9.3 OTHER EXPENSES:-</b>		
<b>9.3 OTHER EXPENSES:</b>		
ADVERTISEMENT & BUSINESS PROMOTION	91,472	32,000
AGM EXPENSES		20,650
OFFICE MAINTENANCE	5,368	46,812
PAYMENT TO AUDITOR:-		
a) Statutory Audit fee	85,700	61,442
b) Internal Audit fees	10,000	10,000
STATUTORY AND SHARE TRANSFER EXPENSES		84,080
PROFESSIONAL CHARGES	262,650	300,500
CONSULTANCY CHARGES	13,500	31,212
POWER AND ELECTRICITY	5,336	23,078
PRINTING AND STATIONERY	41,580	24,982
POSTAGE AND COURIER	3,019	8,959
LICENCE FEE AND TAXES	-	-
DIRECTOR SITTING FEE	55,000	24,000
FEES PAID TO STPI	8,000	88,160
SHARE TRANSFER/MAINTAINANCE EXPENSES	408,148	471,240
TRAVELING AND CONVEYANCE	16,655	24,181
TELEPHONE, DOMAIN AND INTERNET EXPENSES	71,159	58,221
MCA & IEC FILING FEES	11,445	13,599
REPAIRS AND MAINTANANCE CHARGES	2,500	5,750
SUNDRY DEBTORS WRITTEN OFF	1,180	
BANK CHARGES AND EXCHAGE FLUCTION LOSS	7,276	10,877
	<b>1,099,988</b>	<b>1,339,743</b>
<b>NOTE - 10 EARNINGS PER EQUITY SHARE</b>		
<b>10.1 BASIC AND DILUTED EPS</b>		
NET PROFIT AFTER TAX	85,848	14,458
NO. OF SHARES OUTSTANDING	4,449,000	4,449,000
EARNING PER SHARE ( BASIC AND DILUTED)	0.019	0.003
FACE VALUE OF SHARE	10.00	10.00
<b>EARNING PER SHARE ( BASIC AND DILUTED)</b>	<b>0.019</b>	<b>0.003</b>

As per our Report attached

For MACHARLA AND ASSOCIATES

Chartered Accountants.

Firm Regn No.0138185

For iPower Solutions India Limited

Sd/-  
(MACHARLA ROSAIAH)  
Partner  
Membership No.223435

Sd/-  
(P.K.RAGHU KUMAR)  
COMPANY SECRETARY  
Membership No.A4769

Sd/-  
(G.RAMASUBRAMANIAM)  
CFO

Sd/-  
(V.PARANDHAMAN)  
DIRECTOR  
DIN: 00323551

Sd/-  
(K.RAVICHANDRA BABU)  
DIRECTOR  
DIN: 00016326

Place : Chennai

Date: 30/06/2021

**M/S. iPOWER SOLUTIONS INDIA LIMITED**  
**CIN: L72200TN2001PLC047456**  
**NEW NO.17, OLD NO.7/4, VAIGAI STREET, BESANT NAGAR**  
**CHENNAI, TAMILNADU - 600090**

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2021**

Particulars	Amount in As at March 31,	
	2021	2020
<b>NOTE-4 SHARE CAPITAL</b>		
<b>4.1</b>		
AUTHORIZED SHARE CAPITAL: 50,00,000 EQUITY SHARES OF RS.10/= EACH	50,000,000	50,000,000
	<b>50,000,000</b>	<b>50,000,000</b>
ISSUED SUBSCRIBED AND PAID-UP SHARE CAPITAL 44,49,000 EQUITY SHARES OF RS.10/= EACH	44,490,000	44,490,000
	<b>44,490,000</b>	<b>44,490,000</b>

As per our Report attached

**For MACHARLA AND ASSOCIATES**

Chartered Accountants.  
Firm Regn No.0138185

For iPower Solutions India Limited

Sd/-  
**(MACHARLA ROSAIAH)**  
Partner  
Membership No.223435

Sd/-  
**(P.K.RAGHU KUMAR)**  
COMPANY SECRETARY  
Membership No.A4769

Sd/-  
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Sd/-  
**(V.PARANDHAMAN)**  
DIRECTOR  
DIN: 00323551

Sd/-  
**(D.RAVICHANDRA BABU)**  
DIRECTOR  
DIN: 00016326

Place : Chennai  
Date: 30/06/2021

**M/S. IPOWER SOLUTIONS INDIA LIMITED**  
**CIN: L72200TN2001PLC047456**  
**NEW NO.17, OLD NO.7/4, VAIGAI STREET, BESANT NAGAR**  
**CHENNAI, TAMILNADU - 600090**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 2020-21**

PARTICULARS	31.03.2021	31.03.2020
	AMOUNT IN Rs	AMOUNT IN Rs
<b><u>CASH FLOW FROM OPERATING ACTIVITIES</u></b>		
NET PROFIT/(LOSS) BEFORE TAX AS PER STATEMENT OF PROFIT & LOSS	110,588	19,543
<b>ADJUSTED FOR</b>		
DEPRECIATION	135,992	159,658
INTEREST EXPENSES	-	-
OTHER INCOME	-	-
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES (A)</b>	<b>246,580</b>	<b>179,201</b>
<b>ADJUSTED FOR</b>		
(INCREASE) / DECREASE IN TRADE RECEIVABLES	(380,664)	384,371
(INCREASE) / DECREASE IN SHORT TERM LOANS AND ADVANCES	54,272	4,000
(INCREASE) / DECREASE IN OTHER CURRENT ASSETS	(69,678)	(106,054)
INCREASE / (DECREASE) IN IN TRADE PAYABLES	-	-
INCREASE / (DECREASE) IN OTHER CURRENT LIABILITIES	27,450	(81,076)
<b>CHANGES IN WORKING CAPITAL (B)</b>	<b>(368,621)</b>	<b>201,241</b>
<b>TAXES PAID (C)</b>	<b>(9,720)</b>	<b>(84,210)</b>
<b>I. NET CASH INFLOW FROM OPERATING ACTIVITIES (A+B-C)</b>	<b>(131,761)</b>	<b>296,232</b>
<b><u>CASH FLOW FROM INVESTMENT ACTIVITIES</u></b>		
MOVEMENTS IN LOANS	-	-
PURCHASE OF FIXED ASSETS	-	(12,000)
<b>II. NET INFLOW FROM INVESTING ACTIVITY</b>	<b>-</b>	<b>(12,000)</b>
<b><u>CASH FLOW FROM FINANCING ACTIVITIES</u></b>		
INCREASE IN LONG TERM BORROWINGS	154,876	
REPAYMENT OF LONG-TERM BORROWINGS	-	(267,896)
WORKING CAPITAL BORROWINGS	-	-
<b>III. NET INFLOW FROM FINANCING ACTIVITY</b>	<b>154,876</b>	<b>(267,896)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALANT (I+II+III)</b>	<b>23,115</b>	<b>16,336</b>
OPENING BALANCE OF CASH AND CASH EQUIVALENTS	142,928	126,592
<b>CLOSING BALANCE OF CASH AND CASH EQUIVALENTS</b>	<b>166,043</b>	<b>142,928</b>

As per our Report attached

For MACHARLA AND ASSOCIATES  
Chartered Accountants.  
Firm Regn No.0138185

For iPower Solutions India Limited

Sd/-  
(MACHARLA ROSAIAH)  
PARTNER  
Membership No.223435

Sd/-  
(P.K.RAGHU KUMAR)  
COMPANY SECRETARY  
Membership No.A4769

Sd/-  
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Sd/-  
(V.PARANDHAMAN)  
DIRECTOR  
DIN: 00323551

Sd/-  
(K.RAVICHANDRA BABU)  
DIRECTOR  
DIN: 00016326

Place : Chennai  
Date: 30/06/2021

**M/s. iPOWER SOLUTIONS INDIA LIMITED**  
**CIN: L72200TN2001PLC047456**  
**NEW NO.17, OLD NO.7/4, VAIGAI STREET, BESANT NAGAR**  
**CHENNAI, TAMILNADU - 600090**  
**STATEMENT OF CHANGES IN EQUITY AT 31st MARCH, 2021**

<b>a. Equity Share Capital</b>		<b>No. of Shares</b>	<b>Amount(Rs.)</b>						
Equity Shares of Rs. 10 each issued, subscribed and fully paid									
<b>As at 1st April, 2020</b>		<b>4,449,000</b>	<b>44,490,000</b>						
Issue of Share Capital		-	-						
Equity Buy Back		-	-						
<b>As at 31st March, 2021</b>		<b>4,449,000</b>	<b>44,490,000</b>						
<b>As at 1st April, 2019</b>		<b>4,449,000</b>	<b>44,490,000</b>						
Issue of Share Capital		-	-						
Equity Buy Back		-	-						
<b>As at 31st March, 2020</b>		<b>4,449,000</b>	<b>44,490,000</b>						
<b>b. Other Equity</b>									
<b>Funds attributable to Equity Share Holders of the Company</b>									
	<b>Reserves and Surplus</b>							<b>Items of OCI</b>	
	Securities Premium	General Reserve	Retained Earnings	Capital Reserve	Capital Redemption Reserve	Share based Payments	Treasury Shares	Hedging Reserve	Total
<b>As at 1st April, 2020</b>	-	223,549	-	-	-	-	-	-	223,549
Other Adj	-	-	-	-	-	-	-	-	-
Profit of the year	-	85,848	-	-	-	-	-	-	85,848
Other Comprehensive income	-	-	-	-	-	-	-	-	-
Equity Dividend & DDT	-	-	-	-	-	-	-	-	-
Buy Back of shares	-	-	-	-	-	-	-	-	-
Buy Back expenses	-	-	-	-	-	-	-	-	-
Transfer to General reserve	-	-	-	-	-	-	-	-	-
Effect on Share based Payments	-	-	-	-	-	-	-	-	-
<b>As at 31st March, 2021</b>	-	<b>309,397</b>	-	-	-	-	-	-	<b>309,397</b>
<b>As at 1st April, 2019</b>	-	361,380	-	-	-	-	-	-	361,380
Other Adj	-	(152,289)	-	-	-	-	-	-	(152,289)
Profit of the year	-	14,458	-	-	-	-	-	-	14,458
Other Comprehensive income	-	-	-	-	-	-	-	-	-
Equity Dividend & DDT	-	-	-	-	-	-	-	-	-
Buy Back of shares	-	-	-	-	-	-	-	-	-
Buy Back expenses	-	-	-	-	-	-	-	-	-
Transfer to General reserve	-	-	-	-	-	-	-	-	-
Effect on Share based Payments	-	-	-	-	-	-	-	-	-
<b>As at 31st March, 2020</b>	-	<b>223,549</b>	-	-	-	-	-	-	<b>223,549</b>

Summary of Significant accounting policies

As per our report of even date.

For **Macharla & Associates**

Chartered Accountants

FRN: 0138185

For iPower Solutions India Limited

Sd/-  
(MACHARLA ROSAIAH)  
Partner  
M.No. 223435

Sd/-  
(P.K.RAGHU KUMAR)  
COMPANY SECRETARY  
Membership No.A4769

Sd/-  
(G.RAMASUBRAMANIAM)  
CFO

Sd/-  
(V.PARANDHAMAN)  
DIRECTOR  
DIN: 00323551

Sd/-  
(K.RAVICHANDRA BABU)  
DIRECTOR  
DIN: 00016326

Place: Chennai

Date: 30/06/2021

M/S. iPOWER SOLUTIONS INDIA LIMITED  
CIN: L72200TN2001PLC047456  
NEW NO.17, OLD NO.7/4, VAIGAI STREET, BESANT NAGAR  
CHENNAI, TAMILNADU - 600090

**1.1 Property, Plant & Equipment**

Sl. No.	Description	Gross Block				Depreciation				Net Block		
		As at 01.04.2020	Additions	Date of Addition	Deduction / Adjustments	As at 31.03.2021	As at 01.04.2020	For the year	Deletions	Upto 31.03.2021	As at 31.03.2021	As at 31.03.2020
<b>TANGIBLE ASSETS :</b>												
A.	FURNITURES & FIXTURES	1,806,400.13				1,806,400.13	1504543.93	30,186	-	1,534,729.57	271,670.56	301,856.20
B.	OFFICE EQUIPMENTS	1,192,470.42				1,192,470.42	967,884.12	22,459	-	990,342.72	202,127.70	224,586.30
C.	ELECTRICAL EQUIPMENTS	331,994.00				331,994.00	311,376.20	8,247	-	319,623.32	12,370.68	20,617.80
D.	COMPUTER & SOFTWARE	5,211,892.45				5,211,892.45	4,711,223.33	75,100	-	4,786,323.64	425,568.81	500,669.12
	<b>TOTAL</b>	<b>8,542,757</b>	<b>-</b>		<b>-</b>	<b>8,542,757</b>	<b>7,495,028</b>	<b>135,992</b>	<b>-</b>	<b>7,631,019</b>	<b>911,738</b>	<b>1,047,729</b>

**DEFERRED TAX ASSET COMPUTATION (SUB SCH-1)**

OPG WDV AS PER COMPANIES ACT	1,047,729
OPG WDV AS PER INCOME TAX ACT	803,712
DIFFERENCE	244,017
DEFERRED TAX EFFECT TO BE ADJUSTED WITH OPG FREE RESERVES	<b>63,444</b>
DEP AS PER COMPANIES ACT	135,992
DEP AS PER INCOME TAX ACT	120,557
DIFFERENCE	15,435
OPG DTL TO BE REVERSED DURING THE YEAR	<b>4,013</b>

As per our report of even date.  
For **Macharla & Associates**  
Chartered Accountants  
FRN: 013818S

Sd/-  
(MACHARLA ROSAIAH)  
Partner  
M.No. 223435

Sd/-  
(P.K.RAGHU KUMAR)  
COMPANY SECRETARY  
Membership No.A4769

Sd/-  
(G.RAMASUBRAMANIAM)  
CFO

Sd/-  
(V.PARANDHAMAN)  
DIRECTOR  
DIN: 00323551

Sd/-  
(K.RAVICHANDRA BABU)  
DIRECTOR  
DIN: 00016326

Place: Chennai  
Date: 30/06/2021

For iPower Solutions India Limited



## **14. SIGNIFICANT ACCOUNTING POLICIES**

### **Basis of preparation**

Standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The standalone financial statements have been prepared on the historical cost basis, except for following assets and liabilities which have been measured at fair values.

- Derivative Financial Instruments
- Certain financial assets measured at fair value (refer accounting policy regarding financial instruments).

In addition, the carrying values of assets and liabilities designated as hedged items are recognized at fair value.

The standalone financial statements are presented in INR (₹) and all the values are rounded off to the nearest rupees except when otherwise indicated.

### **Business Combinations**

The Company accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognized in the statement of profit and loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognized at their fair values at the acquisition date.

Purchase consideration paid in excess of the fair value of net assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve.

Business combinations arising from transfers of interests in entities that are under the common control are accounted using pooling of interest method. The difference between any consideration given and the aggregate historical carrying amounts of assets and liabilities of the acquired entity are recorded in shareholders' equity.

### **Use of estimates, assumptions and judgements**

The preparation of the standalone financial statements in conformity with Ind AS requires the management to make estimates, judgements and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities on the date of the standalone financial statements and the reported amounts of revenues and expenses for the year reported. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimates are revised and future periods are affected.

Key source of estimation of uncertainty as at the date of standalone financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of the following:

#### **• Revenue recognition**

The Company uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of completion method requires the Company to estimate the efforts or costs expended to

date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

#### • **Impairment of non-financial assets**

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the forecast for future years. These do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to other intangibles with indefinite useful lives recognized by the Company.

#### • **Share-based payments**

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

#### • **Taxes**

The Company's major tax jurisdictions is in India. Significant judgments are involved in determining the provision for income taxes and tax credits, including the amount expected to be paid or refunded.

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that future taxable profit will be available against which the losses can be utilized.

Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

#### • **Defined benefit plans**

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future.

#### • **Fair value measurement of financial instruments**

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

## • Intangible assets under development

The Company capitalizes intangible asset under development in accordance with the accounting policy. Initial capitalization of costs is based on management's judgement that technological and economic feasibility is confirmed. This is done when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalized, management makes assumptions regarding the expected future cash generation, discount rates to be applied and the expected tenure of benefits.

## **Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and 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, considering contractually defined terms of payment.

Sales tax/Value Added Tax (VAT) / Service Tax / Goods and Service Tax ("GST") is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity/service rendered by the seller on behalf of the government. Accordingly, it is excluded from revenue

The Company derives its revenues primarily from software services & projects as well as other allied services.

Revenues from software services & projects comprise income from time-and-material and fixed price contracts. Revenue from time and material contracts is recognized when the services are rendered in accordance with the terms of contracts with clients.

Revenue from fixed price contracts is recognized using the percentage-of-completion method, calculated as the proportion of the cost of effort incurred up to the reporting date to estimated cost of total effort.

Revenue from sale of services is shown as net of applicable discounts and pricing incentives to customer.

Revenue is recognised only when evidence of an arrangement is obtained and the other criteria to support revenue recognition are met, including the price is fixed or determinable, services have been rendered, the cost incurred and cost to complete the transaction can be measured reliably and collectability of the resulting receivables is probable.

Provisions for estimated losses on incomplete contracts are recorded in the year in which such losses become probable based on the current contract estimates.

Unbilled revenue represents revenues in excess of amounts billed to clients as at the balance sheet date. Unearned revenue represent billings in excess of revenues recognized.

Advances received for services are reported as liabilities until all conditions for revenue recognition are met.

Interest income is recognized as it accrues in the statement of profit and loss using effective interest rate method.

Dividend income is recognized when the right to receive the dividend is established.

## **Property, Plant and Equipment and Intangible assets**

Property, plant and equipment are stated at the cost of acquisition or construction less accumulated depreciation and write down for, impairment if any. Direct costs are capitalised until the assets are ready to be put to use. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

All other repair and maintenance costs are recognised in the statement of profit or loss as incurred. Property, plant and equipment purchased in foreign currency are recorded at cost, based on the exchange rate on the date of purchase.

The Company identifies and determines cost of each component/ part of Property, plant and equipment separately, if the component/ part has a cost which is significant to the total cost of the Property, plant and equipment and has useful life that is materially different from that of the remaining asset.

Intangible assets purchased or acquired in business combination, are measured at cost or fair value as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any. The amortization period and the amortization method are reviewed at least at each financial year end. Internally developed intangible assets are stated at cost that can be measured reliably during the development phase and capitalised when it is probable that future economic benefits that are attributable to the assets will flow to the Company.

Gains or losses arising from de-recognition of Property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of Property, plant and equipment and are recognized in the statement of profit and loss when the Property, plant and equipment is derecognized.

Cost of assets not ready for use at the balance sheet date are disclosed under capital work-in-progress.

#### **Capital work in progress Rs.7.03 crore**

The company has taken over the assets and liabilities of Vanavil technology Private limited by amalgamation and the scheme of amalgamation was approved by the High court order dated 21st day of September, 2001. The Capital work in progress of the Portal assessed at Rs.4.40 crore. Certain WIP of small projects from Vanavil was taken over to the tune of Rs.0.13 crore and relevant expenditure from the date of amalgamation to till date were added to this social net working platform. The company has incurred 2.48 crores towards Capital Work in progress of this portal. Once the portal is completed in all aspects, it will be capitalized in the books of accounts of the company. The company is not contemplating of any transfer to other company. Refer 1.2 of the Notes to Financial statements.

## **Depreciation and amortisation**

Depreciation on Property, plant and equipment is calculated on a straight-line basis using the rates arrived at, based on the useful lives estimated by the management. Intangible assets are amortised on a straight-line basis over the estimated useful economic life. The useful lives estimated by the management are given below:

<b>(In years) Asset</b>	<b>Useful life as per Companies Act, 2013</b>	<b>Useful life estimated by the management</b>
Computer equipment	3	7-10
Furniture and fixtures	10	10-12
Lease hold improvements	Not Applicable	10 or remaining primary lease term whichever is less
Office equipment	5	7-10
Plant and equipment	15	7-10
Server and networks	6	6
Purchased / Internally developed software for self-consumption	As per Ind AS 38	3 to 7
Internally developed software for sale	As per Ind AS 38	3 to 7
Vehicles	8	7-10

## **Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Leases, where the Lessor effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Operating lease payments are recognised in the statement of profit and loss on a straight line basis over the lease term, unless the lease agreement explicitly states that increase is because of inflation.

Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets acquired are capitalised at the fair value of the leased asset or the present value of the minimum lease payments at the inception of the lease, whichever is lower.

For arrangements entered into prior to 1 April 2015, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

## **Borrowing costs**

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

## **Impairment**

### **Financial assets (other than at fair value)**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 ('Financial Instruments') requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The Company provides for impairment upon the occurrence of the triggering event. As per the policy, The Company provides for impairment of trade receivables (other than intercompany receivables) outstanding more than 180 days from the date they are due for payment.

### **Non-financial assets**

#### **Tangible and intangible assets**

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

## **Retirement and other employee benefits**

Gratuity, which is a defined benefit plan, is accrued based on an independent actuarial valuation, which is done based on project unit credit method as at the balance sheet date. The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income. In accordance with Ind AS, re-measurement gains and losses on defined benefit plans recognized in OCI are not to be subsequently reclassified to statement of profit and loss. As required under Ind AS compliant Schedule III, the Company transfers it immediately to retained earnings.

The cost of Short-term compensated absences is provided for based on estimates. Long term compensated absence costs are provided for based on actuarial valuation using the project unit credit method. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

Contributions payable to recognized provident funds, which are defined contribution schemes, are charged to the statement of profit and loss.

### **Share based payments**

The Company measures compensation cost relating to share-based payments using the fair valuation method in accordance with Ind AS 102 Share-Based Payment. Compensation expense is amortized over the vesting period of the option on a straight line basis. The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model (Black-Scholesmodel). That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

### **Foreign currencies**

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are restated into the functional currency using exchange rates prevailing on the balance sheet date.

Gains and losses arising on settlement and restatement of foreign currency denominated monetary assets and liabilities are included in the statement of profit and loss.

The Company's financial statements are presented in INR. The Company determines the functional currency as INR on the basis of primary economic environment in which the entity operates.

### **Income taxes**

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

#### **Current income tax**

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for that period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

## **Deferred income tax**

Deferred income tax is recognised using the balance sheet approach. Deferred tax is recognized on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income taxes are not provided on the undistributed earnings of branches where it is expected that the earnings of the branch will not be distributed in the foreseeable future.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Effective Apr 2018, the Company has adopted Ind-As. Due to the various constraints the Management could not determine the Differed tax effects at the end of previous reporting period. However, during the current reporting period the Company has evaluated the effect of deferred taxes and made necessary adjustments to the statement of Profit & Loss and to the Balance Sheet. Refer Note No 6.2 of the Financial statements.

Deferred tax assets include Minimum Alternative Tax ('MAT') paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

## **Provisions and contingent liabilities**

A provision is recognized when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting obligations under a contract exceed the economic benefits expected to be received, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot



be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the standalone financial statements.

### **Related Party Transaction**

The details of the transactions entered into by the Company with its Directors is provided below. Refer 6.1 of the Notes.

Sl.No	Particulars	Amount
1.	<u>V. Parandhaman</u> Amount of outstanding un secured Loan	Rs. 2,71,19,494/-

Further, The balance sheet as at 31/03/2021 shows Unsecured Loan Liability to the extent of Rs.2.72 Crore. The said amount was received from the Director Mr.Parandhaman and the purpose of the unsecured loan was for the working capital requirement of the business, since ipower Solutions India Ltd. has no outside borrowings. Mr. Parandhaman had agreed to forego interest; hence question of providing interest in the books of account of the company does not arise.

### **Earnings per share**

The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. The diluted potential equity shares have been arrived at, assuming that the proceeds receivable were based on shares having been issued at the average market value of the outstanding shares. In computing dilutive earnings per share, only potential equity shares that are dilutive and that would, if issued, either reduce future earnings per share or increase loss per share, are included.

### **Inventories**

Inventory comprises of traded goods and is measured at lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost necessary to make the sale.

### **Cash dividend to equity holders of the Company**

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

## **Government Grants**

The Company recognizes government grants only when there is reasonable assurance that the conditions attached to them shall be complied with, and the grants will be received. Government grants related to assets are treated as deferred income and are recognized in net profit in the statement of profit and loss on a systematic and rational basis over the useful life of the asset. Government grants related to revenue are recognized on a systematic basis in net profit in the statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate.

## **Current vs non-current classification**

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is treated as current when:

- It is expected to be realised or intended to be sold or consumed in normal operating cycle.
- It is held primarily for purpose of trading.
- It is expected to be realised within twelve months after the reporting period.
- Cash and cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

- It is expected to settle in the normal operating cycle.
- It is due to be settled within twelve months after the reporting date.
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current.

Advance tax paid is classified as non-current assets.

UDIN: 21223435AAAAK17378

**For MACHARLA & ASSOCIATES**

Chartered Accountants

FRN: 013818S

**For and on behalf of Board**

**Sd/-**

**(MACHARLA ROSAIAH)**

Partner

M.No.223435

**Sd/-**

**V.PARANDHAMAN**

Director

Din: 00323551

**Sd/-**

**D. RAVICHANDRAN BABU**

Director

Din: 00016326

**Sd/-**

**P.K.RAGHU KUMAR**

Company Secretary

M.No.A4769

**Sd/-**

**G.RAMASUBRAMANIAM**

**CFO**

Place: Chennai

Date: 30.06.2021