



A Government of Kerala Undertaking

**KELTRON COMPONENT COMPLEX LIMITED**



# 49<sup>th</sup> ANNUAL REPORT 2022-23

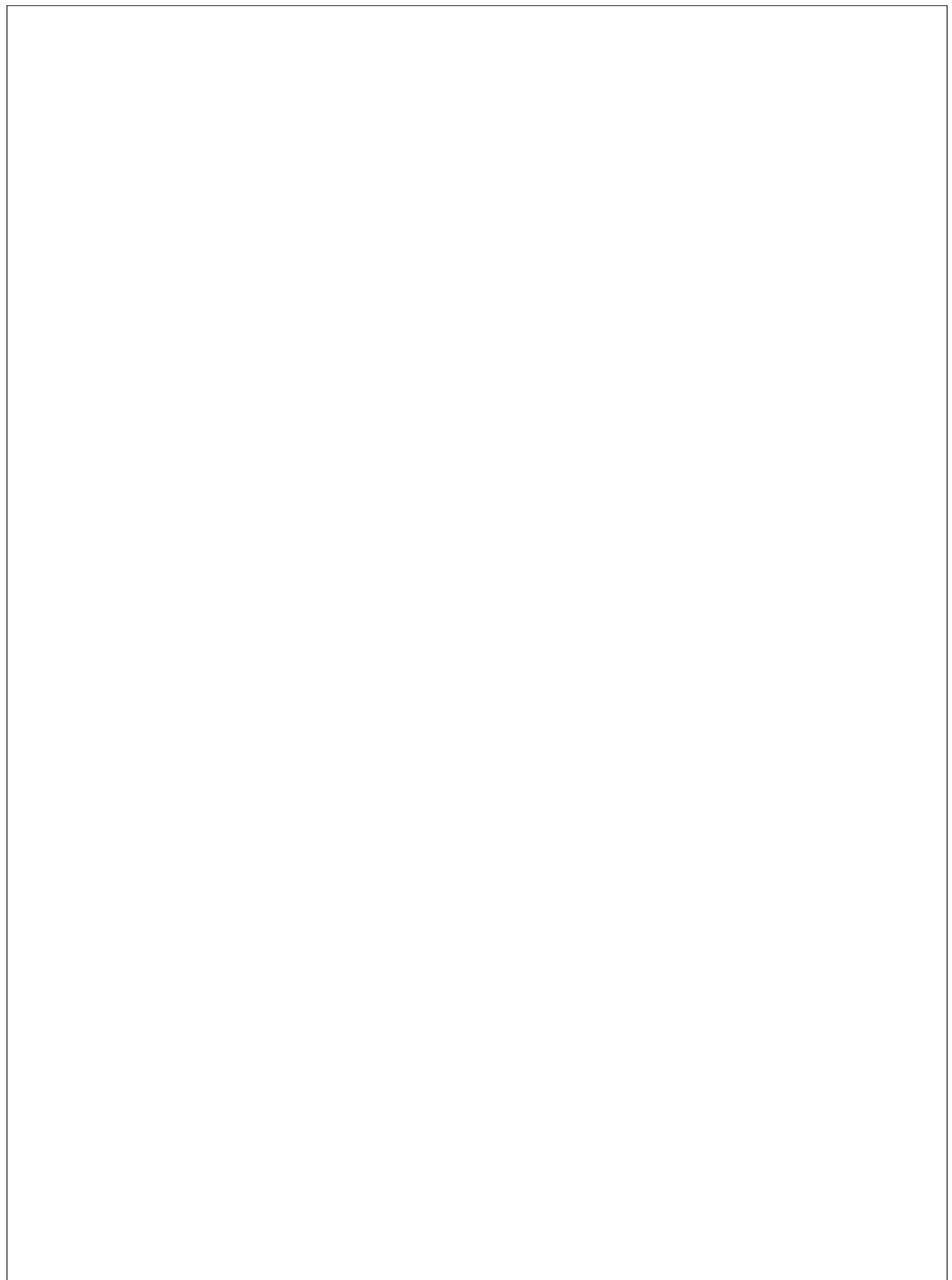


[www.keltroncomp.org](http://www.keltroncomp.org)

LEADING MANUFACTURER OF  
“PASSIVE ELECTRONICS COMPONENTS”

# **KELTRON COMPONENT COMPLEX LIMITED**

**49<sup>TH</sup> ANNUAL REPORT & ACCOUNTS  
(2022-23)**



# **KELTRON COMPONENT COMPLEX LIMITED**

Registered Office: Keltron Nagar, Kalliasseri P.O., Kannur-670 562.

CIN: U31904KL1974SGC002630

Email ID: info@keltroncomp.org, Website: www.keltroncomp.org

## **49<sup>th</sup> ANNUAL REPORT (2022-23)**

### **Board of Directors (01.04.2022 to 31.03.2023)**

1.	Sri. N Narayana Moorthy	Chairman
2.	Sri. K.G Krishna Kumar	Managing Director
3.	Sri. Binu K	Director
4.	Smt. Latha S	Director
5.	Princess Gouri Parvathi Bayi	Director
6.	Dr. Ajithkumar. K	Director
7.	Sri. O.V Narayanan	Director
8.	Sri. Isac Newton Robert	Director

### **Present Board of Directors**

1.	Sri. N Narayana Moorthy	Chairman
2.	Sri. K.G Krishna Kumar	Managing Director
3.	Sri. Binu K	Director
4.	Smt. Rajeeena Beegam	Director
5.	Princess Gouri Parvathi Bayi	Director
6.	Sri. Isac Newton Robert	Director

### **Company Secretary**

Smt. Thahira PP

### **Chief Financial Officer**

GM (Finance) re-designated

Sri. Jose Joseph

### **Statutory Auditor**

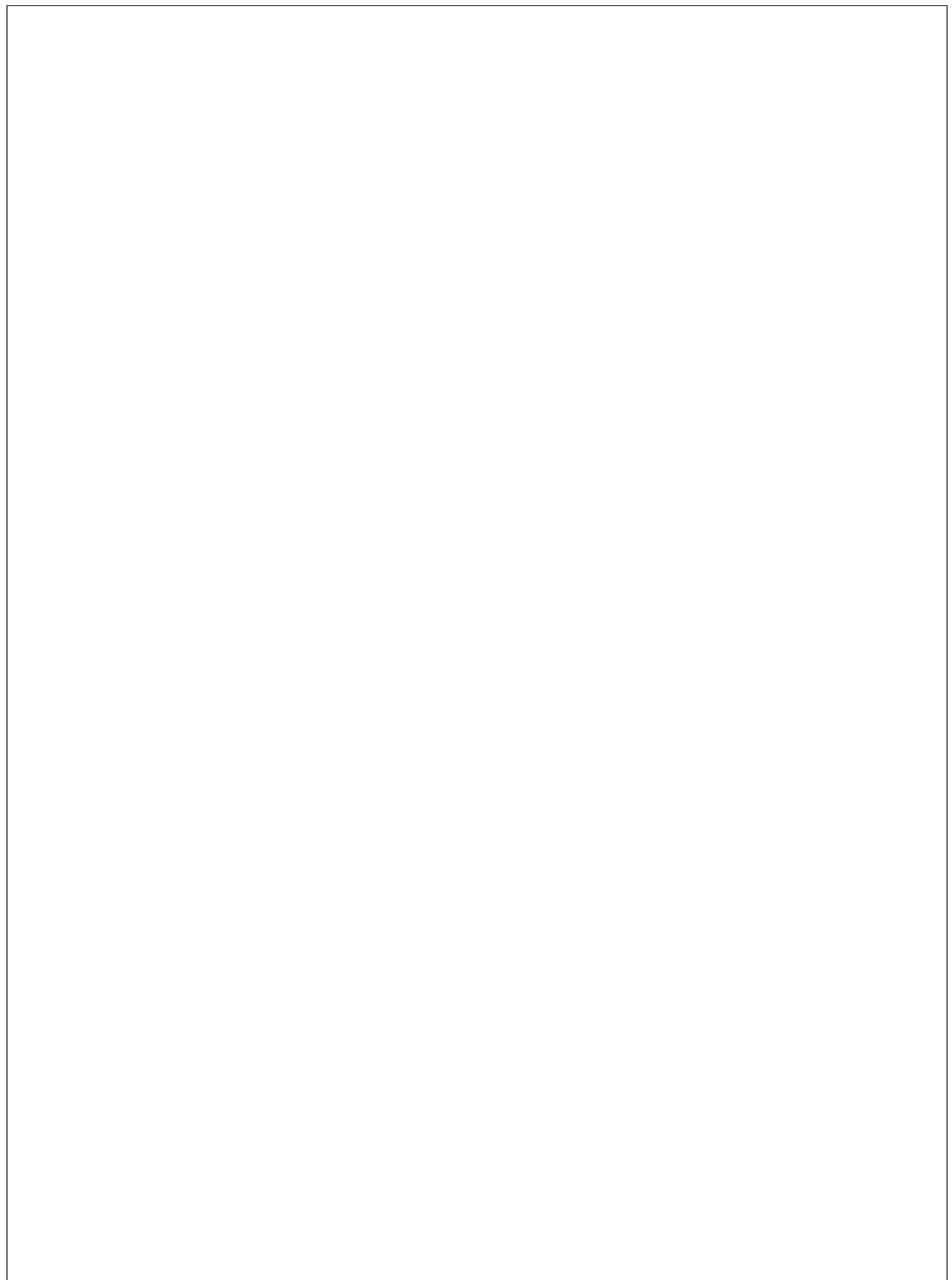
M/s. Cheeran Varghese & Co,  
Chartered Accountants, Thrissur

### **Internal Auditors**

M/s P.K. Raju & Co.  
Chartered Accountants, Kozhikode

### **Bankers**

State bank of India, Kannur  
CSB Bank Ltd, Kannur



# KELTRON COMPONENT COMPLEX LIMITED

Registered Office: Keltron Nagar, Kalliasseri P.O., Kannur-670 562.

CIN: U31904KL1974SGC002630, Email ID: info@keltroncomp.org

Website: www.keltroncomp.org

## NOTICE

**NOTICE** is hereby given that the Adjourned **49th Annual General Meeting** of the Shareholders of the Company will be held at the Registered Office of the Company at Keltron Nagar, Kalliasseri P.O., Kannur- 670 562 on Saturday, the **15<sup>th</sup> March 2025 at 3.00 P.M.** The facility of Video Conferencing ('VC') or Other Audio-Visual Means ('OAVM') is available to the members to attend the Meeting.

To transact the following business:

### ORDINARY BUSINESS:

To receive, consider and adopt the Audited Balance Sheet and Profit & Loss Account of the Company for the year ended 31<sup>st</sup> March 2023 together with the Reports of the Directors and Auditors thereon and the comments of the Comptroller and Auditor General of India and comments of Additional Chief Secretary (Finance), Government of Kerala.

Kannur  
23.01.2025

By Order of the Board,  
Sd/-

**K G Krishnakumar**  
Managing Director  
DIN:07649134

### Note:

1. In accordance with the Ministry of Corporate Affairs, ("MCA") General Circular Nos. 14/2020, 17/2020, 20/2020, 02/2021, 21/2021, 2/2022, 10/2022, 11/2022, 09/2023, and 09/2024 dated April 08, 2020, April 13, 2020, May 05, 2020, January 13, 2021, December 14, 2021, May 5, 2022, September 25, 2023, and September 19, 2024 respectively, and all other relevant circulars issued from time to time by the Ministry of Corporate Affairs ("the MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members. Considering the current situation and to encourage the participation by members in compliance with the provisions of the Companies Act, 2013 ("Act") and MCA Circulars, the AGM of the company is being held along with the facility through VC / OAVM.
2. A member of the company who is entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the company. Proxies in order to be effective must be received by the companies Registered Office, duly completed and signed, not later than 48 hours before the commencement of meeting. In terms of MCA circulars, the facility for appointment of proxies by the members through VC/

OAVM will not be available. However, corporate/institutional members are entitled to appoint authorized representatives to attend the AGM through VC/OAVM on their behalf.

3. The 49<sup>th</sup> Annual General Meeting of the Company for the Financial Year 2022-23 was convened on 30<sup>th</sup> September 2023. This meeting was adjourned to a future date to consider the Annual Accounts of the Company as audited and reported by the Auditors and the Directors Report to the Shareholders together with the comments thereto from the C&AG of India, and comments of Additional Chief Secretary (Finance), Government of Kerala.
4. The Annual Accounts for the year 2022-23, the comments of the C&AG of India, the Comments of the Additional Chief Secretary (Finance), Govt of Kerala and the explanations of the Management to the qualifications of the Statutory Auditors are enclosed herewith as Annexures to the Directors' Report.
5. The facility for members to join the AAGM through VC/OAVM shall be kept open at least 15 minutes before the time scheduled to start the meeting and shall not be closed till the expiry of 15 minutes after such scheduled time by following the procedure mentioned in the Notice.
6. To receive communications through electronic means, including Annual Reports and Notices, members are requested to kindly register/update their email address. Members who have not yet registered their email addresses are requested to register the same with the Company email id at [cs@keltroncomp.org](mailto:cs@keltroncomp.org) expeditiously.
7. Members are requested to send their queries, if any, in writing at least 5 days in advance of the date of the meeting to the company at its registered office.
8. The Members are requested to intimate the Company at its Registered Office of any change in their address and also inform e-mail ids. Pursuant to section 91 of the Companies Act, 2013. The Register of Members and Share Transfer Books of the company will remain closed from Saturday 8<sup>th</sup> March to Saturday 15<sup>th</sup> March 2025 (both days inclusive).
9. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under section 103 of the Companies Act.
10. Members, proxies and authorized representatives are requested to bring to the meeting, the attendance slip enclosed herewith, duly completed and signed, mentioning therein details of their Folio No.

**Instructions for Members attending the AGM through VC/OAVM are as under:**

- a. The Company shall provide the facility to attend the meeting through VC/OAVM, link for participating the meeting will be provided at least 5 days in advance. Members may click on the URL received in their registered mail ID and follow the instructions to join the meeting.
- b. Any Technical assistance in regard to the meeting shall be available from Mr. Arun K, Network Admin, Mob: +91 9847821667, [admin@keltroncomp.org](mailto:admin@keltroncomp.org)
- c. The attendance of the Members attending the AGM through VC / OAVM shall be counted for

the purpose of reckoning the quorum under Section 103 of the Act.

- d. Members are encouraged to join the Meeting through Laptops / IPads for better experience.
- e. Further members will be required to allow the camera and use the internet with a good speed to avoid any disturbance during the meeting.
- f. 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.
- g. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, folio number, email id, mobile number at [cs@keltroncomp.org](mailto:cs@keltroncomp.org).
- h. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

#### **1. E- VOTING**

- a) Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL).
- b) The Company has approached NSDL for providing e-voting services through our e-voting platform. In this regard, your Folio Number has been enrolled by the Company for your participation in e-voting on resolution placed by the Company on e-Voting system
- c) The e-voting period commences on 12<sup>th</sup> March, 2025 (9:00 am) and ends on 14<sup>th</sup> March, 2025 (5:00 pm). During this period shareholders of the Company, may cast their vote electronically. The e-voting module shall also be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- d) The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of 9<sup>th</sup> March, 2025. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e., 9<sup>th</sup> March, 2025, may obtain the login ID and password by sending a request at [evoting@nsdl.com](mailto:evoting@nsdl.com)
- e) The facility for voting through ballot paper voting system shall also be made available at the venue of the Meeting and the Members attending the Meeting who have not cast their vote by remote e-voting shall be able to vote at the meeting through ballot paper voting system.



- f) The Members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again at the AGM.

## II. Instructions for remote e-voting.

### Step 1. Access to NSDL E voting system.

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

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

4. Your User ID details are given below:

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

5. Password details for shareholders other than Individual shareholders are given below:
- a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.

c. How to retrieve your 'initial password'?

- i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - ii. If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
    - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
    - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
    - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
    - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
  7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
  8. Now, you will have to click on "Login" button.
  9. After you click on the "Login" button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically on NSDL e-Voting system.**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [cssandeeps@gmail.com](mailto:cssandeeps@gmail.com) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to enter the password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on 022 - 4886 7000 or write to Ms. Pallavi Mhatre at [evoting@nsdl.com](mailto:evoting@nsdl.com)

### **Other instructions**

- 1) The Board of Directors of the Company has appointed CS Sandeep S, Practicing Company Secretary, Kannur as the scrutinizer to scrutinize the remote e-voting and voting at the meeting through ballot paper in a fair and transparent manner and has communicated his willingness to be appointed and will be available for the purpose.
- 2) The Scrutinizer after scrutinizing the votes cast at the meeting (ballot paper) and through remote e-voting, will, not later than five days of the conclusion of the Meeting, make a consolidated scrutinizer’s report and submit the same to the Chairman or a person authorized by him in writing.
- 3) The results declared along with the consolidated scrutinizer’s report shall be placed on the website of the Company, **[www.keltroncomp.org](http://www.keltroncomp.org)** and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing.

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# KELTRON COMPONENT COMPLEX LIMITED

Registered Office: Keltron Nagar, Kalliasseri P.O., Kannur-670 562.

CIN: U31904KL1974SGC002630, Email ID: info@keltroncomp.org

Website: www.keltroncomp.org

## NOTICE

**NOTICE** is hereby given that the 49<sup>th</sup> Annual General Meeting of the Shareholders of the Company will be held at the Registered Office of the Company at Keltron Nagar, Kalliasseri P.O., Kannur- 670 562 on Saturday, the **30<sup>th</sup> September 2023 at 3.00 P.M.** The facility of Video Conferencing ('VC') or Other Audio-Visual Means ('OAVM') is available to the members to attend the Meeting.

To transact the following business:

### **ORDINARY BUSINESS:**

1. To appoint a director in the place of Princess Gouri Parvathi Bayi (DIN: 00952391), who retires by rotation at this Annual General Meeting and being eligible offers herself for re-appointment.
2. To fix the remuneration of the Statutory Auditors of the Company to be appointed by the Comptroller & Auditor General of India pursuant to Section 139(5) of the Companies Act, 2013 for the Financial Year 2023-24.

### **SPECIAL BUSINESS**

3. Regularisation of Appointment of Sri. Isac Newton Robert, (DIN:01981125) as Director of the Company  
To consider, and if thought fit, to pass with or without modification, the following as an **Ordinary Resolution**:  
"RESOLVED THAT Sri. Isac Newton Robert (DIN:01981125) who has been appointed as Director of the Company pursuant to Govt. of Kerala Order G.O(Rt) No. 899/2022/ID dated 21.08.2022 and also as per the provisions in the Article of Association of Keltron Component Complex Ltd. be and is hereby ratified".
4. Adjournment of 49<sup>th</sup> Annual General Meeting  
To consider, and if thought fit, to pass with or without modification the following Resolution as an Ordinary Resolution.  
"RESOLVED THAT this meeting stand adjourned to a future date as may be decided by the Board of Directors to consider the Annual Accounts of the Company for the Financial Year 2022-23 as audited and reported by the Auditors together with the Directors' Report to the Shareholders".  
Explanatory Statements pursuant to Section 102(1) of the Companies Act, 2013 relating to Item No.3 and 4 are attached herewith.

Place: Kannur

Date: 04.09.2023

By Order of the Board,  
Sd/-

**M Prakasan**  
Managing Director(I/c)

**Note:**

1. In accordance with the Ministry of Corporate Affairs ,("MCA") General Circular Nos. 14/2020, 17/2020,20/2020, 02/2021, 21/2021, 2/2022, 10/2022 and 11/2022 dated April 08, 2020, April 13, 2020, May 05, 2020, January 13,2021, December 14, 2021, May 5, 2022 and December 28, 2022 respectively, and all other relevant circulars issued from time to time by the Ministry of Corporate Affairs ("the MCA Circulars") and in compliance with the provisions of the Companies Act, 2013 ("Act") and MCA Circulars, the AGM of the company is being held along with the facility through VC / OAVM.
2. A member of the company who is entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the company. Proxies in order to be effective must be received by the companies Registered Office, duly completed and signed, not later than 48 hours before the commencement of meeting. In terms of MCA circulars, the facility for appointment of proxies by the members through VC/OAVM will not be available. However, corporate/institutional members are entitled to appoint authorized representatives to attend the AGM through VC/OAVM on their behalf.
3. The facility for members to join the AGM through VC/OAVM shall be kept open at least 15 minutes before the time scheduled to start the meeting and shall not be closed till the expiry of 15 minutes after such scheduled time by following the procedure mentioned in the Notice.
4. In terms of Sections 101 and 136 of the Act, read together with the Rules made thereunder, those who have registered their mail id company may send the notice of annual general meeting by electronic mode. The Physical copies of the Notice of the 49<sup>th</sup> AGM have been sent to all the members at their registered address.
5. To receive communications through electronic means, including Annual Reports and Notices, members are requested to kindly register/update their email address. Members who have not yet registered their email addresses are requested to register the same with the Company email id at [cs@keltroncomp.org](mailto:cs@keltroncomp.org) expeditiously.
6. Relevant documents referred to in this Notice and the following statutory registers will be available for inspection at the registered office of the company at any day during business hours except on holidays up to and including the date of Annual General Meeting.
7. Members are requested to send their queries, if any, in writing at least 5 days in advance of the date of the meeting to the company at its registered office.
8. The Members are requested to intimate the Company at its Registered Office of any change in their address and also inform e-mail ids. Pursuant to section 91 of the Companies Act, 2013. The Register of Members and Share Transfer Books of the company will remain closed from Saturday 23<sup>rd</sup> September, 2023 to Saturday 30<sup>th</sup> September, 2023(both days inclusive).
9. Members attending the AGM through VC/OAVM shall counted for the purpose of reckoning the quorum under section 103 of the Companies Act.

10. Members, proxies and authorized representatives are requested to bring to the meeting, the attendance slip enclosed herewith, duly completed and signed, mentioning therein details of their Folio No.

**Instructions for Members attending the AGM through VC/OAVM are as under:**

- a. The company shall provide the facility to attend the meeting through VC/OAVM, link for participating the meeting will be provided at least 3 days in advance. Members can click on the URL received in the registered Mail ID and follow the instructions to join the meeting.
- b. Any Technical assistance in regard to the meeting shall be available from  
  
Mr. Renish Ramachandran Mob: +91 8547866512, [hodit@keltroncomp.org](mailto:hodit@keltroncomp.org)
- c. The attendance of the Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- d. Members are encouraged to join the Meeting through Laptops / Tablets for better experience.
- e. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, folio number, email id, mobile number at [cs@keltroncomp.org](mailto:cs@keltroncomp.org).
- f. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

**1. E- VOTING**

- a) Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- b) The Company has approached NSDL for providing e-voting services through our e-voting platform. In this regard, your Folio Number has been enrolled by the Company for your participation in e-voting on resolution placed by the Company on e-Voting system
- c) **The e-voting period commences on 27<sup>th</sup> September, 2023 (9:00 am) and ends on 29<sup>th</sup> September, 2023 (5:00 pm).** During this period shareholders of the Company, may cast their vote electronically. The e-voting module shall also be disabled for voting thereafter. Once the

vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

- d) The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of 25<sup>th</sup> September, 2023. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e., 25<sup>th</sup> September, 2023, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- e) The facility for voting through ballot paper voting system shall also be made available at the venue of the Meeting and the Members attending the Meeting who have not cast their vote by remote e-voting shall be able to vote at the meeting through ballot paper voting system.
- f) The Members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again at the AGM.

## II. Instructions for remote e-voting.

### Step 1. Access to NSDL e-Voting System

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

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

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****



c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***
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5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email IDs are not registered.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) Physical User Reset Password? (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.



### **Step 2: Cast your vote electronically on NSDL e-Voting system.**

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

### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [cssandeep@gmail.com](mailto:cssandeep@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on : 022 - 4886 7000 and 022 - 2499 7000 or write to Ms. Saritha Mote- Assistant Manager at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

### **Other instructions**

- 1) The Board of Directors of the Company has appointed CS Sandeep, S, Practicing Company Secretary, Kannur as the scrutinizer to scrutinize the remote e-voting and voting at the meeting through ballot paper in a fair and transparent manner and has communicated his willingness to be appointed and will be available for the purpose.
- 2) The Scrutinizer after scrutinizing the votes cast at the meeting (ballot paper) and through remote e-voting, will, not later than five days of the conclusion of the Meeting, make a consolidated scrutinizer’s report and submit the same to the Chairman or a person authorized by him in writing.
- 3) The results declared along with the consolidated scrutinizer’s report shall be placed on the website of the Company, [www.keltroncomp.org](http://www.keltroncomp.org) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing.

**ADDITIONAL INFORMATION OF DIRECTORS RECOMMENDED FOR RE-APPOINTMENT AS REQUIRED AS PER SECRETARIAL STANDARD ON GENERAL MEETING (SS-2)**

Name	Princess Gouri Parvathi Bayi
DIN	00952391
Age	80
Qualifications	BSC(Zoology)
Experience	Director of KCCL for the last 31 years
Remuneration or remuneration last drawn (per month)	-
Date of first appointment on Board	27/11/1991
Shareholding in the Company	NIL
Relationship with other Directors, Manager, and other Key Managerial Persons of the Company	NIL
Other Directorships	1.Narayan Investment Trust Private Limited.
	2.Kumari Investment Corporation Private Limited.
	3.Kerala Travels Inter Serve Limited
	4. Samskara Media India Pvt Ltd

**ADDITIONAL INFORMATION OF DIRECTORS RECOMMENDED FOR APPOINTMENT REQUIRED AS PER SECRETARIAL STANDARD ON GENERAL MEETING (SS-2)**

Name	Sri. Isac Newton Robert
DIN	01981125
Age	66
Qualifications	BSC, BE, Post Graduate Diploma in Management
Experience	33 years
Remuneration or remuneration last drawn (per month)	-
Date of first appointment on Board	24.12.2022
Shareholding in the Company	NIL
Relationship with other Directors, Manager, and other Key Managerial Persons of the Company	NIL
Other Directorships	NIL

## **ANNEXURE TO THE NOTICE**

### **Explanatory Statements pursuant to Section 102(1) of the Companies Act 2013.**

#### **Item No.3.**

As per Govt. of Kerala Order G.O(Rt) No. 899/2022/ID dated 21.08.2022, Sri. Isac Newton Robert (DIN:01981125), was appointed as Director on the Board of Keltron Component Complex Ltd and also as per the provisions in the Article of Association of Keltron Component Complex Ltd.

Sri. Isac Newton Robert, will be deemed to be interested in the resolution as the proposal relates to his appointment. None of the other Directors of the Company are interested in the proposed Resolution.

#### **Item No.4**

The Shareholders of a Government Company as defined in Section 2(45) of the Companies Act 2013 can consider and adopt the Annual Accounts only upon receipt of comments and supplementary audit report by the Comptroller and Auditor General of India. Further, under Article 107 C of the Articles of Association of the Company, the comments from the Principal Secretary (Finance), Government of Kerala should form part of the Annual Accounts of the Company before its adoption by the Shareholders. In order to comply with the time line for conducting the AGM u/s 96 of the Companies Act, 2013 it is therefore proposed to adjourn the meeting to a future date for consideration of the Annual Accounts of the Company for the Financial Year 2022-23.

No Director is directly interested in the above Resolution

By Order of the Board

Sd/-  
M Prakasan  
Managing Director(I/c)

Place: Kannur  
Date: 04.09.2023

## DIRECTORS' REPORT (2022-23)

To the Members of Keltron Component Complex Limited.

Your directors have pleasure in submitting the 49<sup>th</sup> Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31<sup>st</sup> March 2023.

### 1. FINANCIAL RESULTS

The Company's financial performance for the year under review along with previous years' figures are given hereunder:

	(Rs. in Lakhs)	
	2022-23	2021-22
Net Sales	9496.24	8132.35
Gross Operating Profit	1182.52	899.48
Less:		
1. Financing Charges	530.13	488.56
2. Depreciation	96.37	103.59
Profit/(Loss) for the year	556.02	307.33
Extra ordinary income	0.00	0.00
Profit before taxation	556.02	307.33
Provision for Income Tax	92.81	51.30
Profit after taxation	463.21	256.03
Brought forward Loss	4170.77	4426.81
Balance (Loss) carried to Balance Sheet	3707.56	4170.77

### 2. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

Your directors wish to present the details of Business operations done during the year under review:

a. Production and Profitability

During the period, the Company had achieved a total production value of Rs. 8510.59 Lakhs as against the figure of Rs. 6585.00 lakhs achieved during the preceding year. The Company made a profit of Rs. 463.21 Lakhs during the year as against the previous year figure of Rs. 256.04 Lakhs.

b. Sales

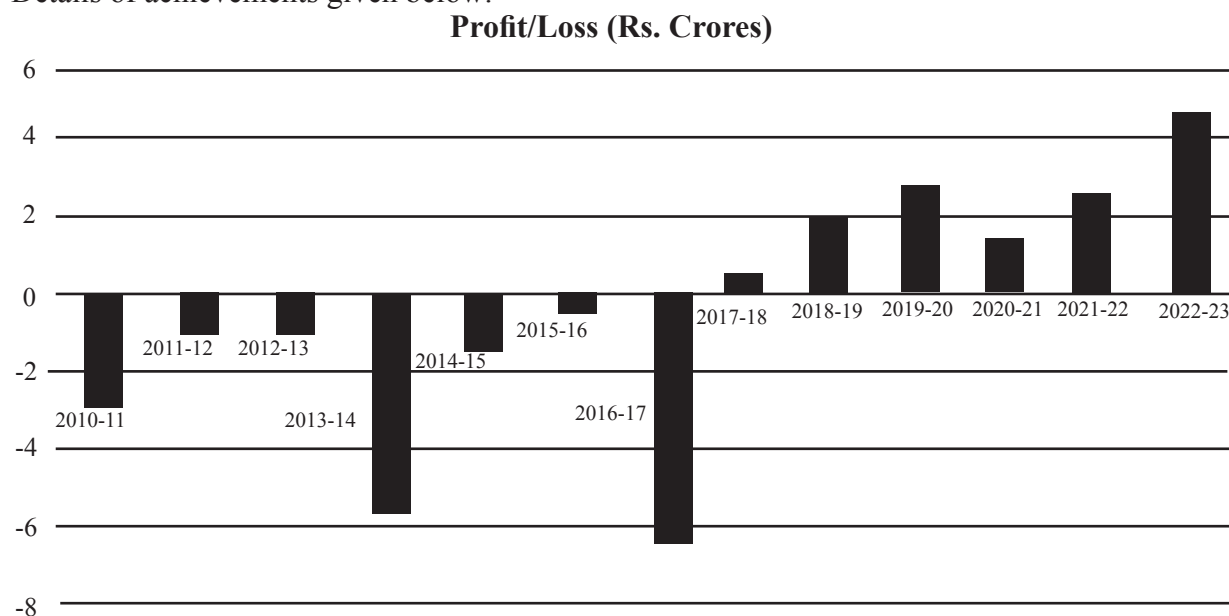
The Sales turnover of the Company during the financial year 2022-23 was Rs. 9496.24 lakhs as against the figure of Rs. 8132.36 lakhs in the previous year.

c. Achievements

After the amalgamation of 4 loss making Keltron companies at Kannur in the year 2009-10 (ie: merging Keltron Crystals Ltd, Keltron Resistors Ltd and Keltron Magnetics Ltd in to KCCL) and forming the current KCCL, the company made profit for the first time in 2017-18, with a net profit of Rs. 52 Lakhs. This performance improvement continued and company made net profit

during the last 6 years. (Rs.1.92 Crores, Rs. 2.79 Crores, Rs.1.38 Crores, Rs.2.56 Crores & Rs.4.63 Crores in 2018-19, 2019-20, 2020-21, 2021-22 & 2022-23 respectively).

Details of achievements given below:



The company has achieved drastic improvements during the last 6 years. This achievement was made overcoming very adverse situations including challenges imposed by COVID-19, flood, retirement of a large number of experienced employees without replacement, operational deficiencies of the very old machineries etc. After a long period, company's Net worth became positive (Rs.6.36 Crores) in 2021-22. The net worth of the Company for the FY 2022-23 is Rs.17.50 Crores.

Other notable achievements during the last 6 years are listed below:

- (1) New MPP Capacitor Plant at an investment of Rs.4 Crores was commissioned by the then Honourable Minister for Industries Sri. A.C Moideen in March 2017.
- (2) "KPP Nambiar Smarakam[ KPP Nambiar Electronics Research & Development Centre]" was completed. Govt. of Kerala sanctioned Rs.200 Lakhs as Grant-in-Aid (Non Plan Fund) for the KPP Nambiar Smarakam. The fund was received on 30-3-2020 and the project was completed and inaugurated by the Honourable Chief Minister Sri. Pinarayi Vijayan on 23.02.2021. The function was presided over by Sri. E.P Jayarajan, Honourable Minister for Industries, Sports & Youth affairs.
- (3) Supercapacitor Production Facility: Government provided Administrative Sanction of Rs.18 Crores for setting up India's first Supercapacitor Production Facility. Foundation Stone for the project was laid by the Honourable Chief Minister Sri. Pinarayi Vijayan on 23.02.2021. The project is expected to be commissioned in the second half of 2024.

- (4) New MPP Capacitor Plant at an investment of Rs.2 Crores was commissioned by the Hon-ourable Chief Minister Sri. Pinarayi Vijayan on 23.02.2021.
- (5) New MPP Rectangular Capacitor Plant at an investment of Rs.2 Crores was commissioned by the Honourable Minister for Industries Sri. P.Rajeev on November 2022.
- (6) Expansion Electrolytic Capacitor Plant, including Storage Facility (warehouse) at an invest-ment of Rs.2 Crores was completed and inaugurated by the Honourable Minister for Indus-tries Sri. P.Rajeev on November 2022.
- (7) Government of Kerala declared Equity investment in KCCL during 2021-23 and the com-pany received Rs.16.72 Crores till 31-3-23. The fund is utilized for the above expansion projects.
- (8) KCCL was selected for the PLI Incentive Scheme of the Central Government. KCCL is one of the 32 companies in India approved for PLI Scheme. According to this, the company will receive 5% to 3% incentive from the Central Government depending on the incremental turnover for the next 4 years from 2022-23 onwards.
- (9) KCCL was approved for the M-SIPS Incentive Scheme of the Central Government during 2014. But the investment timeline was the years 2014 and 2015. The company could not make the minimum threshold investment of Rs.5 Crores in 2014 & 2015 and thus the incen-tive would have been cancelled. However, due to the stringent efforts of the company, MeiT Y (Ministry of Electronics and Information Technology) Government of India extended the investment timeline from 2 years to 10 years (ie; till March 2024) as per approval letter No: 27(64)/2014- IPHW dated 06-03-23. Thus, the company will receive 20-25% incentive for the approved investments during 2014 to 2024.

#### **d. Marketing and Market Environment**

The global capacitor market is experiencing significant growth, driven by increasing demand across various industries, including consumer electronics, automotive (especially electric vehicles), renew-able energy and industrial automation. According to market research reports, the global capacitor market was valued at over \$30 Billion in 2023 and is projected to grow at a CAGR of over 6% from 2024 to 2032, and is expected to reach more than \$60 Billion by 2032. The market environment of our products briefed below:

Market Research	Market Size 2023	CAGR
Global Capacitor Market	\$30 Billion	> 6%
Global Electrolytic Capacitor Market	\$7 Billion	> 4%

Global Film Capacitor Market	\$3 Billion	> 3 %
Global Supercapacitor Market	\$2 Billion	> 14%
Global Resistor Market	\$9 Billion	> 4%
India Capacitor Market	> Rs.1500 Crores	> 5%

There has been consistent growth in the demand for electronics and this, accompanied by various government schemes has driven growth of electronics production in India largely. In the financial year 2023, India's electronics production was valued at over \$8.2 trillion (approximately USD 110 billion), marking a substantial increase from \$6.4 trillion in the previous year (2022). This growth of electronics production industry has resulted in expansion of the electronics components market size in India.

In 2023, the demand for electronics components stood at USD 45.5 billion to support USD 110 billion worth of electronics production. The government has set a target of US\$ 300 Bn electronics production BY 2026. This requires US\$ 120 Bn worth of components and it is expected that domestic production will meet 50% of this requirement, which is US\$ 60 Bn by 2026.

Thus, the market shows a positive growth.

### 3. **DIVIDEND**

No Dividend was declared for the current reporting financial year.

### 4. **MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT.**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate on the date of this report.

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

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in (Annexure I) and is attached to this report.

### 6. **STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF INTERNAL FINANCIAL CONTROLS AND RISK MANAGEMENT POLICY OF THE COMPANY.**

KCCL has adequate system of Internal Financial controls in place, in the form of well docu-



mented policies & procedures that cover critical as well as important activities of financial and other operating functions. The procedures are in the form of Manuals, Guidelines, Delegation of Powers and IT system & controls which are effected through people operating in various departments within the Company at different levels at each stage of the processes. These are designed to ensure compliance to the Internal Financial Controls as detailed in the Companies Act, 2013.

The Audit Committee reviews the effectiveness of internal control mechanism over financial reporting, adherence to the Code of Conduct and Company's policies.

Necessary directions are issued by the Management wherever required to further strengthen the Internal financial control system keeping in view the dynamic environment in which the Company is operating.

The Company has faced risks due to sharp increase in the raw material prices on account of increase in foreign currency exchange rates.

The Board of Directors & Management are regularly reviewing the performance of the Company and corrective actions are taken wherever required.

**7. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES.**

In accordance with the provisions of Section 135(1) of the Companies Act, 2013, companies having net profit of Rs. 5 crore or more during the immediately preceding financial year shall constitute a Corporate Social Responsibility Committee. At present the net profit (as per CSR provisions of the Companies Act) calculated as per the latest financial statement of the company for the FY 2022-23 is Rs.5.13 Crore. Accordingly, company constituted a CSR Committee and formulated a Board approved CSR Policy which are uploaded in Company website.

**8. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013.**

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

**9. EXTRACTS OF ANNUAL RETURN.**

The Extract of Annual Return in form No. MGT-9 as per Section 134 (3) (a) of the Companies Act, 2013 read with Rule 12 of Companies (Management & Administration) Rules, 2014 is annexed (Annexure III) hereto and forms part of this report.



**10. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS IN THEIR REPORTS.**

The explanations /comments made by the Board relating to the qualifications, reservations or adverse remarks made by the Auditors in their report and replies to the comments on Internal Financial Controls, comments of C&AG and comments of Additional Chief Secretary (Finance) are furnished as Annexure (Annexure II) is attached to this report.

**11. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES.**

All transactions with related parties were in the ordinary course of business with arm's length basis. The Company has not entered into any transaction of a material nature with any of the related parties which are in conflict with the interest of the company.

The details of related party transactions are disclosed in Note No. 32 attached to and forming part of the accounts.

**12. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW.**

The Company had convened Four Board meetings during the financial year under review. (On 06.07.2022, 01.09.2022, 24.12.2022 & 27.03.2023)

**13. BOARD LEVEL COMMITTEES.**

**a) Audit Committee**

Audit Committee acts as the link between the Company's Management, external and Internal Auditors and the Audit Committee is responsible for overseeing the company's financial reporting process. The process of appointment of Independent Directors are under progress. The Audit Committee examines, scrutinizes and reviews the internal control system and procedures of the Company. The composition of the Committee as on 31.03.2023 was as follows:

1. Shri. Binu K, Director	:	Chairman of the Committee
2. Smt. Latha S, Director	:	Member
3. Sri. O.V.Narayanan, Director	:	Member

Shri. K.G Krishnakumar, Managing Director, KCCL was a special invitee to the Committee. Shri Jose Joseph, Chief Financial Officer of KCCL were invitees to the Committee. The Committee met 3 times during the FY 2022-23. (On 06.07.2022, 24.12.2022 & 27.03.2023).

**b) Nomination and Remuneration Committee.**

Being a Government Company and a subsidiary company of KSED, the nomination and

terms and conditions of appointment as Directors are made by Government and KSEDCC. Further, MCA has vide its notification dated 5th June, 2015 notified the exemptions to Government companies from the provisions of the Companies Act, 2013 which inter alia provides that Sub- Sections (2), (3) & (4) of Sec.178 regarding the appointment, performance evaluation and remuneration shall not apply to Directors of Government Companies.

However, in compliance with Section 178(1) of the Companies Act, 2013, the Company had constituted a Nomination and remuneration committee. The composition of the Committee as on 31.03.2023 was as follows:

- |    |  |   |             |
|----|--|---|-------------|
| 1. | Princess Gouri Parvathi Bayi, Director | : | Chairperson |
| 2. | Sri. O.V Narayanan, Director           | : | Member      |

**c) Stakeholders Relationship Committee.**

A stakeholder's relationship committee with the following members is functioning to consider and resolve the grievances of the stakeholders of the Company including the complaints related to transfer of shares, share transmission, issue of duplicate share certificates, non-receipt of declared dividend, etc. The composition of the Committee as on 31.03.2023 was as follows:

- |    |  |   |             |
|----|--|---|-------------|
| 1. | Princess Gouri Parvathi Bayi, Director | : | Chairperson |
| 2. | Sri. O.V Narayanan, Director           | : | Member      |

All the complaints received during the year were redressed and no complaints were pending as on 31.03.2023.

**14. DIRECTORS**

The Company is a subsidiary of the Kerala State Electronics Development Corporation Ltd and is under the administrative control of the Industries Department, Government of Kerala. During the year under report, Sri. Isac Newton Robert (DIN:01981125) was appointed as a Director of the Company by the Government of Kerala.

**15. DIRECTORS RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement: —

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (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;
- (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;

- (d) the directors had prepared the annual accounts on a going concern basis; and
- (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.
- (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.

**16. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES.**

The Company does not have any Subsidiary, Joint venture or Associate Company.

**17. DEPOSITS**

The Company has not accepted any deposits during the year under review.

**18. STATUTORY AUDIT, SALES TAX AUDIT AND INCOME TAX AUDIT**

M/s. Cheeran Varghese & Co, Chartered Accountants, Thrissur were appointed by the Comptroller and Auditor General of India as Statutory Auditors of the Company for the year 2022-23. M/s Jacob & George, Chartered Accountants, Kannur were appointed as GST Auditors and Income Tax Auditors for the FY 2022-23.

**19. INTERNAL AUDIT**

M/s. P.K. Raju & Co, Chartered Accountants, Calicut were appointed as internal Auditors for the FY 2022-2023.

**20. LISTING ON STOCK EXCHANGES**

The shares of the company have been delisted from the Cochin Stock Exchange Ltd w.e.f. 23.12.2014 and from Madras Stock Exchange Limited w.e.f. 27.03.2015 and has been placed on the Dissemination Board of National Stock Exchange Ltd w.e.f.27.03.2015.

**21. SHARES**

**a. BUY BACK OF SECURITIES**

The Company has not bought back any of its securities during the year under review.

**b. SWEAT EQUITY**

The Company has not issued any Sweat Equity Shares during the year under review.

**c. BONUS SHARES**

No Bonus Shares were issued during the year under review.

**d. EMPLOYEES STOCK OPTION PLAN**

The Company has not provided any Stock Option Scheme to the employees.

## **22. PERSONNEL**

The Industrial Relations in the company has been cordial throughout the year. The healthy practice of sorting out and settling issues through discussions with trade unions/ worker's representatives enabled the Company in ensuring worker's participation at different levels and establishing a peaceful Industrial Relation climate. There were no employee in receipt of remuneration as prescribed by Section 134 of the Companies Act, 2013, read with Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

## **23. ACKNOWLEDGEMENTS**

Your directors also wish to place on record their gratitude to the Government of India, Government of Kerala, State Bank of India, CSB Bank Ltd, Board for Public Sector Transformation - BPT (erstwhile Restructuring & Internal Audit Board - RIAB) and the Kerala State Electronics Development Corporation Ltd for their continued co-operation and valuable assistance extended from time to time to the Company. Your directors also thank the Statutory Auditors, Internal Auditors, Practicing Company Secretaries, Standing Counsel and the office of the Accountant General, Kerala, dealers, vendors and other stakeholders for their co-operation.

Your directors also wish to record their appreciation for the excellent teamwork by all sections of employees of the Company and the shareholders for their confidence reposed on your Company & support.

For and on Behalf of the Board of Directors

Sd/-

N Narayana Moorthy

Chairman

Date: 23.01.2025

Place: Kannur

## **ANNEXURES FORMING PART OF THE DIRECTORS' REPORT**

### **(Annexure I)**

#### **A. Conservation of Energy**

In line with our commitment to improving energy efficiency and reducing operational costs, several energy conservation measures have been implemented in the facility. These initiatives are detailed below:

##### **A1. Installation of Automatic Power Factor Correction Unit**

To enhance the power factor of the electrical system, an in-house developed Automatic Power Factor Correction (APFC) unit has been installed. This system continuously monitors and adjusts the power factor, leading to a significant reduction in energy losses and penalties from utilities. The APFC unit has proven to be a cost-effective solution for optimizing power usage.

##### **A2. Upgrading the Centralized Air Conditioning System**

To improve the efficiency of the centralized air conditioning unit serving the Radial Stitching and Winding area, a new Air Handling Unit (AHU) was installed. The upgraded AHU has enhanced airflow distribution and cooling efficiency, resulting in reduced energy consumption while maintaining required process conditions.

##### **A3. Replacement of Natural Cooling Water Chiller with Forced Cooling Type**

The outdated natural cooling type water chiller unit was replaced with a modern forced cooling type water chiller. The new system offers superior cooling performance and energy efficiency, contributing to lower energy costs and improved operational reliability.

##### **A4. Transition to Energy-Efficient BLDC Ceiling Fans**

A phased replacement of old ceiling fans with energy-efficient Brushless Direct Current (BLDC) fans is underway. These BLDC fans consume significantly less energy while providing superior performance. This ongoing initiative leads to reducing energy consumption across the facility.

##### **A5. Transition to LED Lighting**

The replacement of fluorescent tube lights with LED lighting is another ongoing project. LED lights are more energy-efficient, have a longer lifespan, and provide better illumination. Out of the 1,000 fluorescent tube lights targeted for replacement, 650 have already been successfully replaced, resulting in substantial energy savings.

#### **B. Technology absorption**

##### **B1. Research & Development**

##### **B1.1. Specific areas in which Research and Development was carried out by the company**

- (a) Development of low cost and high filler content Polyurethane resin.
- (b) Automatic unit for high silica filler content highly viscous resin metering and mixing unit with PMDI hardener.

- (c) Development of high-pressure centrifuging filtering unit for Polyurethane resin.
- (d) Development of Bio degradable encapsulating compound.
- (e) Technology support for C-MET Trissur for the development of “Carbon Aerogel Super Capacitors”.
- (f) Technology support for NMRL- Ambarnath for the development of “Activated Carbon Super Capacitors”
- (g) Development of Electrolyte for + 125<sup>0</sup> C category Capacitors -working voltage range 160 to 450V DC.
- (h) Automatic PMDI Hardener Dispensing equipment
- (i) Automatic Zinc Dust removal and static electricity neutralizer system from MPP elements

#### B1.2. Benefits derived as a result of the above Research & Development

- (a) Cost reduction of MPP Capacitor due to the inhouse production of PU resin with higher filler content.
- (b) Manhour reduction, material saving and process consistency.
- (c) Uniformity and better appearance of the products.
- (d) Low environmental pollution.
- (e) Understanding the basics of Carbon Aerogel Supercapacitors.
- (f) Understanding the basics of Activated Carbon Supercapacitors.
- (g) Used for the development of +125<sup>0</sup> C category high voltage Capacitors.

#### B1.3. Collaboration with C-Met for Carbon Aerogel SuperCapacitor Development

#### B1.4. Future plan of action

- (a) Setting of the manufacturing plant for Carbon Supercapacitors.
- (b) Setting of the manufacturing facility for the Rectangular MPP Capacitors.
- (c) Development of very high fire retardant and thermally stable Polyurethane resin for KVAR Capacitors.
- (d) Setting up of the manufacturing facility for KVAR Capacitors
- (e) Fully Automatic Metering, Mixing and Dispensing units for the encapsulation process of MPP Capacitors.
- (f) Setting of MPP film's Vacuum metallization plant

#### B1.5. Research & Development Expenditure:

- |    |           |                   |
|----|-----------|-------------------|
| a) | Capital   | : Nil             |
| b) | Recurring | : Rs. 26.35 Lakhs |
| c) | Total     | : Rs. 26.35 Lakhs |

d) Total R&D expenditure as a percentage of total turnover : 0.28%

B2. Technology absorption, adaptation and innovation

(a) Company has the necessary infrastructure and complete in-house technical expertise for design development and manufacturing of all types of Aluminium Electrolytic Capacitors and MPP Motor run Capacitors.

(b) Particulars of technology imported during the last five years: Supercapacitor technology from VSSC- Trivandrum

C. Foreign Exchange Earnings and Outgo

C.1. Earnings in Foreign Exchange- Nil

C.2. Foreign Exchange outflow:

a) CIF Value of Imports - Rs.4200.77 Lakhs.

b) Expenditure in foreign currency - Rs.4210.07 Lakhs.

For and on Behalf of the Board of Directors

Sd/-

N Narayana Moorthy

Chairman

Date: 23.01.2025

Place: Kannur

**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**

as on financial year ended on 31.03.2023

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company  
(Management & Administration) Rules, 2014.

**I. REGISTRATION & OTHER DETAILS:**

i	CIN	U31904KL1974SGC002630
ii	Registration Date	08-10-1974
iii	Name of the Company	KELTRON COMPONENT COMPLEX LIMITED
iv	Category/Sub-category of the Company	Company limited by shares. State Government Company
v	Address of the Registered office with contact details	Keltron Nagar, Kalliasseri, Kannur - 670562 Kerala Ph: 0497-2780831 Email: info@keltroncomp.org
vi	Whether listed company	No
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	NIL

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sl No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Aluminium Electrolytic Capacitors	26101	47.12
2	MPP Capacitor	26101	47.38

**III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES**

Sl No	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% Of Shares Held	Applicable Section
1	Kerala State Electronics Development Corporation Ltd	U74999KL1972SGC002450	Holding	76.54	2(46)



#### IV. SHAREHOLDING PATTERN (Equity Share capital Break up as % of total Equity)

##### (i). category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2022)				No. of Shares held at the end of the year (31.03.2023)				% change during the year
	De-mat	Physical	Total	% of Total Shares	De-mat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF		—	—	—	—	—	—	—	—
b) Central Govt	—	—	—	—	—	—	—	—	—
c) State Govt(s)	—	7300000	7300000	21.33	—	7300000	7300000	21.33	—
d) Bodies Corp (KSEDC)	—	26190807	26190807	76.54		26190807	26190807	76.54	—
e) Bank/FI									
f) Any other									
<b>SUB TOTAL:(A) (1)</b>	—	<b>33490807</b>	<b>33490807</b>	<b>97.87</b>	—	<b>33490807</b>	<b>33490807</b>	<b>97.87</b>	—
<b>(2) Foreign</b>	—	—	—	—	—	—	—	—	—
g) NRIs- Individuals									
h) Other Individuals									
i) Bodies Corp.									
j) Banks/FI									
k) Any other...									
<b>SUB TOTAL (A) (2)</b>	—	—	—	—	—	—	—	—	—
<b>B. PUBLIC SHAREHOLDING</b>									
<b>(1) Institutions</b>									
a) Mutual Funds									
b) Banks/FI		118000	118000	0.34		118000	118000	0.34	
c) Central govt		—	—	—	—	—	—	—	

d) State Govt(s)-SIDCO		42500	42500	0.12		42500	42500	0.12	
e) Venture Capital Fund	—	—	—	—	—	—	—	—	—
f) Insurance Companies (LIC, GIC)		100000	100000	0.29		100000	100000	0.29	
g) FIIS	—	—	—	—	—	—	—	—	—
h) Foreign Venture Capital Funds									
i) Others (specify)									
<b>SUB TOTAL (B)(1):</b>		<b>260500</b>	<b>260500</b>	<b>0.76</b>		<b>260500</b>	<b>260500</b>	<b>0.76</b>	
<b>(2) Non-Institutions</b>									
a) Bodies corp.									
i) Indian		51150	51150	0.15		51150	51150	0.15	
ii) Overseas	—	—	—	—	—	—	—	—	—
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs		287296	287296	0.84		287296	287296	0.84	—
ii) Individual's shareholders holding nominal share capital in excess of Rs. 1 lakh		130850	130850	0.38		130850	130850	0.38	—
c) Others (specify)									
<b>SUB TOTAL (B)(2)</b>		<b>469296</b>	<b>469296</b>	<b>1.37</b>		<b>469296</b>	<b>469296</b>	<b>1.37</b>	—
Total Public Shareholding <b>(B)= (B)(1) +(B)(2)</b>		<b>729796</b>	<b>729796</b>	<b>2.13</b>		<b>729796</b>	<b>729796</b>	<b>2.13</b>	
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	—	—	—	—	—	—	—	—	—
<b>Grand Total (A+B+C)</b>		<b>34220603</b>	<b>34220603</b>	<b>100</b>		<b>34220603</b>	<b>34220603</b>	<b>100</b>	

**(ii) SHARE HOLDING OF PROMOTERS**

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No of shares	% of shares of the company	% of shares pledged / encumbered to total shares	% change in shareholding during the year
1	Kerala State Electronics Development Corporation Ltd	26190807	76.54	0	26190807	76.54	0	0
2	Government of Kerala	7300000	21.33	0	7300000	21.33	0	0
<b>Total</b>		<b>33490807</b>	<b>97.87</b>	<b>0</b>	<b>33490807</b>	<b>97.87</b>	<b>0</b>	<b>0</b>

**(iii) CHANGE IN PROMOTERS' SHAREHOLDING**

Sl. No.	KSEDC Ltd	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	26190807	76.54	26190807	76.54
	At the end of the year	26190807	76.54	26190807	76.54

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

Sl. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of Shares	% of total shares of the company	No of shares	% of total shares of the company
1	Sri. Nirej V Paul	130850	0.43	130850	0.38
2	IFCI Ltd	60000	0.2	60000	0.18
3	ICICI Ltd	58000	0.19	58000	0.17
4	LIC	50000	0.16	50000	0.15
5	SIDCO Ltd	42500	0.14	42500	0.13
6	GIC Ltd	40000	0.13	40000	0.12

7	Narayanan Investment Trust Pvt Ltd	25000	0.08	25000	0.07
8	Kumari Investment Co-operation Pvt Ltd	14900	0.05	14900	0.04
9	The United India Insurance Co. Ltd	10000	0.03	10000	0.03
10	Western India Plywoods Ltd	10000	0.03	10000	0.03

**(v) Shareholding of Directors & KMP**

Sl. No	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
NIL				

**V INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year (01-04-2022)</b>				
i) Principal Amount	5,12,70,129.88	20,69,26,540.00		25,81,96,669.88
ii) Interest due but not paid	-	24,63,30,961.00		24,63,30,961.00
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	<b>5,12,70,129.88</b>	<b>45,32,57,501.00</b>		<b>50,45,27,630.88</b>
Change in Indebtedness during the financial year				
-- Additions (net)		4,71,78,576.00		4,71,78,576.00
-- Reduction	(2,71,85,476.14)			(2,71,85,476.14)
<b>Net Change</b>	<b>(2,71,85,476.14)</b>	<b>4,71,78,576.00</b>		<b>1,99,93,099.86</b>
<b>Inndebedtness at the end of the financial year (31-03-2023)</b>				
i) Principal Amount	2,40,84,653.74	20,69,26,540.00		23,10,11,193.74
ii) Interest due but not paid		29,35,09,537.00		29,35,09,537.00
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	<b>2,40,84,653.74</b>	<b>50,04,36,077.00</b>		<b>52,45,20,730.74</b>

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

Sl. No	Particulars of Remuneration	Sri. K.G. Krishnakumar Managing Director	Total Amount
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income Tax Act. 1961.	12,92,061.00	12,92,061.00
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	3,19,363.00	3,19,363.00
	(c ) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-
2	Stock option	-	-
3	Sweat Equity	-	-
4	Commission -as % of profit -Others, specify....	-	-
5	Others, please specify (Gratuity, Leave Salary)	-	-
	<b>Total (A)</b>	<b>16,11,424.00</b>	<b>16,11,424.00</b>
	<b>Ceiling as per the Act</b>		

**B. Remuneration to other directors:**

Sl. No	Particulars of Remuneration	Name of Director		Total amount
		Princess Gouri Parvathi bayi	O.V Narayanan	
	<u>Independent Directors.</u> Fee for attending board committee meetings. Commission. Others, please specify	-		-
	<b>Total (1)</b>	-		-
	<u>Other Non-Executive Directors .</u> Fee for attending board/ committee meetings. Commission. Others, please specify.	400	800	1200
	<b>Total (2)</b>	<b>400</b>	<b>800</b>	<b>1200</b>
	<b>Total (B)= (1+2)</b>	<b>400</b>	<b>800</b>	<b>1200</b>

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTB (in Rs)**

Sl. No.	Particulars of Remuneration	Sri. Jose Joseph-CFO	Smt. Thahira PP-Company Secretary	Total
1	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	11,28,842.57	3,54,231.84	14,83,074.41
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	21,600.00	16,200.00	37,800.00
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option		-	
3	Sweat Equity		-	
4	Commission -as % of profit -others, specify	-	-	
	<b>Total</b>	<b>11,50,442.57</b>	<b>3,70,431.84</b>	<b>15,20,874.41</b>

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES**

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

For and on behalf of the Board of Directors  
Sd/-

Place: Kannur  
Date: 23.01.2025

N. Narayana Moorthy  
Chairman

**ANNEXURES FORMING PART OF THE DIRECTORS' REPORT (Annexure II)**  
**A.Comment on Internal Financial Controls by the Statutory Auditors**

<b>Sl No</b>	<b>Comments of Statutory Auditors on IFC</b>	<b>Explanation of the Management</b>
1.	The Company's Information Technology (IT) System, was not operating effectively which could potentially result in the Company to forcefully perform many of its functions manually which would also possibly result in human errors and duplication. This could further lead to wrong disclosure with respect to Revenue, expenditure, assets and liabilities.	In view of the deficiency in our IT system, Company is trying to implement a new ERP System to minimize manual functions. Currently a FOXPRO based old system developed in-house is operational but is inadequate for a production company. In between, company tried to develop a new ERP based on POST-GRESS but that was not successful. Company needs to implement a proper manufacturing ERP like SAP for effective planning, production and control. Company engaged a SAP authorized consultant M/s. SAP Global for preparing a detailed requirement study and they have submitted the study report which was approved by Board. Company submitted the report and DPR to the Govt. for financial assistance to implement.
2.	The company does not have adequate process in place to test its key accounting and financial statement controls and has not implemented a risk control matrix. The company lacks adequate processes to ensure compliance with Accounting Standards and Internal controls with regard to accounting for expenses and trade debtors were generally found to be weak and inconsistent. There is a general inadequacy in design of internal control over significant accounts and process. Key account reconciliations are not performed periodically and in an accurate manner.	<p>The Board of Directors takes cognizance of the observations made by the Statutory Auditors regarding the internal control framework, accounting practices, and compliance with Accounting Standards in the Company.</p> <p>The Board acknowledges the importance of a robust and efficient internal control system for ensuring compliance with statutory requirements, enhancing operational efficiency, and protecting the integrity of financial statements. In this regard, the corrective actions have been initiated by the management.</p> <p>The Board remains committed to addressing all issues highlighted by the statutory auditors and to adopting global best practices in corporate governance, internal controls, and financial reporting. Continuous efforts will be made to ensure that the Company's operations are conducted in accordance with the highest standards of accountability and transparency.</p>

3.	The Company has no system to obtain confirmation statements from debtors and reconciliation of the same with books periodically. The list of Sundry debtors includes Rs 1,62,32,056.82/- which is outstanding for more than 3 Years.	The Company had sent letters for confirming the balance to all debtors. Debtors having no dispute regarding balance as per our books have not responded. Company has classified debtors above 3 years as doubtful and made sufficient provision for the same. During the FY 2022-23 the Company has provided Rs.162.32 lacs as doubtful debts.
4.	The company does not have adequate controls in place to ensure reliable accounting of inventories and work in progress. The standard costing system in place does not provide adequate assurance on the valuation of inventory in financial statements and is found to be weak on account of a lack of automated controls and processes and failure on the part of the management to periodically review and adjust the standard cost.	<p>The Board of Directors acknowledges the observations made by the Statutory Auditors regarding the internal controls over the accounting of inventories and work in progress, as well as the standard costing system in place. Ensuring the accuracy and reliability of inventory valuation is critical to maintaining the integrity of financial statements, and the corrective actions have been initiated to address the concerns raised.</p> <p>The Board is committed to addressing these issues expeditiously and ensuring the establishment of reliable systems and controls to safeguard the accuracy and reliability of financial reporting. We remain dedicated to adopting global best practices in inventory management, costing, and financial governance.</p>

Place : Kannur  
Date : 23.01.2025

For KELTRON COMPONENT COMPLEX LTD  
Sd/-  
CHAIRMAN



**B. Comments of Additional Chief Secretary (Finance) for the year 2022-23**

Sl No	Comments of Additional Chief Secretary, Finance	Explanation of the Management
1.	Company may make earnest efforts for the repayment of the loan and payment of interest accrued thereon, which are due to GoK.	Since the Company is not in a position to repay the loan from Govt of Kerala and the accumulated interest thereon, at present, Company has approached Government of Kerala for conversion of loans into equity. Final decision of the Government is awaited.
2.	Company's trade receivables have increased during the audit period. Company shall take efforts to realize the trade receivables to improve the financial condition.	As per our past sales trend, most of our sales were occurred during last quarter of the financial year. Since our credit period is 60-90 days, all the sales made during the period from January to March will lie in debtors as on 31st March. Company is making rigorous efforts to realize the trade receivables to improve the financial condition.
3.	Company has not revalued its property, plant and equipment for the financial year 2021-22 and 2022-23.	Assets are revalued to incorporate the major changes that have occurred in fixed assets held by the business. The majority of the Property plant & equipment of the company are held for a period exceeding 10 years and the WDV value of the assets are almost at its realizable value and doesn't need any revaluation. The Statutory auditors of the company have evaluated the same and have not identified any major impairments which needs provisions.
4.	Though the net profit ratio has increased during the year 2022-23, when compared to 2021-22, the net capital turnover ratio has decreased 278.22% than previous year. BoD may look into this.	It was a typographical error and appropriate actions are taken to rectify the same. After rectification, decrease in net capital to turnover ratio is only 17.80% instead of 278.22% when compared to previous year.
5	As per GO(P)No.61/2023/Fin dated 23.06.2023 companies with Profit after Tax (PAT) above Rs. 50 Cr. has to pay a minimum dividend of 20% and those with PAT below Rs. 50 Cr. has to pay 15% as dividend. As Company's profit is Rs. 4.63 crore, Board may examine this non-compliance of Govt direction and take steps to declare dividend as per rules.	The Board of Directors acknowledges the observation made by the Additional Chief Secretary Finance regarding compliance with the Government directive issued vide GO(P) No. 61/2023/Fin dated 23.06.2023. Company is making all efforts for declaring dividend. However, there is pressure for repaying the huge loan and accumulated interest to the tune of Rs.45 Crores. There is also pressure from financial institutions to bring down the accumulated loss of Rs.37 Crores. Moreover, as per the proviso to sub-section (1) of Section 123 of the Companies Act, 2013, "...no company shall declare dividend unless carried over previous losses and depreciation not provided in previous year or years are set off against profit of the company for the current year."
6	BoD may make a serious review on the lapses reported in the Audit report for the year 2022-23, besides the above mentioned and may take earnest efforts to clear the same at the earliest.	Explanation is given in the appropriate place for the comments made by CAG/Statutory Auditors as the case may be. Company is taking all efforts to clear the lapses reported in the Audit report for the year 2022-23

Place : Kannur  
Date : 23.01.2025

For KELTRON COMPONENT COMPLEX LTD  
Sd/-  
CHAIRMAN

**C. Comments of C&AG for the year 2022-23**

<b>Sl No</b>	<b>Comments of C&amp;AG</b>	<b>Explanation of the Management</b>
<b>1</b>	<p><b>COMMENTS ON FINANCIAL POSITION</b></p> <p><b>Other current liabilities -Rs.756.73 lakh (note no.10)</b></p> <p>This is understated by Rs.46.30lakh due to non-accounting of excess Bill of Quantities (BOQ) allowed to the contractor for a work carried out in 2022-23. Since the Company certified the excess quantity in March 2023 and the same was approved for payment by the Board of Directors in September 2023, the Company should have accounted for the same as per Accounting Standard 4 - <i>Contingencies and Events Occurring after the Balance Sheet Date</i>. Non-accounting of the above has also resulted in corresponding understatement of Capital work- in-progress</p>	<p>The Capital Work in Progress should be created and corresponding liability should be recognized only when the liability is ascertained on certification of the contracted element as per the terms of contract agreed upon. The invoice for the excess BOQ was certified and ascertained only in the month of August 2023 (Inv no. AKR-14/2023-24 dated 19.08.2023 for Rs.46,30,417/-) and as per Accounting Standard - 10, the capitalization was postponed till that date. However, the point is noted for future guidance.</p>
<b>2</b>	<p><b>COMMENTS ON CASH FLOW</b></p> <p><b>(i)Net cash from financing activities – Rs.178.03 lakh</b></p> <p>The above is understated by Rs.471.97 lakh due to inclusion of provision for interest payable against loan given by Government of Kerala. As a result, ‘Net cash generated from operating activities’ is understated to that extent.</p> <p><b>(ii)Net cash from investing activities – Rs. (417.38) lakh</b></p> <p>This is understated by Rs.28.00 lakh due to inclusion of interest accrued on fixed deposits as cash inflow despite no cash involved in it. As a result, ‘Net cash generated from operating activities are understated to that extent.</p>	<p>Since it is an ascertained liability and the Government has not given any waiver or takes any action to waive the interest amount, it is considered while preparing the Cash flow statement. However, the point is noted for future guidance.</p> <p>For all material amounts, interest has been added and renewed along with the fixed deposit amounts. Since fixed deposits are part of current assets/cash equivalents, the accrued interest is considered as cash inflow in the Cash flow statement. However, the point is noted for future guidance.</p>

3	<b>Net Impact of the comments</b> <b>The net impact of the above comments is that the assets and liabilities sides of the Balance Sheet is understated by Rs.46.30 lakh.</b>	Net effect reflections shall be in alignment with the explanations given above.
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Place : Kannur  
Date : 23.01.2025

For KELTRON COMPONENT COMPLEX LTD  
Sd/-  
CHAIRMAN

**D.STATEMENT SHOWING QUALIFICATIONS MADE BY THE STATUTORY AUDITORS IN THE AUDITOR'S REPORT ON THE ACCOUNTS OF KELTRON COMPONENT COMPLEX LTD. KANNUR FOR THE YEAR ENDED 31ST MARCH 2023 AND THE EXPLANATIONS OF THE MANAGEMENT**

SI No	Qualifications made by the Statutory Auditors	Explanation of the Management
1.	According to Section 7(3-A) of the Payment of Gratuity Act, 1972 the company is required to pay simple interest at the rate specified by Government on delay in payment of gratuity. No interest has been provided by the company on the gratuity payable, amount outstanding beyond the 30 days period as specified under Section 7(3) of the Payment of Gratuity Act, 1972. In the absence of adequate details and information pertaining to these delayed payments in the gratuity account, we are unable to quantify the effect of the interest burden not provided for by the company in its financial statements. Though the company has issued cheque, it stands returned by the employee.	The Company had already paid all eligible undisputed terminal benefits to the retired employees of the Company as per Payment of Gratuity Act, 1972, except Rs. 0.90L payable to one employee who is absconding. Hence, Company is not liable to pay any interest on the same. We are trying to trace the details of the said employee to pay him the terminal benefits.
2.	Balance confirmation certificates for almost all the cases under long-term borrowings, trade payables, other current liabilities, long-term loans and advances, trade receivables, short-term loans and advances and other current assets have not been produced for our verification. On an analysis of Accounts Receivables, it is observed that long outstanding receivables to the tune of Rs. 1,62,32,056.82 /- is included in receivables. The company has made provision for doubtful debts in respect of these debts. These accounts may be scrutinized and suitable cases may be written off.	Company has availed long term loans from Govt. of Kerala only. Company has received balance confirmation for short term loans other than DOE loan. The company had sent letters for confirming the balance to all debtors and creditors. Debtors and creditors having no dispute regarding balance as per our books have not responded. Company has classified debtors above three years as doubtful and made sufficient provision in the books of accounts.
3.	The Company's Audit Committee does not comprise of a majority of Independent Directors and therefore, the Company has not complied with the provisions of section 177 of the Companies Act, 2013.	The process of appointment of independent directors is in progress. As soon as the appointment of independent directors are made, the Audit committee will be reconstituted with majority of independent directors.

4.	The company does not maintain a proper repayment schedule for all government loans and hence, it is not possible to provide breakup of loans to short term and long term.	Since the company is not in a position to repay Government loans, repayment schedule has not prepared. Further, all these Govt loans were taken years back. Company has approached Government of Kerala for conversion of loans along with accumulated interest into equity. Final decision of the Government is awaited.
5.	Company has accepted share application money amounting to Rs.16,72,37,115.00 which has been pending allotment for more than 60 days. Since the necessary details are not made available, we are not able to verify violation of section 42 or 62 of the companies Act ,2013.	At present, authorized share capital of the Company is Rs. 35 crores and the Issued, Subscribed and Paid-up Share capital is Rs. 34.23 crores. In order to allot shares to the Govt. of Kerala, against their 'Equity investment in KCCL' amounting to Rs. 16.72 crores(as on 31.03.2023), authorized share capital of the Company needs to be increased first. Company had already taken up the matter and got the Board approval and submitted the details to the Govt. for approval for increasing the authorized share capital. The matter is pending with the Govt. of Kerala.
6	Confirmation of Bank balance of Indian Bank (Harbor Branch) account is not available for verification.	Only insignificant amount lying in the bank account and shall be settled in due course of time
7	The legal files are not available for verification. Hence, we are unable to comment on the contingent liability and pending litigation disclosed in the financial statements.	Earlier, our parent company KSEDG and its marketing offices were handling all the sales activities of KCCL. The legal cases at those old times were handled by KSEDG and its branch offices and some of the files related to those very old litigations are untraceable.
8	The company has not complied with Accounting Standard 22 – Accounting for taxes on Income.	Not very specific comments and hence not replied to the query. However, the BOD confirms that the company has complied to the relevant accounting standards
9	Details of any forward contracts and hedged positions for the calculation of unrealised Gain/loss is not matching with Financial Statement figures.	No material financial impact is seen in the unrealized gain/loss on hedging contract. The difference is rectified by passing an entry in the subsequent financial year.

10	The company has recognised Rs.1,32,77,539/- as capital reserve which represent Government Grants received towards various projects. We are unable to verify the correctness of the same since workings relating to project capitalization and the amount of Government Grants adjusted against those projects capitalized is not available for verification. Hence, we are unable to comment on the compliance as per Accounting Standard 12- Accounting for Government Grants.	These are the old figures appearing in the financial statement from 2007-08 onwards with changes happened in financial year 2008-09 and financial year 2015-16. Management will look into this and do the needful.
11	The company has not complied with Accounting Standard 28 – Impairment of Assets regarding testing and evaluation of impairment of Property plant and equipment. The company does not have a process put in place to test the impairment of Property, plant and equipment.	The Company recognizes the importance of the observation made and adhering to Accounting Standards and hence the following actions are strengthened <ul style="list-style-type: none"> <li>● Impairment Testing Process</li> <li>● Assessment of PPE</li> <li>● Review and Improvement</li> <li>● Commitment to Compliance</li> </ul>
12	The company has not capitalized interest cost directly attributable to acquisition and construction of qualifying assets as required by Accounting Standard 16 – Borrowing costs. The company does not have a process put in place to identify and capitalize such cost.	During the financial year, the company has not capitalized any assets acquired out of borrowed funds and hence capitalization of borrowing cost in accordance with Accounting Standard – 16 on Borrowing Cost does not arise.

Place :Kannur  
Date :23.01.2025

For KELTRON COMPONENT COMPLEX LTD  
Sd/-  
CHAIRMAN



**CHEERAN VARGHESE & CO.**  
**CHARTERED ACCOUNTANTS**

**INDEPENDENT AUDITOR'S REPORT**

To  
The Members of Keltron Component Complex Limited  
Kannur

**Report on the Financial Statements**

**Qualified Opinion**

We have audited the accompanying financial Statements of M/s Keltron Component Complex Ltd ("The Company) which comprise the Balance Sheet as at March 31, 2023, The Statement of Profit and Loss and Cash flow Statement for the Year ended along with a summary of significant accounting policies and other explanatory information.

In our Opinion, and to the best of our information and according to the explanation given to us, except for the effects of matters discussed in the "Basis for Qualified Opinion" paragraphs given below, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2023 and its profit, and its cash flows for the year ended on that date.

**Basis for Qualified Opinion**

- 1) According to Section 7(3-A) of the Payment of Gratuity Act, 1972 the company is required to pay simple interest at the rate specified by the Government on delay in payment of gratuity. No interest has been provided by the company on the gratuity payable, amount outstanding beyond the 30 days period as specified under section 7(3) of the payment of Gratuity Act, 1972. In the absence of adequate details and information pertaining to these delayed payments in the gratuity account, we are unable to quantify the effect of the interest burden not provided for by the company in its financial statement though the company has issued cheque, it stands returned by the employee.
- 2) Balance confirmation certificates for almost all the cases under long term borrowings, trade payables, other current liabilities, long-term loans and advances, trade receivables, short term loans and advances and other current assets have not been produced for our verification. On



analysis of Accounts Receivables, it is observed that long outstanding receivables to the tune of Rs. 1,62,32,056.82/- is included in receivables. The company has made provision for doubtful debts in respect of these debts. These accounts may be scrutinized and suitable cases may be written off.

- 3) The Company's Audit Committee does not comprise of a majority of independent Directors and therefore, the Company has not complied with the provisions of section 177 of the Companies Act, 2013.
- 4) The Company does not maintain a proper repayment schedule for all Government loans and hence, it is not possible to provide break up of loans to short term and long term.
- 5) Company has accepted share application money amounting to Rs.16,72,37,115.00 which has been pending allotment for more than 60 days. Since the necessary details are not made available we are not able to verify violation of Section 42 or 62 of the companies Act, 2013.
- 6) Confirmation of Bank balance of Indian Bank (Harbor Branch) account is not available for verification.
- 7) The legal files are not available for verification. Hence we are unable to comment on the contingent liability and pending litigation disclosed in the financial statements.
- 8) The company has not complied with Accounting Standard 22 – Accounting for taxes on Income.
- 9) Details of any forward contracts and hedged positions for the calculation of unrealised Gain/loss is not matching with Financial Statement figures.
- 10) The company has recognised Rs 1,32,77,539/- as capital reserve which represent Government Grants received towards various projects. We are unable to verify the correctness of the same since workings relating to project capitalization and the amount of Government Grants adjusted against those projects capitalized is not available for verification. Hence, we are unable to comment on the compliance as per Accounting Standard 12 – Accounting for Government Grants.
- 11) The company has not complied with Accounting Standard 28 – Impairment of Assets regarding testing and evaluation of impairment of Property plant and equipment. The company does not have a process put in place to test the impairment of Property, plant and equipment.
- 12) The company has not capitalized interest cost directly attributable to acquisition and construction of qualifying assets as required by Accounting Standard 16 – Borrowing costs. The company does not have a process put in place to identify and capitalize such cost.
- 13) In respect of each of the Qualifications mentioned above, namely in paragraph numbers 1 to 12 we are unable to quantify the effect on the profit and loss or assets or liabilities.

### **Responsibility of Management for Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the



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

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

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

### **Auditors' Responsibilities for the Audit of the Financial Statements**

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

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

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

may cause the Company to cease to continue as a going concern.

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

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

We communicate with 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.

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

- 1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure – I**, a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 2) With respect to other matters to be included in the Auditor's Report in terms of the directions of the Comptroller and Auditor General of India (C&AG) under Section 143(5) of the Act, and on the basis of our examination of the books and records of the company carried out in accordance with the generally accepted accounting practices in India and according to the information and explanations given to us, we give in "**Annexure II**" the statement on the compliance to the matters specified in the Directions and Additional Directions of C&AG respectively.
- 3) As required by section 143(3) of the Act, we report that:

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.

  - (a) Except for the possible effects and effects of the matter described in the Basis for Qualified Opinion paragraph, 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.
  - (b) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (c) The matter described in the Basis for Qualified opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the company.
  - (d) Except for the possible effects and effects of the matter described in the Basis for Qualified Opinion paragraph, in our opinion, the aforesaid financial statements comply with

the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- (e) In view of exemption given vide notification no. G.S.R. 463(E) dated June 5, 2015, as amended vide notification no. G.S.R 582(E) dated June 13, 2017, issued by Ministry of Corporate Affairs, provisions of Section 164(2) of the Act regarding disqualification of directors, are not applicable to the Company.
- (f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.
- (g) Being a Government Company, the provisions of section 197 of the Act with respect to the matters to be included in the Auditor's Report is not applicable vide notification no. G.S.R. 463(E) dated June 5, 2015, as amended vide notification no. G.S.R 582(E) dated June 13, 2017, issued by Ministry of Corporate Affairs.
- (h) 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 III**".
- (i) 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 pending litigation on its financial position in note 47 of the financial statement.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. With respect to matters under Rule 11(e);
    - a. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - b. The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of

the Ultimate Beneficiaries;

c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

d. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023

v. The company has not proposed or paid any dividend during this financial year.

**For CHEERAN VARGHESE & CO**  
**Chartered Accountants**  
**(FR No : 050061S)**

**Sd/-**  
**C V Varghese**  
**Partner**  
**M. No. 020644**

**UDIN: 24020644BKBGLG9917**

**Place : THRISSUR,**  
**Date: 27/03/2024.**

### **Annexure I to the Auditors' Report**

The Annexure I referred to in our report to the members of KELTRON COMPONENTS COMPLEX LIMITED (the Company') for the year ended on March 31, 2023. We report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars except the location particulars of the fixed assets, including quantitative details and situation of Property, Plant and Equipment. The location of fixed assets at the Kannur factory is given in the plant layout.
- (B) The company is maintaining proper records showing full particulars, including quantitative details and situation of Intangible assets.
- (b) The Company has a regular programme of physical verification of its Property, Plant & Equipment, by which Property, Plant & Equipment. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanation given to us, the title deeds of the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee) are held in the name of the company except for the cases listed below:

<b>Sl. No.</b>	<b>Particulars</b>
1	1 acre and 81 cents of land under resurvey no.385/1E of Kalliaseri village, Kannur taluk under document no.1140 of 1975 which is registered in //ie name of Keltron Crystals Limited.
2	1 acre and 35 cents of land under resurvey no.385/1E of Kalliaseri Village, Kannur taluk under document no.1139 of 1975 which is registered in the name of Keltron Magnetics Limited.

- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanation given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under during the year.
- ii) (a) The inventory, except goods in transit, has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by the management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
- (b) The company has been sanctioned working capital limits in excess of five crore rupees during the year, in aggregate, from banks or financial institutions on the basis of security of current assets and inventory. According to the information and explanation provided to us quarterly returns or statements are not filed by the company with such banks or financial institutions. Hence, we are unable to comment whether the company has complied with clause 3(ii) (b) of the Order.
- (iii) The Company has during the year, not made investments in, provided any guarantee or security

or granted. Any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the provisions of clauses 3(iii) of the Order are not applicable.

- (iv) According to the information and explanation given to us, the company has no loans, investments, guarantees or security where provisions of section 185 and 186 of the Companies Act, 2013 are to be complied with.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits under the directives of the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under, where applicable. Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the cost records maintained by the company as specified in sub-section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that the prescribed cost records are not properly maintained.
- (vii) (a) The Company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable. However, due to adequate records not being made available we were unable to determine whether the liability recorded with respect to goods and service tax, tax deducted at source and provident fund dues.
- (b) There are no dues in respect of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues that have not been deposited with the appropriate authorities on account of any dispute except the following:

Name of Statute	Nature of Dues	Amount(Rupees in Lakhs)	Forum where dispute is pending
The Employee State Insurance Act, 1948	Employee State Insurance	18.10	ESI Court, Kozhikode
The Provident Fund and Miscellaneous Provisions Act, 1952	Provident Fund Penal Damages	33.94	Board of Trustees, Provident Fund, Delhi; and Counter Affidavit at the Honourable High Court of Kerala.
The Industrial Disputes Act, 1947	47 Cases Filed Against The Company	98.69	Labour Court, Kannur

- (viii) According to the information and explanation given to us, company has no transactions, not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961);
- (ix) (a) In our opinion, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year except in the following cases:



<b>Details of Loan</b>	<b>Principal amount Overdue (Rs Lakhs)</b>	<b>Interest amount overdue (Rs Lakhs)</b>
Working Capital Loan from Government of Kerala - Rs.175 Lakhs	175.00	331.80
Working Capital Loan from Government of Kerala - Rs.395 Lakhs	395.00	665.40
Working Capital Loan from Government of Kerala-Rs.530 Lakhs	396.64	696.92
Working Capital Loan from Government of Kerala-Rs.700 Lakhs	700.00	904.82
Working Capital Loan from Government of Kerala-RS.75 Lakhs	75.00	70.81
Working Capital Loan from Government of Kerala-Rs.425 Lakhs	0.00	50.21
Loan from Department of Electronics	0.00	60.97
Kerala State Electronic Development Corporation Limited	0.00	16.09
Investment Loan from Government of Kerala —Rs.1000 Lakhs	200.00	94.01
Investment Loan from GoK (200L)	115.57	35.75
Investment Loan from GoK (Super Capacitor)	12.06	8.32

- (b) Company is not declared willful defaulter by any bank or financial institution or other lender;
- (c) According to the information and explanation given to us, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanation given to us, funds raised on short term basis have not been utilized for long term purposes;
- (e) According to the information and explanation given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures;
- (f) According to the information and explanation given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies;
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year;
- (b) According to the information and explanation given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- (xi) (a) According to the information and explanation given to us, any fraud by the company or any fraud on the company has not been noticed or reported during the year;
- (b) According to the information and explanation given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
- (c) According to the information and explanation given to us, no whistleblower complaints, received during the year by the company;
- (xii) As the Company is not a Nidhi company, accordingly provisions of the Clause 3(xii) of the

Order is not applicable to the company:

- (xiii) The transactions entered into with the related parties are not in full compliance with the sections 177 and 188 of Companies Act, 2013, since the resolutions pertaining to the related party transactions are not part of the minutes of the audit committee meetings held during the year. However, the details pertaining to the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) According to the information and explanations given to us, the company has internal audit system commensurate with the size and nature of its Business.  
(b) We have considered the reports of the Internal Auditors for the period under audit.
- (xv) According to the information and explanations given to us, we are of the opinion that the company has not entered into any non-cash transactions with directors or persons connected with him and accordingly, the provisions of clause 3(xv) of the Order is not applicable.
- (xvi) According to the information and explanations given to us, we are of the opinion that the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and the company is not a Core Investment Company (CIC) as defined in the regulations made by Reserve bank of India, accordingly the provisions of clause 3 (xvi) of the Order are not applicable;
- (xvii) According to the information and explanations given to us and based on the audit procedures conducted we are of opinion that the company has not incurred any cash losses in the financial year and the immediately preceding financial year;
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly, the provisions of clause 3(xviii) of the Order is not applicable;
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that company is incapable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company.  

We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) The provisions of Section 135 towards corporate social responsibility are not applicable to the company. Accordingly, the provisions of clause 3(xx) of the Order are not applicable.
- (xxi) The reporting under clause (xxi) is not applicable in respect of audit of standalone financial



statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

**For CHEERAN VARGHESE & CO**  
**Chartered Accountants**  
**(FR No : 050061S)**

**Place : THRISSUR,**  
**Date: 27/03/2024.**

**Sd/-**  
**C V Varghese**  
**Partner**  
**M. No. 020644**  
**UDIN: 24020644BKBGLG9917**

**ANNEXURE II TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON  
THE FINANCIAL STATEMENTS OF M/S.KELTRON COMPONENT COMPLEX LIMITED  
FOR THE YEAR ENDED 31ST MARCH, 2023**

**Observations and comments on the directions issued by the Comptroller and Auditor General of India under Section 143 (f) of the Companies Act, 2013**

<b>S.No</b>	<b>Directions</b>	<b>Response</b>
1.	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	The IT system implemented by the company is generally found to be inadequate and does not incorporate adequate automated controls commensurate with the size and operations of the company. It is observed that the IT system is particularly weak with regard to valuation of inventory and work in progress. There is an unusually high reliance on manual controls and processes and there is a lack of proper reports such as overhead absorption report and ageing reports.
2.	Whether there is any re-structuring of an existing loan or cases of waiver/write off of debts/loan/interest etc. Made by a lender to the company due to the company's inability to repay the loans? If yes, the financial impact may be stated.	During the year there are no cases of waiver/write-off of debts/loan interest etc.
3.	Whether funds received/receivable for specific schemes from Central/ State agencies were properly accounted for/utilized as per its terms and conditions? List the cases of deviation.	Yes. There was no deviation recorded as per Information provided by client.

**For CHEERAN VARGHESE & CO  
Chartered Accountants  
(FR No : 050061S)**

Sd/-  
**C V Varghese  
Partner  
M. No. 020644**

**UDIN: 24020644BKBGLG9917**

**Place : THRISSUR,  
Date: 27/03/2024.**

**Sector specific sub directions under section 143(5) of the Companies Act, 2013 as pertaining to the manufacturing sector in which the company is classified:**

S.No	Directions	Response
1	Whether the company's pricing Policy absorbs all fixed and variable cost of production as well as the allocation of overheads.	The company's pricing policy absorbs all the Fixed and variable costs of production as well as allocation of overheads.  However, in determining some of such costs the company uses a standard costing model. Based on our examination of the records of the company were of the opinion that the company does not have a proper policy of revisiting such standard costs which are taken for pricing.
2	Whether the company has Utilized the Government assistance for technology up gradation / Modernization of its manufacturing process and timely submitted the utilization certificates.	The company has been applying and utilizing the Government assistance for technology upgradation/modernization from time to time and is complying with the sanction terms of such assistance by submitting the necessary documents/certificates as is required under each assistance program.
3	Whether the company has fixed norms for normal losses and a system for evaluation of abnormal losses for remedial action is in existence.	The company has standard norms for Accounting of normal losses. Abnormal losses are evaluated and remedial actions are initiated like reuse of materials etc. to bring down the overall loss component.
4	Report on the system of Valuation of by-products and finished products. List out the cases of deviation from its declared policy.	The by-products and finished products are valued at cost or market value whichever is lower. The market value is arrived at by using the retail method.
5	Whether the effect of Deteriorated stores and spares of closed units been properly accounted for in the books.	The company has made adequate provision for Depletion in value of stores and spares based on an internal technical evaluation of the usability of such stores and spares. The inventory carrying amount in the balance sheet as on the reporting date is after adequately accounting for such depletion in value.
6	Whether the company has effective system for physical verification, valuation of stock, treatment of non-moving items and accounting the effect of shortage/excess noticed during the physical verification.	The company has an effective system in place for physical verification of inventory, making provisions for non-moving inventory and accounting the effect of such shortage/excess which are notice done physical verification.

7	State the extent of utilization of Plant and Machinery, during the year vis-à-vis installed capacity.	<p>The Installed capacity vis-a vis utilization of Capacity of machinery is as follows:- By considering the practical impossibility to assess machinery and component wise capacity utilization of the machineries, a study on the installed capacity and utilized capacity of products manufactured during the year is given below which gives details for the capacity utilization of the production function as a whole:</p> <table border="1"> <thead> <tr> <th colspan="3">Aluminum/Electrolytic Capacitors</th></tr> <tr> <th>Installed Capacity</th><th>Utilized Capacity</th><th>Percentage(%) of Utilization</th></tr> </thead> <tbody> <tr> <td>15,00,00,000</td><td>7,26,88,546</td><td>48.46%</td></tr> </tbody> </table> <table border="1"> <thead> <tr> <th colspan="3">Crystals</th></tr> <tr> <th>Installed Capacity</th><th>Utilized Capacity</th><th>Percentage(%) of Utilization</th></tr> </thead> <tbody> <tr> <td>20,84,000</td><td>0</td><td>0%</td></tr> </tbody> </table> <table border="1"> <thead> <tr> <th colspan="3">MPP Capacitors</th></tr> <tr> <th>Installed Capacity</th><th>Utilized Capacity</th><th>Percentage(%) of Utilization</th></tr> </thead> <tbody> <tr> <td>1,80,00,000</td><td>1,70,75,719</td><td>94.86%</td></tr> </tbody> </table> <table border="1"> <thead> <tr> <th colspan="3">Resistor</th></tr> <tr> <th>Installed Capacity</th><th>Utilized Capacity</th><th>Percentage(%) of Utilization</th></tr> </thead> <tbody> <tr> <td>21,70,00,000</td><td>3,65,53,000</td><td>16.84%</td></tr> </tbody> </table>	Aluminum/Electrolytic Capacitors			Installed Capacity	Utilized Capacity	Percentage(%) of Utilization	15,00,00,000	7,26,88,546	48.46%	Crystals			Installed Capacity	Utilized Capacity	Percentage(%) of Utilization	20,84,000	0	0%	MPP Capacitors			Installed Capacity	Utilized Capacity	Percentage(%) of Utilization	1,80,00,000	1,70,75,719	94.86%	Resistor			Installed Capacity	Utilized Capacity	Percentage(%) of Utilization	21,70,00,000	3,65,53,000	16.84%
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8.	Report on the cases of discounts/commission in regard to debtors and creditors where the company has deviated from its laid down policy.	Based on our examination of the discounted commission given to debtors and received from creditors, we report that we have not come across any deviation from the laid down policies of the company regarding such discounts/commission.																																				

**For CHEERAN VARGHESE & CO**  
**Chartered Accountants**  
**(FR No : 050061S)**

Sd/-  
**C V Varghese**  
**Partner**  
**M. No. 020644**

**UDIN: 24020644BKBGLG9917**

**Place : THRISSUR,**  
**Date: 27/03/2024.**

**‘ANNEXURE III’ TO THE INDEPENDENT AUDITORS’ REPORT OF EVEN DATE ON  
THE FINANCIAL STATEMENTS OF M/S.KELTRON COMPONENT COMPLEX LIM-  
ITED FOR THE YEAR ENDED 31ST MARCH, 2023**

**Report on the Internal Financial Controls under Clause (of Subsection 3 of Section 143 of the Companies Act, 2013 (“The Act”))**

We have audited the internal financial controls with reference to financial statements of M/S. KELTRON COMPONENT COMPLEX LIMITED (“the Company”) as of 31st March, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management Responsibility for Internal financial Controls**

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

**Auditors’ Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining and understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors’ judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system with reference to financial statements.

### **Meaning of Internal Financial Controls with reference to Financial Statements**

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

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

### **Inherent Limitation of Internal Financial Controls With reference to Financial Statements**

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

### **Qualified Opinion**

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the operating effectiveness of the company's internal financial controls with reference to financial statements as at 31st March, 2023:

- a) The Company's Information Technology (IT) System, was not operating effectively which could potentially result in the company to forcefully perform many of its functions manually which would also possibly result in human errors and duplication. This could further lead to wrong disclosure with respect to Revenue, expenditure, assets and liabilities.
- b) The company does not have adequate process in place to test its key accounting and financial statement controls and has not implemented a risk control matrix. The company lacks adequate processes to ensure compliance with Accounting Standards and Internal controls with regard to accounting for expenses and trade debtors were generally found to be weak and inconsistent. There is a general inadequacy in design of internal control over significant accounts and process. Key account reconciliations are not performed periodically and in an accurate manner.

- c) The Company has no system to obtain confirmation statements from debtors and Reconciliation of the same with Books periodically. The list of Sundry debtors includes Rs. 1,62,32,056.82/- which is outstanding for more than 3 Years.
- d) The company does not have adequate controls in place to ensure reliable accounting of inventories and work in progress. The standard costing system in place does not provide adequate assurance on the valuation of inventory in financial statements and is found to be weak on account of a lack of automated controls and processes and failure on the part of the management to periodically review and adjust the standard cost.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March, 2023, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India, except for the effects/ possible effects of the four material weaknesses described above on the achievement of the objectives of the control criteria. We have considered the four material weaknesses identified and reported above in determining the nature, timing and extent of audit tests applied in our audit of the financial statements of the Company as at 31st March 2023, and these material weaknesses do not affect our opinion on the financial statements of the Company.

**For CHEERAN VARGHESE & CO**  
**Chartered Accountants**  
**FR No : 050061S**

**Sd/-**  
**C V Varghese**  
**Partner**  
**M. No. 020644**

**UDIN: 24020644BKBGLG9917**

**Place : THRISSUR,**  
**Date: 27/03/2024.**

**KELTRON COMPONENT COMPLEX LIMITED**

KELTRON NAGAR, KALLIASSERI P.O., KANNUR

CIN:U31904KL1974SGC002630

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2023***(Presented in Rupees Lakhs other than share data and EPS)*

Rupees in lakhs

Particulars	Note No	March 31,2023	March 31,2022
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	3	3,422.81	3,422.81
(b) Reserves and Surplus	4	(3,345.51)	(3,808.72)
(c) Money received against share warrants		0.00	0.00
<b>(2) Share application money pending allotment</b>	5	1,672.37	1,022.37
<b>(3) Non-Current Liabilities</b>			
(a) Long-term borrowings	6	167.20	167.20
(b) Deferred Tax Liabilities (Net)		0.00	0.00
(c) Other Long term liabilities		0.00	0.00
(d) Long term provisions	7	519.71	485.40
<b>(4) Current Liabilities</b>			
(a) Short-term borrowings	8	5,078.01	4,878.07
(b) Trade payables	9	1,366.83	745.81
(c) Other current liabilities	10	756.73	695.16
(d) Short-term provisions	11	770.83	664.28
<b>Total</b>		<b>10,408.98</b>	<b>8,272.38</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, Plant & Equipment and Intangible Assets			
(i) Property, Plant and Equipment	12	1,383.09	778.55
(ii) Intangible assets	13	0.02	0.02
(iii) Capital work-in-progress	14	635.98	253.64
(iv) Intangible assets under development		0.00	0.00
(b) Non-current investments		0.00	0.00
(c) Deferred Tax Assets (net)		0.00	0.00
(d) Long term loans and advances	15	145.38	114.08
(e) Other non-current assets	16	1,159.67	1,751.77
<b>(2) Current assets</b>			
(a) Current Investments		0.00	0.00
(b) Inventories	17	3,047.26	2,239.94
(c) Trade receivables	18	3,208.77	2,255.38
(d) Cash and cash equivalents	19	383.18	690.99
(e) Short-term loans and advances	20	12.45	17.03
(f) Other current assets	21	433.18	170.98
<b>Total</b>		<b>10,408.98</b>	<b>8,272.38</b>

Accompanying notes are integral part of financial statements

For and on behalf of the board

As per Our report of even date attached  
For CHEERAN VARGHESE & CO  
Chartered Accountants  
Firm Registration No.050061S

Sd/-  
N Narayana Moorthy  
Chairman  
DIN:05251681

Sd/-  
K G Krishnakumar  
Managing Director  
DIN:07649134

Sd/-  
Abhishek M  
Chief Fin Officer

Sd/-  
Thahira P P  
Company Secretary

Sd/-  
C V Varghese  
Partner  
M.No. 020644  
UDIN: 24020644BKBGLG9917

Place: Thrissur  
Date: 27/03/2024



**KELTRON COMPONENT COMPLEX LIMITED**

KELTRON NAGAR, KALLIASSERI P.O., KANNUR

CIN:U31904KL1974SGC002630

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023***(Presented in Rupees Lakhs other than share data and EPS)***Rupees in lakhs**

<b>Particulars</b>	<b>Note No</b>	<b>March 31,2023</b>	<b>March 31,2022</b>
Revenue from operations	22	9,496.24	8,132.36
Other Income	23	244.13	232.08
<b>Total Income</b>		<b>9,740.37</b>	<b>8,364.44</b>
<b>Expenses:</b>			
Cost of materials consumed	24	5,359.43	4,623.70
Purchase of Stock-in-Trade	25	1,234.74	794.02
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	26	(570.64)	(229.66)
Employee benefit expense	27	1,657.47	1,518.68
Financial costs	28	530.13	488.57
Depreciation and Amortization expense	29	96.37	103.60
Other expenses	30	876.85	758.19
<b>Total Expenses</b>		<b>9,184.35</b>	<b>8,057.10</b>
<b>Profit before exceptional, Extraordinary items and Tax</b>		<b>556.02</b>	<b>307.34</b>
Exceptional Items			
<b>Profit before Extraordinary items and Tax</b>		<b>556.02</b>	<b>307.34</b>
<b>Extraordinary Items</b>		<b>0.00</b>	<b>0.00</b>
<b>Profit before Tax</b>		<b>556.02</b>	<b>307.34</b>
Prior Period Items			
<b>Profit before Tax</b>		<b>556.02</b>	<b>307.34</b>
Tax Expense:			
Current tax		92.81	51.30
Deferred tax		0.00	0.00
Taxes Paid for Earlier Years		0.00	0.00
<b>Profit/(Loss) for the period</b>		<b>463.21</b>	<b>256.04</b>
Earning per equity share(Rs)	31		
Basic(Rs)		1.35	0.75
Diluted(Rs)		1.03	0.69
Face value per Share(Rs)		10.00	10.00

Accompanying notes are integral part of financial statements  
For and on behalf of the board

As per Our report of even date attached  
For CHEERAN VARGHESE & CO  
Chartered Accountants  
Firm Registration No.050061S

Sd/-  
N Narayana Moorthy  
Chairman  
DIN:05251681

Sd/-  
K G Krishnakumar  
Managing Director  
DIN:07649134

Sd/-  
Abhishek M  
Chief Fin Officer

Sd/-  
Thahira P P  
Company Secretary

Sd/-  
C V Varghese  
Partner  
M.No. 020644  
UDIN: 24020644BKBGLG9917

Place: Thrissur  
Date: 27/03/2024

**KELTRON COMPONENT COMPLEX LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023**

Rupees in lakhs

Particulars	March 31,2023	March 31,2022
<b>A. Cash flows from operating activities</b>		
Net Profit	556.02	307.34
Adjustments For:		
<b>Add :-</b>		
Depreciation	96.37	103.60
Provision for Gratuity	34.53	(82.41)
Interest Paid on Loan & Borrowings	471.97	424.93
Loss on Disposal of PPE	0.00	7.68
Interest Received	(73.73)	(81.80)
Profit on Sale of Intangible Assets	(0.04)	0.00
Unrealised foreign Exchange Gain	(9.70)	(0.20)
<b>Operating Profit before Changes in Working Capital</b>	<b>1,075.42</b>	<b>679.14</b>
<b>Changes in Working Capital:</b>		
Increase/(Decrease) in Short Term Borrowings	199.93	839.23
Increase/(Decrease) in Trade Payable	621.02	(37.42)
Increase/(Decrease) in Current Liabilities & Provisions	167.91	136.85
(Increase)/Decrease in Short Term Loans & Advances	4.58	9.79
(Increase)/Decrease in Long Term Loans & Advances	(31.30)	(50.93)
(Increase)/Decrease in Other Current Assets	(262.20)	10.28
(Increase)/Decrease in Inventories	(807.32)	(572.33)
(Increase)/Decrease in Trade Receivables	(943.70)	(651.10)
<b>Cash Generated From Operations</b>	<b>24.34</b>	<b>363.51</b>
Income Tax Paid	92.81	51.30
<b>Net Cash From Operating Activities</b>	<b>(68.47)</b>	<b>312.21</b>
<b>B. Cash Flows From Investing Activities</b>		
Interest Received From Bank	73.73	81.80
Capital Work In Progress	(382.34)	(14.64)
Purchase of Assets	(700.86)	(183.88)
Long Term Deposit	592.09	(62.43)
<b>Net Cash From Investing Activities</b>	<b>(417.38)</b>	<b>(179.15)</b>
<b>C. Cash Flows From Financing Activities</b>		
Share Application money received	650.00	1022.37
Repayment/ (Proceeds ) of Long Term Borrowings	0.00	(74.12)
Interest Paid on Loans & Borrowings	(471.97)	(424.93)

Grant received	0.00	12.45
<b>Net Cash From Financing Activities</b>	<b>178.03</b>	<b>535.77</b>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>(307.82)</b>	<b>668.83</b>
Cash and Bank Balance at Beginning of Period	691.00	22.16
Cash and Bank Balance at end of Period	383.18	690.99
<b>Components of Cash and Cash Equivalent at the end of the Period</b>		
Current Account with Banks	381.48	690.43
Cash on Hand	1.70	0.56
<b>Total</b>	<b>383.18</b>	<b>690.99</b>

For and on behalf of the board

As per Our report of even date attached  
For CHEERAN VARGHESE & CO  
Chartered Accountants  
Firm Registration No.050061S

Sd/-  
N Narayana Moorthy  
Chairman  
DIN:05251681

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Sd/-  
C V Varghese  
Partner  
M.No. 020644  
UDIN: 24020644BKBGLG9917

Place: Thrissur  
Date: 27/03/2024

## **NOTES TO FINANCIAL STATEMENTS**

### **COMPANY OVERVIEW**

Keltron Component Complex Ltd was incorporated on 08-10-1974 to engage in the business of manufacturing and trading of Electronic Components and other apparatus and equipment.

### **I. SIGNIFICANT ACCOUNTING POLICIES**

The following are the significant accounting policies adopted in the preparation and presentation of the financial statements for the year ended 31<sup>st</sup> March 2023.

#### **A.BASIS OF ACCOUNTING**

The financial statements are prepared and presented under the historical cost convention on an accrual basis of accounting and comply with the Accounting Standards issued by the Institute of Chartered Accountants of India (“ICAI”), referred to section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rule, 2014.

#### **B.USE OF ESTIMATES**

The preparation of the financial statements is in conformity with Generally Accepted Accounting Principle (GAAP) and requires the Management to make estimates and assumption that affect the reported balance of assets and liabilities and disclosure relating to contingent assets and liabilities as on the date of the financial statements. Actual result could differ from those estimates. Any revision to the accounting estimates is recognized prospectively in current and future periods.

#### **C.REVENUE RECOGNITION**

Revenue is the gross inflow of cash, receivables, and other consideration arising in the course of the ordinary activities viz. from the sale of goods, from the rendering of service and from the use by others of enterprise resources yielding interest, royalties and dividends. When uncertainties exist regarding the determination of the amount, or its associated costs, these uncertainties may influence the timing of revenue recognition. The accounts are prepared under the historical cost basis of accounting and evaluating it on a going concern basis, with revenues recognized and expenses accounted for on the basis of their accrual. Revenue from sales has been recognized on raising of sales invoices against the respective parties and is exclusive of Goods and Services Tax. The financial statements have been prepared in conformity with the generally accepted accounting principles.

#### **D.FIXED ASSETS AND DEPRECIATION/AMORTISATION**

These are assets held with the intention of being used for the purpose of producing or providing goods or services and is not held for sale in the normal course of business. When an item of expenditure meets the definition of Fixed Asset, it is identified as Fixed Asset. Fixed assets are capitalized at cost inclusive of transport and erection expenses. Also, machinery spares which are specific to a particular item of fixed asset and their use is expected to be irregular are capitalized and the cost of such capital spares are allocated for a period not exceeding the useful life of the principal item. Depreciation against the Fixed Assets has been provided as specified in Schedule II of Companies Act 2013.

#### **E.INVENTORIES**

##### **a) Raw materials:**

Stocks of raw materials are valued at cost or net realizable value whichever is lower. Cost is arrived at on ‘Weighted Average method’ on each additional shipment.

**b) Work-in-Progress:**

Work in progress is valued at cost or net realizable value whichever is lower.

**c) Finished Goods:**

Closing stocks of Finished Goods is valued at cost or net realizable value whichever is lower. Net realizable value is arrived by using retail method.

**d) Stores and Spares:**

Stores and Spares which are not specific to a particular fixed asset are valued at the lower of cost or net realizable value.

**e) Trading goods:**

Closing stock of trading goods is valued at lower of cost or net realizable value.

**F. EMPLOYEE BENEFIT PLANS**

**The details of defined contribution plans are as follows:**

The Company has defined contribution plan in the form of provident fund scheme and employees state insurance scheme for qualifying employees. Under the scheme, the company is required to contribute a specified percentage of the payroll costs to fund the benefits.

The Company is under an obligation to pay gratuity to its employees. Suitable provision for such liability is made in the books of accounts every year based on actuarial valuation. However, the Company has not planned for any funded plan to meet this liability. No other post-retirement benefits are provided to employees. The following table sets out the amount recognized in the financial statements on account of such gratuity liability:

**G. FOREIGN CURRENCY TRANSACTIONS**

Foreign currency is a currency other than the Indian currency and the foreign currency transaction is a transaction which is denominated in or requires settlement in a foreign currency. The foreign currency transaction is recorded, on initial recognition, in Indian currency by applying to the foreign currency amount the exchange rate between the Indian currency and the foreign currency at the date of transaction.

All foreign currency monetary assets and liabilities are restated at balance sheet date using year end rates. Resultant exchange difference is recognized as income or expenses in that period. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction.

**H. RESEARCH & DEVELOPMENT**

Research is the original and planned investigation undertaken with the prospect of gaining new scientific and technical knowledge and understanding and the expenses incurred by the Company during the research stage are charged to revenue. Development is the application of the research findings or other knowledge to a plan or design for the production of new or substantially improved material, devices, products, process, systems or services prior to the commencement of commercial production or use and the expenses incurred during the development stage will be capitalized.

**I. DEFERRED TAX**

In compliance with AS 22, Deferred tax is recognized subject to the consideration of prudence, on timing difference being the difference between the taxable income and accounting income that origi-

nate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are not recognized on unabsorbed depreciation and carry forward of losses unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

#### **J. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

A Provision is recognized when the Company has a present obligation as a result of past event and it is probable that an out flow of resources will be required to settle such obligation, in respect of which a reliable estimate can be made. Contingent liabilities are not recognized but are disclosed at their estimated value in the Notes to the Accounts. Contingent Assets are neither recognized nor disclosed in the financial statements.

#### **K. BORROWING COSTS**

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalized as a part of the cost of such an asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for the intended use. All other borrowing costs are charged to revenue.

#### **L. GOVERNMENT GRANT**

Government Fund received for settlement of working capital liability with consortium Banks under One Time Settlement (OTS) and for the expansion of the elements for Metallized Polypropylene Films (MPP) & Kilovolt-Ampere Reactive Capacitors (KVAR) and also for the expansion and modernization of Plant and Machinery and for setting up of KPP Nambiar Smaraka Museum has been treated as grant received from Government of Kerala under the head “Reserves & Surplus” after deducting value of fixed assets purchased out of grant after retaining nominal value of assets.

#### **M. SEGMENT REPORTING**

A business segment is a distinguishable component of an enterprise that is engaged in providing an individual product or service or a group of related products or services that is subject to risks and returns that are different from those of other business segments, and a geographical segment is a distinguishable component of an enterprise that is engaged in providing products or services within a particular economic environment and that is subject to risks and returns that are different from those of components operating in other economic environments. AS 17 envisages as a reportable segment is a business segment or a geographical segment identified on the basis mentioned above for which segment information is required to be disclosed by this statement. Thus, there are no reportable segments either business or geographic, which is subject to the risk and returns different from those for the business as a whole since there is only one product being dealt with by the Company viz. the electronic components where the selling rates and other conditions both in business as well as geographical areas are similar.

#### **N. IMPAIRMENT OF FIXED ASSETS**

There were no internal or external indications for impairment of assets prevalent on the balance sheet date to recognize impairment loss as per AS 28 issued by ICAI.

## NOTES FORMING PART OF BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2023

(Presented in Rupees Lakhs other than share data and EPS)

3. SHARE CAPITAL	Rupees in lakhs	
Particulars	As at	
	31-Mar-23	31-Mar-22
<b>Authorised</b>		
3,50,00,000 equity shares of Rs. 10 each, (Previous year 3,50,00,000 equity shares of Rs. 10 each)	3,500.00	3,500.00
<b>Issued</b>		
3,42,33,403 equity shares of Rs. 10 each, (Previous year 3,42,33,403 equity shares of Rs. 10 each)	3,423.34	3,423.34
<b>Subscribed and Paid-up</b>		
3,42,20,603 equity shares of Rs. 10 each, (Previous year 3,42,20,603 equity shares of Rs. 10 each)	3,422.06	3,422.06
Add: 12,800 Forfeited Shares(Previous year 12,800 equity shares of Rs. 10 each)	0.75	0.75
<b>Total</b>	<b>3,422.81</b>	<b>3,422.81</b>

### (a) Reconciliation of number of shares

Rupees in lakhs

Particulars	As at			
	31-Mar-23		March 31, 2022	
	Number of shares	Amount (in lakhs)	Number of shares	Amount (in lakhs)
<b>Balance as at the beginning of the year</b>	<b>3,42,33,403</b>	<b>3,422.81</b>	<b>3,42,33,403</b>	<b>3,422.81</b>
Add: Shares issued to Shareholders	0.00	0.00	0.00	0.00
Add: Bonus shares issued during the year	0.00	0.00	0.00	0.00
<b>Balance as at the end of the year</b>	<b>3,42,33,403</b>	<b>3,422.81</b>	<b>3,42,33,403</b>	<b>3,422.81</b>

### (b) Terms/Rights attached to Equity Shares

Equity Shares: The company has one class of equity shares having a par value of `10.00 per share. On a show of hands, every member present in person shall have one vote irrespective of number of shares held by him. On a poll, every member present in person or by proxy shall have one vote for each shares held by him. Subject to the provisions of the Act, in the event of the company being wound up, the surplus, if any shall be distributed among the members rateably.



**(c) List of shareholders holding equity shares in company in excess of 5 %**

Name of share holder	As at			
	March 31,2023		March 31,2022	
	No. of Shares Held	% of Shares Held	No. of Shares Held	% of Shares Held
Kerala State Electronics Development Corporation Ltd	2,61,90,807	76.51%	2,61,90,807	76.51%
Govt.Of Kerala	73,00,000	21.32%	73,00,000	21.32%
<b>Total</b>	<b>3,34,90,807</b>	<b>97.83%</b>	<b>3,34,90,807</b>	<b>97.83%</b>

**(d) Shares held by promoters**

Promoter Name	No. of shares	% of total shares	% change during the year
Kerala State Electronics Development Corporation Ltd	2,61,90,807	76.51%	0.00%
Govt.Of Kerala	73,00,000	21.32%	0.00%
<b>Total</b>	<b>3,34,90,807.00</b>	<b>97.83%</b>	<b>0.00%</b>

**4. RESERVES AND SURPLUS****Rupees in lakhs**

Particulars	As at	
	31-Mar-23	31-Mar-22
Capital Subsidy (Refer Note 4.1)	332.78	332.78
Capital Reserve	2.27	2.27
General Reserve	27.00	27.00
<b>Surplus in Standalone Statement of Profit and Loss</b>		
Balance as at the beginning of the Year	( 4,170.77)	(4,426.81)
Add: Profit for the year	463.21	256.04
<b>Balance as at the end of the year</b>	<b>(3,707.56)</b>	<b>(4,170.77)</b>
<b>Total</b>	<b>(3,345.51)</b>	<b>(3,808.72)</b>

**Note 4.1**

The Government Grants Amounting to Rs.1,32,77,539 and Rs 2,00,00,000 is being used for the expansion of the elements for Metallized Polypropylene Films (MPP) & Kilovolt-Ampere Reactive Capacitors (KVAR) and also for the expansion and modernization of Plant and Machinery and for setting up of KPP Nambiar Smaraka Museum has been treated as grant received from Government of Kerala under the head “Reserves & Surplus” after deducting value of fixed assets purchased out of grant after retaining nominal value of assets.

**5. SHARE APPLICATION MONEY PENDING ALLOTMENT****Rupees in lakhs**

Particulars	As at	
	31-Mar-23	31-Mar-22
Share Pending Allotment	1,672.37	1,022.37
<b>Total</b>	<b>1,672.37</b>	<b>1,022.37</b>



**6. LONG TERM BORROWINGS****Rupees in lakhs**

Particulars	As at	
	31-Mar-23	31-Mar-22
<b>Unsecured</b>		
Investment Loan from GOK (1000l)	75.00	75.00
Investment loan from GOK (200L)	83.91	83.91
Investment Loan from GOK (Supercapacitor)	8.29	8.29
<b>Total</b>	<b>167.20</b>	<b>167.20</b>

(a) Aggregate Loans Guaranteed by Directors	0.00	0.00
(b) Aggregate Loans Guaranteed by Others	167.20	167.20

**7. LONG TERM PROVISIONS****Rupees in lakhs**

Particulars	As at	
	31-Mar-23	31-Mar-22
<b>Provision for Employee Benefits</b>		
Provision for Gratuity (Note 35)	395.51	374.72
Provision for Earned Leave and Sick Leave	124.20	110.68
<b>Total</b>	<b>519.71</b>	<b>485.40</b>

**8. SHORT TERM BORROWINGS****Rupees in lakhs**

Particulars	As at	
	31-Mar-23	31-Mar-22
<b>Secured</b>		
Loans repayable on demand		
(a) Cash Credit (Refer Note 9.1 below)	240.85	512.70
<b>Unsecured</b>		
a)Current Maturities of long term debts(Note 45)	1,902.06	1,902.06
b)Interest accrued	2,935.10	2,463.31
<b>Total</b>	<b>5,078.01</b>	<b>4,878.07</b>
(a)Aggregate Loans Guaranteed by Directors	0.00	0.00
(b)Aggregate Loans Guaranteed by Others	5078.01	4,878.07

**Note 9.1**

Cash credit from State Bank of India Ltd and Catholic Syrian Bank Ltd are secured by hypothecation of process stock, finished goods and other assets and the first charge on those immovable properties which were owned by the company before amalgamation.

**9. TRADE PAYABLES****Rupees in lakhs**

Particulars	As at	
	31-Mar-23	31-Mar-22
Trade Payables	1,366.83	745.81
<b>Total</b>	<b>1,366.83</b>	<b>745.81</b>

**Outstanding for following periods from due date of payment**
**Rupees in lakhs**

Particulars	31st March 2023				31st March 2022				Total
	Less than 1 year	1-2 years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	<b>0.00</b>
(ii) Others	1299.59	55.01	9.27	1366.31	704.08	0.36	14.86	0.00	<b>719.30</b>
(iii) Disputed dues - MSME	0.00	0.52	0.00	0.52	26.51	0.00	0.00	0.00	<b>26.51</b>
(iv) Disputed dues - Others	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	<b>0.00</b>
<b>Total</b>	<b>1,299.59</b>	<b>55.53</b>	<b>9.27</b>	<b>1366.83</b>	<b>730.59</b>	<b>0.36</b>	<b>14.86</b>	<b>0.00</b>	<b>745.81</b>

**10. OTHER CURRENT LIABILITIES**
**Rupees in lakhs**

Particulars	As at	
	31-Mar-23	31-Mar-22
<b>Other Employee Payable</b>		
Bonus Payable	62.41	39.12
Salary Payable	8.51	8.82
Leave salary Payable	21.78	21.78
Gratuity Payable	88.48	87.58
<b>Other Payables</b>		
Advance From Customers	24.71	9.41
Statutory Dues Payable (Note :42)	146.11	174.57
Usance Interest Payable	0.36	0.36
<b>Audit Fee Payable:</b>		
Statutory Audit Fee	0.99	0.00
Internal Audit	0.68	0.00
Tax Audit Fee	0.32	0.00
Security Deposit	55.84	51.19
Other Payables	346.54	302.33
<b>Total</b>	<b>756.73</b>	<b>695.16</b>

**11. SHORT TERM PROVISIONS**
**Rupees in lakhs**

Particulars	As at	
	31-Mar-23	31-Mar-22
Provision for Gratuity(Note 35)	87.95	118.58
Provision for Earned Leave and Sick Leave	20.84	42.73
Provision for Wage Revision	423.85	357.59
Provision for Taxation	238.19	145.38
<b>Total</b>	<b>770.83</b>	<b>664.28</b>

### 12. Property ,Plant & Equipment

Rupees in lakhs

Particulars	Gross Block			Depreciation					Net Block	
	01-04-22	Addi- tion	Dis- posal	31-03-23	01-04-22	For the year	Disposal	Adjust- ments	31-03-23	31-03-22
Land & Property Develop- ment	8.36	0.00	0.00	8.36	0.00	0.00	0.00	0.00	0.00	8.36
Building	260.08	35.01	0.00	295.09	120.85	4.87	0.00	0.00	125.72	139.23
Plant and Equipment	3,055.41	660.01	0.00	3,715.42	2,465.56	83.45	0.00	0.05	2,548.96	589.85
Electrical Installation	85.37	1.57	0.00	86.94	66.31	2.40	0.00	0.00	68.71	19.06
Furniture and Other Fixed Asset	70.19	2.79	0.00	72.98	51.91	4.98	0.00	0.00	56.89	18.28
Office equipment	41.18	1.48	0.00	42.66	37.65	0.67	0.00	0.00	38.32	3.53
Vehicles	4.82	0.00	0.00	4.82	4.58	0.00	0.00	0.00	4.58	0.24
Total	3,525.41	700.86	0.00	4,226.27	2,746.86	96.37	0.00	0.05	2,843.18	778.55
Previous Year	3,499.06	183.88	157.52	3,525.41	2,793.11	103.60	149.83	0.00	2,746.86	705.97

### 13. INTANGIBLE ASSETS

Rupees in lakhs

Particulars	Gross Block				Depreciation				Net Block	
	01-04-22	Addi- tion	Dis- posal	31-03-23	01-Apr- 22	For the year	Disposal	3103-23	31-03-23	3103-22
Software	0.46	0.00	0.46	0	0.44	0.00	0.44	0	0.02	0.02
Total	0.46	0.00	0.46	0	0.44	0.00	0.44	0	0.02	0.02
Previous Year	0.46	0.00	0.00	0	0.44	0.00	0.00	0	0.02	0.02

**14. CAPITAL WORK-IN-PROGRESS****Rupees in lakhs**

Particulars	As at	
	31-Mar-23	31-Mar-22
Construction Under Development	635.98	253.64
<b>Total</b>	<b>635.98</b>	<b>253.64</b>

**Ageing schedule****Rupees in lakhs**

Particulars	31-03-2023				31-03-2022				Total
	Less than 1 year	1-2 year	More than 3 years	Total	Less than 1 year	1-2 year	2-3 year	More than 3 years	
Projects in progress	435.09	39.28	9.72	635.98	14.64	189.78	41.20	8.02	253.64
Projects temporarily suspended	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>435.09</b>	<b>39.28</b>	<b>9.72</b>	<b>635.98</b>	<b>14.64</b>	<b>189.78</b>	<b>41.20</b>	<b>8.02</b>	<b>253.64</b>

**15. LONG TERM LOANS AND ADVANCES****Rupees in lakhs**

Particulars	As at	
	31-Mar-23	31-Mar-22
Income Tax Advance (MAT Credit)	145.38	114.08
<b>Total</b>	<b>145.38</b>	<b>114.08</b>

**16. OTHER NON-CURRENT ASSETS****Rupees in lakhs**

Particulars	As at	
	31-Mar-23	31-Mar-22
<b>Security Deposits</b>		
Deposit with KSEB	20.4	21.24
Deposit with BSNL	0.1	0.1
<b>Other deposits</b>	<b>10.1</b>	<b>10.1</b>
Less: Doubtful Advance	(3.59)	(3.59)
Others		
Other deposit accounts - More than 12 months	1,132.66	1,723.92
<b>Total</b>	<b>1,159.67</b>	<b>1,751.77</b>

<b>(1) Secured Considered Good</b>	<b>0.00</b>	<b>0.00</b>
<b>Unsecured Considered Good</b>	<b>1,159.67</b>	<b>1,751.77</b>
<b>Doubtful</b>	<b>0.00</b>	<b>0.00</b>
<b>(2) (i) Loans and advances due by directors or other officers of the company or any of them either severally or jointly with any other persons</b>	<b>0.00</b>	<b>0.00</b>
<b>(ii) Amounts due by firms or private companies respectively in which any director any director is a partner or a director or a member</b>	<b>0.00</b>	<b>0.00</b>
<b>(3) Other deposit accounts include deposits held as Margin money for Letter of Credit and Bank Guarantee arrangements.</b>		

**17. INVENTORIES****Rupees in lakhs**

Particulars	As at	
	31-Mar-23	31-Mar-22
Finished goods	665.59	143.23
Traded Goods	191.00	23.69
Semi-finished goods	310.75	429.78
Raw Materials	1,607.59	1,200.47
Packing Material	29.84	18.69
General Materials	12.75	12.93
Stores And Spares	66.96	53.52
Printing and Stationery	6.61	8.02
Loose Tools	1.05	0.69
Raw Material in Transit	155.12	348.92
<b>Total</b>	<b>3,047.26</b>	<b>2,239.94</b>

**18. TRADE RECEIVABLE****Rupees in lakhs**

Particulars	As at	
	31-Mar-23	31-Mar-22
<b>Unsecured</b>		
Trade Receivable	3,371.09	2,443.33
Less: Allowance for doubtful trade receivables	(162.32)	(187.95)
<b>Total</b>	<b>3,208.77</b>	<b>2,255.38</b>

**Ageing Schedule****Rupees in lakhs**

Particulars	31st March 2023						31st March 2022					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables - considered good	3191.98	10.82	2.87	3.10	0.00	3208.77	2247.55	4.27	3.34	0.22	187.95	2443.33
Undisputed Trade Receivables - considered doubtful	0.00	0.00	0.00	0.00	62.98	62.98	0.00	0.00	0.00	0.00	0.00	0.00
Disputed Trade Receivables - considered good												
Disputed Trade Receivables - considered doubtful	0.00	-	0.00	0.00	99.34	99.34	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>3191.98</b>	<b>10.82</b>	<b>2.87</b>	<b>3.10</b>	<b>162.32</b>	<b>3371.09</b>	<b>2247.55</b>	<b>4.27</b>	<b>3.34</b>	<b>0.22</b>	<b>187.95</b>	<b>2443.33</b>

**19.CASH AND CASH EQUIVALENTS****Rupees in lakhs**

Particulars	As at	
	31-Mar-23	31-Mar-22
CASH AND BANK BALANCES		
Balance with Banks	381.48	690.43
<b>Cash Balances</b>		
Cash on Hand	1.70	0.56
<b>Total</b>	<b>383.18</b>	<b>690.99</b>

**20.SHORT-TERM LOANS AND ADVANCES****Rupees in lakhs**

Particulars	As at	
	31-Mar-23	31-Mar-22
<b>Other Loans and Advances</b>		
<b>Unsecured considered good</b>		
Short Term Advances(Note 43)	10.63	22.23
Short Term Loans	2.65	(4.37)
Less: Doubtful Advance	(0.83)	(0.83)
<b>Total</b>	<b>12.45</b>	<b>17.03</b>

**21.OTHER CURRENT ASSETS****Rupees in lakhs**

Particulars	As at	
	31-Mar-23	31-Mar-22
Other Current Assets		
Prepaid Expenses	13.64	4.08
TDS Receivable	14.10	15.38
TCS Receivable	0.07	0.28
GST Receivable	84.91	19.95
Other Current Assets(Note 44)	320.46	131.29
<b>Total</b>	<b>433.18</b>	<b>170.98</b>

**NOTES FORMING PART OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED  
31ST MARCH 2023**

**22. REVENUE FROM OPERATIONS**

Rupees in lakhs

Particulars	Year ended	
	31-Mar-23	31-Mar-22
<b>Sales</b>		
Export sales	9.38	0.00
Domestic Sale	9,430.29	8,041.49
<b>Other operating revenues</b>		
Scrap sales	54.80	90.73
Training Fee	1.77	0.14
<b>Total</b>	<b>9,496.24</b>	<b>8,132.36</b>

**23. OTHER INCOME**

Rupees in lakhs

Particulars	Year ended	
	31-Mar-23	31-Mar-22
<b>Interest income on:</b>		
(i) From Bank	73.73	81.80
(ii) From Others	0.82	1.12
Freight Charges	120.14	113.61
Foreign Exchange Gain Unrealised	9.70	0.20
Foreign Exchange Gain Realised	7.98	28.91
Other non-operating income	6.10	6.44
Profit on sale of Property, Plant and Equipment	0.03	0.00
Excess Provision for Doubtful Debts Written Back	25.63	0.00
<b>Total</b>	<b>244.13</b>	<b>232.08</b>

**24. COST OF MATERIALS CONSUMED**

Rupees in lakhs

Particulars	Year ended	
	31-Mar-23	31-Mar-22
Raw Material Consumed		
Opening Inventory	1,200.47	968.27
Add: Purchases(Net)	5,766.55	4,855.90
Less: Inventory At the end of the year	1,607.59	1,200.47
<b>Total</b>	<b>5,359.43</b>	<b>4,623.70</b>



**25. PURCHASE OF STOCK IN TRADE****Rupees in lakhs**

Particulars	Year ended	
	31-Mar-23	31-Mar-22
Traded Items	380.86	301.82
Materials & Components	853.88	492.20
<b>Total</b>	<b>1,234.74</b>	<b>794.02</b>

**26. CHANGES IN INVENTORY OF FINISHED GOODS AND WORK IN PROGRESS****Rupees in lakhs**

Particulars	Year ended	
	31-Mar-23	31-Mar-22
<b>(Increase) /Decrease in Stocks</b>		
Stock at the end of the year		
Finished Goods	665.59	143.23
Work in progress	310.75	429.78
Stock in Trade	191.00	23.69
<b>Total A</b>	<b>1167.34</b>	<b>596.7</b>
<b>Less. Stock At the Beginning Of the Year</b>		
Finished Goods	143.23	181.66
Work in progress	429.78	178.06
Stock in Trade	23.69	7.32
<b>Total B</b>	<b>596.7</b>	<b>367.04</b>
<b>(Increase) /Decrease in stocks A-B</b>	<b>(570.64)</b>	<b>(229.66)</b>

**27. EMPLOYEE BENEFITS EXPENSE****Rupees in lakhs**

Particulars	As at	
	31-Mar-23	31-Mar-22
Salaries and Allowances	542.67	698.64
Contribution to Provident Fund & Pension Scheme	120.64	109.01
Contribution to Labour Welfare Fund	0.36	0.35
Contribution to Employees State Insurance	19.10	15.79
Staff Welfare Expenses	102.40	87.24
Bonus and Incentive	132.79	82.98
Security Charges	19.98	17.69
Wages	623.13	445.03
Gratuity contribution	96.40	61.95
<b>Total</b>	<b>1,657.47</b>	<b>1,518.68</b>

**28. FINANCE COSTS****Rupees in lakhs**

Particulars	Year ended	
	31-Mar-23	31-Mar-22
Interest on Long Term Borrowings	471.97	424.93
Other borrowing costs	22.59	31.55
Interest on Cash Credit & Overdraft	26.27	28.74
Usance interest	9.30	3.35
<b>Total</b>	<b>530.13</b>	<b>488.57</b>

**29. DEPRECIATION AND AMORTIZATION EXPENSE****Rupees in lakhs**

Particulars	Year ended	
	31-Mar-23	31-Mar-22
Depreciation on Property, plant & equipment	96.37	103.60
<b>Total</b>	<b>96.37</b>	<b>103.60</b>

**30. OTHER EXPENSES****Rupees in lakhs**

Particulars	Year ended	
	31-Mar-23	31-Mar-22
Payment to Auditor		
a. Statutory Audit	1.10	0.75
b. Tax Audit/VAT Audit	1.78	0.25
c. Internal Audit	0.75	1.80
d. For reimbursement of expenses	0.65	0.60
Discount paid	297.85	227.38
Power and fuel	206.57	191.50
Packing Materials Consumed	91.88	78.40
Freight paid	58.06	51.84
Repairs to Plant & Machinery	42.95	41.05
Consumption of stores and spare parts	38.82	33.02
Research and Development expenses	26.35	22.63
Marketing Expense	25.84	25.63
Expenditure on BIS Certification	18.45	19.45
Printing and Stationery	10.54	6.76
Insurance Charges	7.89	7.01
Repairs to building	6.84	9.12
Other repairs	6.05	4.09
Travel and Conveyance Others	4.80	1.86
Rates and Taxes	4.62	4.39
Postage and Telephone	3.81	2.40
Vehicle running and maintenance	2.18	1.30
Directors Travel Expenses	2.01	0.51
Advertisement and sales promotion	1.69	0.63

Garden maintenance	0.33	0.19
Insurance Paid	0.32	0.60
Water	0.06	0.01
Directors Sitting fee	0.01	0.01
Loss on sale/Discarding of Fixed assets	0.00	7.68
Bad and doubtful debts	0.00	1.15
Miscellaneous Expenses	14.65	16.18
<b>Total</b>	<b>876.85</b>	<b>758.19</b>

### 31. EARNINGS PER SHARE

Rupees in lakhs

Particulars		Before Extra ordinary Item As at		After extraordinary items As at	
		31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
<b>(a) Basic</b>					
Profit after tax		463.21	256.04	463.21	256.04
Less : Appropriations		0.00	0.00	0.00	0.00
Adjusted Net Profit for the year	A	463.21	256.04	463.21	256.04
Weighted Average Number of Shares Outstanding	B	34233403	34233403	34233403	34233403
<b>Basic EPS (Rs)</b>	<b>A/B</b>	<b>1.35</b>	<b>0.75</b>	<b>1.35</b>	<b>0.75</b>
<b>(b) Diluted</b>					
Profit after tax	A	463.21	256.04	463.21	256.04
Less: Appropriations	B	0.00	0.00	0.00	0.00
Add: Interest expense on convertible debentures (net of tax)	C	0.00	0.00	0.00	0.00
Adjusted net profits for the year	D=A-B+C	463.21	256.04	463.21	256.04
Weighted average number of shares outstanding	E	34233403	34233403	34233403	34233403
Add: Weighted average number of potential equity shares on account of employee stock options					

Add: Weighted average number of potential equity shares on account of convertible debentures		1,06,04,533	27,82,601	27,82,601	2782601.404
Weighted average number of shares outstanding for diluted EPS	H	4,48,37,936.42	3,70,16,004.40	37016004.4	37016004.4
<b>Diluted EPS (Rs)</b>	<b>D/H</b>	<b>1.03</b>	<b>0.69</b>	<b>1.03</b>	<b>0.69</b>
Face value per share (Rs)		10.00	10.00	10.00	10.00

### 32. RELATED PARTY DISCLOSURES

Rupees in lakhs

Particulars	Names of related parties and description of relationship
1. Holding Company	Kerala State Electronics Development Corporation Ltd
2. Fellow Subsidiaries	1. Keltron Electro Ceramics Ltd 2. Keltron Rectifiers Ltd 3. Keltron Power Devices Ltd 4. Keltron Counters Ltd
3. Key Management Personnel	1. Shri Krishna Kumar K G, Managing Director 2. Shri. Jose Joseph, Chief Finance Officer 3. Smt. Thahira P P, Company Secretary

Particulars	Holding Company	Fellow Subsidiaries	Key Managerial Personnel
<b>Transaction for the year ended 31-03-2023</b>	<b>Rs.</b>	<b>Rs.</b>	<b>Rs.</b>
1 Purchase of goods	48.54	0.00	0.00
2 Purchase of Fixed assets	0.00	0.00	0.00
3 Sale of goods	1.46	0.00	0.00
4 Interest on Loan paid	1.81	0.00	0.00
5 Managerial Remuneration	0.00	0.00	31.32
<b>Outstanding as on 31-03-2023</b>			
1 Debtors	0.43	0.00	0.00
2 Creditors	49.16	0.00	0.00
3 Loans and Advances	19.70	1.77	0.00
4 Unsecured Loan	0.00	0.00	0.00
5 Other payables	129.77	0.00	0.00

**33. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A) Whole time Director's remuneration****Rupees in lakhs**

Particulars	01.04.2022 to 31.03.2023	01.04.2021 to 31.03.2022
<b>1.Sri.Krishna Kumar K G</b>	<b>Rs.</b>	<b>Rs.</b>
Salary	12.92	15.84
Leave Surrender	1.06	1.05
PF contribution	1.49	1.36
Medical benefits	0.64	0.26
<b>Total</b>	<b>16.11</b>	<b>18.51</b>

**B) Remuneration of Other Key Management Personnel****Rupees in lakhs**

Particulars	01.04.2022 to 31.03.2023	01.04.2021 to 31.03.2022
<b>1.Sri.Jose Joseph</b>	<b>Rs.</b>	<b>Rs.</b>
Salary	11.29	11.33
PF contribution	0.22	0.22
<b>Total</b>	<b>11.51</b>	<b>11.55</b>
<b>2. Smt. Thahira P P</b>		
Salary	3.54	4.61
PF contribution	0.16	0.20
Medical Benefits	0.00	0.11
<b>Total</b>	<b>3.70</b>	<b>4.92</b>

**34. DUE FROM COMPANIES UNDER SAME MANAGEMENT****Rupees in lakhs**

Particulars	As at 31-03-2023		As at 31-03-2022	
	Closing balance	Max. Bal	Closing balance	Max. Bal
<b>a) Under Trade receivables</b>				
i Kerala State Electronics Development Corporation Ltd.				
• Communication Division	0.00	0.00	0.00	0.26
• Keltron Controls Ltd	0.00	0.06	1.39	1.39
ii. Keltron Equipment Complex	0.43	0.44	1.10	1.17
iii. Keltron Electro Ceramics Ltd	0.00	0.00	0.00	0.00
<b>b)Under Loans and Advances</b>				
i Kerala State Electronics Development Corporation Ltd.				
a) ID Project	4.26	4.26	4.26	4.26
b) KSEDC CMO Collection A/C	2.65	2.65	(4.37)	(4.37)
c) KSEDC-KEC	0.90	0.90	0.70	0.77
d) KSEDC- Monvila Kulathur	3.70	3.70	6.96	6.96
e) KSEDC- (TE- Unit) Mudadi	8.06	8.06	8.06	8.06
f) Keltron Controls	0.14	0.14	0.13	0.13
ii Keltron Electro Ceramics Ltd	1.77	1.77	2.10	2.52

### 35. Disclosure as per AS-15 Employee Benefits

#### The Details of Defined Benefit Plans are as follows:

The Company has defined contribution plan in the form of provident fund scheme and employees state insurance scheme for qualifying employees. Under the scheme, the company is required to contribute a specified percentage of the payroll costs to fund the benefits. The details of such contribution are given below:

<b>i. Defined Contribution Plan</b>		<b>Rupees in lakhs</b>	
<b>Particulars</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>	
Contribution to Provident Fund & Pension Scheme	120.64	109.01	
Contribution to Employee's State Insurance	19.10	15.79	
Contribution to Labour Welfare Fund	0.36	0.35	
<b>TOTAL</b>	<b>140.10</b>	<b>125.15</b>	

The Company is under an obligation to pay gratuity to its employees. Suitable provision for such liability is made in the books of accounts every year based on actuarial valuation. However, the Company has not planned for any funded plan to meet this liability. No other post-retirement benefits are provided to employees.

The principal assumptions used in determining gratuity benefit obligation are shown below:

<b>Assumption</b>	<b>PERMANENT</b>		<b>CASUAL</b>	
	<b>March 31,2023</b>	<b>March 31,2022</b>	<b>March 31,2023</b>	<b>March 31,2022</b>
Discount rate	7.54%	7.29%	7.52%	7.51%
Expected return on assets	0.00%	0.00%	0.00%	0.00%
Salary Escalation	10.00%	10.00%	6.00%	5.00%
Attrition Rate	5.00%	5.00%	5.00%	5.00%
Mortality	Indian Assured Lives Mortality(2012-14)(Ultimate)			

#### Expense Recognised In Income Statement

Rupees in lakhs

<b>A Components of Employer expense</b>	<b>Permanent</b>		<b>Casual</b>	
	<b>March 31,2023</b>	<b>March 31,2022</b>	<b>March 31,2023</b>	<b>March 31,2022</b>
Current service Cost	21.72	20.78	16.02	12.32
Interest cost	22.26	29.67	10.13	5.52
Expected return On assets	0.00	0.00	0.00	0.00
Curtailment Costs	0.00	0.00	0.00	0.00
Settlement Costs	0.00	0.00	0.00	0.00
Past Service Costs	0.00	0.00	0.00	0.00
Immediate Recognition of (Gain)/ Losses	7.64	(43.03)	18.64	38.17
Others	0.00	0.00	0.00	0.00
Total expense recognised in the Statement of P & L	51.62	7.43	44.79	56.02
<b>Assumption:</b>				
<b>Discount rate</b>	<b>7.54%</b>	<b>7.29%</b>	<b>7.52%</b>	<b>7.51%</b>

**The Following Table gives the funded status and the amount recognized in the Balance sheet for the plan**

**Rupees in lakhs**

Particulars	Permanent		Casual	
	As on 31 March 2023	As on 31 March 2022	As on 31 March 2023	As on 31 March 2022
A) Changes in Present Value Obligations				
Present Value of funded Obligation	0.00	0.00	0.00	0.00
Fair Value of plan asset	0.00	0.00	0.00	0.00
Present Value of unfunded Obligation	303.8	358.43	179.66	134.87
Funded status(surplus/(deficit))	(303.80)	(358.43)	(179.66)	(134.87)
Unrecognized past Service cost	0.00	0.00	0.00	0.00
Amount Not Recognised as an asset	0.00	0.00	0.00	0.00
Net asset/(Net Liability)	(303.80)	(358.43)	(179.66)	(134.87)
<b>Net asset or Net liability recognised in Balance sheet</b>	<b>(303.80)</b>	<b>(358.43)</b>	<b>(179.66)</b>	<b>(134.87)</b>

**Change in Obligation over the period ending on**

**Rupees in lakhs**

Particulars	Permanent		Casual	
	31-03-2023	31-03-2022	31-03-2023	31-03-2022
Present Value of Defined Benefits Obligation	358.43	496.85	134.87	78.86
Interest Cost	22.26	29.67	10.13	5.52
Current Service Cost	21.72	20.78	16.02	12.32
Prior Service Costs	0.00	0.00	0.00	0.00
Settlements	0.00	0.00	0.00	0.00
Benefits Pay-outs from plan	0.00	0.00	0.00	0.00
Benefit payments from employer	(106.24)	(145.85)	0.00	0.00
Acquisitions/Divestures/Transfers	0.00	0.00	0.00	0.00
Actuarial (Gains)/Loss	7.64	(43.03)	18.64	38.17
<b>Present Value of Defined Benefits Obligation (Closing)</b>	<b>303.81</b>	<b>358.42</b>	<b>179.66</b>	<b>134.87</b>



**Note on provision for gratuity****Rupees in lakhs**

<b>Particulars</b>	<b>Permanent</b>		<b>Casual</b>		<b>Total</b>	
	<b>As on 31 March 2023</b>	<b>As on 31 March 2022</b>	<b>As on 31 March 2023</b>	<b>As on 31 March 2022</b>	<b>As on 31 March 2023</b>	<b>As on 31 March 2022</b>
Short Term Liability Value (current)	73.75	113.51	14.2	5.07	87.95	118.58
Long Term Liability value (Non-current)	230.05	244.92	165.46	129.8	395.51	374.72
<b>Total value of the obligation</b>	<b>303.8</b>	<b>358.43</b>	<b>179.66</b>	<b>134.87</b>	<b>483.46</b>	<b>493.3</b>

**Rupees in lakhs**

<b>Net Asset or Liability recognised in Balance sheet</b>	<b>Permanent</b>		<b>Casual</b>	
	<b>As on 31 March 2023</b>	<b>As on 31 March 2022</b>	<b>As on 31 March 2023</b>	<b>As on 31 March 2022</b>
Net asset or Liability recognised at the beginning of the period	(358.43)	(496.85)	(134.87)	(78.85)
Amount not recognised	0.00	0.00	0.00	0.00
Employer Expense	(51.62)	(7.43)	(44.79)	(56.02)
Employer Contribution	0	0.00	0.00	0.00
Employer direct Benefits Payment	106.24	145.85	0.00	0.00
Acquisition/Divestures	0	0.00	0.00	0.00
Effect of the Limit	0	0.00	0.00	0.00
<b>Net asset or Liability recognised at the end of the period</b>	<b>(303.81)</b>	<b>(358.43)</b>	<b>(179.66)</b>	<b>(134.87)</b>

**Expenses recognised in statement of Profit & Loss****Rupees in lakhs**

<b>Components of Employer expense</b>	<b>Permanent</b>		<b>Casual</b>	
	<b>31-03-2023</b>	<b>31-03-2022</b>	<b>31-03-2023</b>	<b>31-03-2022</b>
Present value of obligation as at the beginning of the period	358.43	496.85	134.87	78.86
Present value of obligation as at the end of the period	303.80	358.43	179.66	134.88
Net Increase in Liability over the valuation period	(54.62)	(138.42)	44.79	56.02

Benefits paid directly from Company	106.24	145.85	0.00	0.00
Benefits Pay-outs from plan	0.00	0.00	0.00	0.00
less actual return on Plan assets	0.00	0.00	0.00	0.00
Cost of Termination Benefits/Acquisitions/Transfers,"Administrative Expenses/Taxes/Insurance Cost/	0.00	0.00	0.00	0.00
Expenses recognised in the Statement of Profit / Loss	51.62	7.43	44.79	56.02
P&L in Current year from Table 1	51.62	7.43	44.79	56.02

36. The company has forfeited 12,800 Nos. of Equity Shares to the extent of Rs.75,239.41(paid up value) as per the Board Resolution dated 04th September 2007.
37. In respect of derivative contracts, premium paid, gains/losses on settlement are recognized in the Statement of Profit and Loss.
38. Income Tax assessment was completed up to AY 2022-23 and there is no demand pending.
39. Balance in trade receivable, short-term loans and advances, trade payable, short-term borrowings, Government authorities and Financial Institutions etc., are subject to confirmation/reconciliation.
40. Deferred tax assets are not recognized on unabsorbed depreciation and carry forward of loss since there is no virtual certainty regarding availability of future taxable income for setting off deferred tax asset.
41. The names of Micro, Small and Medium enterprise to which the Company owes any sum including interest as on 31-03-2023 are:

**Rupees in lakhs**

Supplier	Principal Amount due and remaining unpaid Rs.	Interest Due and unpaid interest	Interest Paid	Payment made beyond the appointed day during the year	Interest due & payable for the period of delay	Interest accrued and remaining unpaid	Amount of Further interest remaining due and payable in succeeding years
KJ Paper Products	0.52	0.00	0.00	0.00	0.00	0.00	0.00

**42. Statutory Dues Payable**

**Rupees in Lakhs**

Particulars	31-Mar-23	31-Mar-22
Provident Fund Payable	22.68	10.94
Employees State Insurance Payable	2.54	0.38
TDS Payable	9.93	9.47
TCS Payable	0.33	0.18
TDS On Gst	18.14	10.04
Indirect Taxes Payable	92.49	143.56
<b>Total</b>	<b>146.11</b>	<b>174.57</b>

**43. Short Term Advances****Rupees in Lakhs**

<b>Particulars</b>	<b>31-Mar-23</b>	<b>31-Mar-22</b>
Accounts Receivable	0.83	1.09
Festival Advance	9.22	9.73
Pay Advance	0.01	0.01
Other Advance To Employees	0.12	0.00
Advance To Others	0.45	11.14
Educational Advance(Children)	0.00	0.26
<b>Total</b>	<b>10.63</b>	<b>22.23</b>

**44. Other Current Assets****Rupees in lakhs**

<b>Particulars</b>	<b>31-Mar-23</b>	<b>31-Mar-22</b>
Work Contract Tax	0.00	0.00
Keltron Electro Ceramics Ltd	0.00	0.33
Electro Ceramics Ltd	1.77	1.77
K.S.E.D.C Trivandrum[K.E.C]	0.26	0.26
Keltron Controls	0.13	0.13
Ksedc (I D Project) Trivandrum	4.26	4.26
Keltron Communication Complex	3.70	6.96
K.S.E.D.C Ltd (T.E.Unit) Mudadi	8.06	8.06
Keltron Equipment Complex Karakulam	0.64	0.44
Customs Deposit_Sea	34.46	14.06
Earnest Money Deposit	0.81	0.81
Other Deposits	1.46	1.41
Customs Deposit - Air	10.73	17.64
Sundry Creditors For Expenses	254.18	75.16
<b>Total</b>	<b>320.46</b>	<b>131.29</b>

**45. Notes to long term borrowings****(a) Classification of Current & Non Current Portion of Loans****Rupees in Lakhs**

<b>Particulars</b>	<b>2022-2023</b>			<b>2021-2022</b>		
	<b>Total</b>	<b>Current portion</b>	<b>Non current Portion</b>	<b>Total</b>	<b>Current portion</b>	<b>Non current Portion</b>
Working Capital Loan from Govt of Kerala	175.00	175.00	0.00	175.00	175.00	0.00
Loan from Govt of Kerala -Capacity	395.00	395.00	0.00	395.00	395.00	0.00

Loan from Govt of Kerala -Modernisation	396.64	396.64	0.00	396.64	396.64	0.00
Working Capital Loan from Govt of Kerala	700.00	700.00	0.00	700.00	700.00	0.00
Working Capital Loan from GOK	75.00	75.00	0.00	75.00	75.00	0.00
Investment Loan from GOK (1000l)	200.00	125.00	75.00	200.00	125.00	75.00
Investment Loan From GOK (200)	115.57	31.66	83.91	115.57	31.66	83.91
Investment Loan From GOK (Supercapacitor)	12.06	3.77	8.29	12.06	3.77	8.29
<b>Total</b>	<b>2,069.27</b>	<b>1,902.07</b>	<b>167.20</b>	<b>2,069.27</b>	<b>1,902.07</b>	<b>167.20</b>

#### 46.Contingent Liability and Commitments

Rupees in lakhs

Particulars	As at	
	31-Mar-23	31-Mar-22
<b>Contingent Liabilities</b>		
<b>a)Guarantees</b>		
i) Letter of credit Arrangement	871.57	730.44
ii) Bank Guarantee	12.06	12.06
	<b>883.63</b>	<b>742.50</b>
<b>b)Other Moneys for which the Company is contingently liable</b>		
i) E.S.I Company's contribution	18.10	18.10
ii) Damages on delayed payments of PF	33.94	33.94
iii) Industrial Disputes Act	100.59	100.59
	<b>152.63</b>	<b>152.63</b>
<b>Total</b>	<b>1,036.26</b>	<b>895.13</b>

#### 47.Pending Litigations

Nature of the Case	Case No.	Name of Court	Remarks
Petition Filed by Mr.T K Krishna Kumar	W.P.(C) 32088/2015	Honourable High Court of Kerala	Challenging the Circular dt.12.10.2015 notifying the list of candidates eligible for written test for Horizontal placement
Case filed by Oriental Insurance in connection with the loss of materials	O.S. No. 422/2012	Court of Subordinate Judge, Kannur	Reclaiming settlement against lost consignment Awaiting final verdict.

Case filed by Oriental Insurance in connection with the loss of materials	O.S. No. 17/16 C.S.04121	Court of Subordinate Judge, Kannur	Reclaiming settlement against lost consignment. Now case has been transferred from Sub court Kannur to Commercial Court Thalassery with Case No. C.S. 4/21.KCCL is defendant No.4 in this case
Case filed bY Mr.Nirup Kumar C & others Vs. KCCL	W.P.C 22333	Honourable High Court of Kerala	Dispute pertains to salary fixation while sanctioning horizontal placement.

Name of Statute	Nature of Dues	Amount(Rupees in Lakhs)	Forum where dispute is pending
The Indian Contract Act,1872	Sixteen Cases filed by the Company for recovery of book debts	101.80	Various Courts in Delhi, Hyderabad,Kolkata,GandhiNagar,Ahmedabad,Payannur,Mumbai, Kannur and Bangalore.
The Employee State Insurance Act, 1948	Employee State Insurance	18.10	ESI Court,Kozhikode
The Provident Fund and Miscellaneous Provisions Act,1952	Provident Fund penal damages	33.94	Board of Trustees,Provident Fund,Delhi; and Counter Affidavit at the Honourable High Court of Kerala.
The Industrial Disputes Act,1947	47 Cases Filed Against The Company	98.69	Labour Court,Kannur

#### 48.CIF Value of Imports

Particulars	FY 2022-23 (Rs.)	FY 2021-22 (Rs.)
Raw materials & Components	4,190.23	3,166.46
Plant & Machinery	5.97	50.36
Spares	7.59	7.59
Exchange Rate Variation	(3.02)	(29.11)
<b>Total</b>	<b>4,200.77</b>	<b>3,195.30</b>

**49. Expenditure in Foreign Currency**

Particulars	FY 2022-23 (Rs.)	FY 2021-22 (Rs.)
Raw materials & Components	4,190.23	3,083.16
Plant & Machinery	5.97	50.36
Spares	7.59	7.24
Exchange Rate Variation	(3.02)	(29.11)
Usance Interest	9.30	3.35
<b>Total</b>	<b>4,210.07</b>	<b>3,115.00</b>

**50. Earnings in Foreign Exchange**

Particulars	FY 2022-23 (Rs.)	FY 2021-22 (Rs.)
FOB Value of Exports	9.38	0.00

**51. Analytical ratios**

Sl No.	Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for variance
1	Current Ratio	Current Asset	Current Liability	0.89	0.77	15.58%	
2	Debt to Equity Ratio	Total Debt	Shareholders Equity	67.86	(13.07)	-619.20%	Note 1
3	Debt Service Coverage Ratio	Earnings Available for debt services	Debt Service	2.30	1.84	25.00%	Note 2
4	Net Capital Turnover Ratio	Net Sales	Average Working Capital	(7.61)	(6.46)	17.80%	
5	Net Profit Ratio	Net Profit	Net Sales	0.05	0.03	66.67%	Note 3
6	Return On Capital Employed	EBIT	Capital Employed	0.42	0.57	-26.32%	Note 4
7	Return on Equity	(PAT-Pref. Dividend)	Average Shareholders Equity	(3.00)	(0.49)	512.24%	Note 5
8	Inventory Turnover Ratio	Cost Of Goods Sold / Sales	Average Inventory	3.59	4.16	-13.70%	
9	Trade Receivables Turnover Ratio	Net Credit Sales	Average Accounts Receivable	3.48	7.16	-51.40%	Note 6

10	Trade Payables Turnover Ratio	Net Credit Purchases	A v e r a g e Trade Paya- bles	6.63	7.97	-16.81%	
11	Return On Invest- ment (Assets)	Net Profit After Tax	Investments (Assets)	0.23	0.25	-8.00%	

**Notes:**

1. Equity is positive for the current period and hence the ratio is better when compared to previ-  
ous period. Higher ratio for the year is due to the reason that debt is more than our equity.
2. Since, our earnings increased during the current year, the ratio is increased when compared  
to previous year which is better.
3. Net profit is better during the CY when compared to PY. Incremental sales resulted in in-  
crease of net profit. Better position than PY.
4. Though our return is increased, more increase in capital employed has resulted in decrease of  
the ratio when compared to PY.
5. Though our profit has increased, average shareholders equity is more when compared to PY  
which has resulted in decrease in Return on equity.
6. Since our average accounts receivables has increased the ratio is decreased when compared  
to previous year.
- 52.** Previous figures are regrouped /rearranged wherever necessary to suit current year classifi-  
cation. Previous year's numbers have been rounded to nearest Rupees lakhs to comply with  
Schedule III requirement.

**53. Other Matters**

- a) The Company has not traded or invested in Crypto currency or Virtual currency during the  
financial years ended March 31, 2023 and March 31, 2022.
- b) No proceedings have been initiated or pending against the Company for holding any benami  
property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made  
thereunder in the financial years ended March 31, 2023 and March 31, 2022.
- c) The Company has not been declared as a willful defaulter by any bank or financial institution  
or other lender in the financial years ended March 31, 2023 and March 31, 2022.
- d) The company does not have any transactions with struck off companies for the financial years  
ended March 31, 2023 and March 31, 2022.
- e) The Company had utilised the borrowings availed during the period for the purposes speci-  
fied



- f) The Company has not revalued its Property, Plant and Equipment and Intangible Assets for the financial years ended March 31, 2023 and March 31, 2022.
- g) The company has complied with the number of layers prescribed under section 2(87) of the companies Act 2013 for the financial years ended March 31, 2023 and March 31, 2022.
- h) The company has not entered in scheme of arrangement under section 230 to 237 of Companies Act 2013 during the period for the financial years ended March 31, 2023 and March 31, 2022.
- i) There are no transactions not recorded in the books of accounts, which are disclosed during the Income tax assessment/search/survey for the financial years ended March 31, 2023 and March 31, 2022.

**For and on behalf of the board**

**As per Our report of even date attached  
For CHEERAN VARGHESE & CO  
Chartered Accountants  
Firm Registration No.050061S**

**Sd/-  
N Narayana Moorthy  
Chairman  
DIN:05251681**

**Sd/-  
K G Krishnakumar  
Managing Director  
DIN:07649134**

**Sd/-  
Abhishek M  
Chief Fin Officer**

**Sd/-  
Thahira P P  
Company Secretary**

**Sd/-  
C V Varghese  
Partner  
M.No. 020644  
UDIN: 24020644BKBGLG9917**

**Place: Thrissur  
Date: 27/03/2024**



**OFFICE OF THE ACCOUNTANT GENERAL (AUDIT II) KERALA,  
THIRUVANANTHAPURAM**

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER  
SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATE-  
MENTS KELTRON COMPONENT COMPLEX LIMITED, KANNUR FOR THE YEAR  
ENDED 31 MARCH 2023.**

The preparation of financial statements of **Keltron Component Complex Ltd**, Kannur for the year ended 31 March 2023 in accordance with the financial reporting framework prescribed under the companies Act, 2013 (Act) is the responsibility of the Management of the Company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated **27 March 2024**.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of **Keltron Component Complex Ltd, Kannur** for the year ended **31 March 2023** under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report.

**A. COMMENTS ON FINANCIAL POSITION**

**Balance Sheet as at 31<sup>st</sup> March 2023**

**Current liabilities**

**Other current liabilities- ₹756.73 lakh (Note no. 10)**

This is understated by ₹46.30 lakh due to non-accounting of excess Bill of Quantities (BOQ) allowed to the contractor for a work carried out in 2022-23. Since the Company certified the excess quantity in March 2023 and the same was approved for payment by the Board of Directors in September 2023, the Company should have accounted for the same as per Accounting Standard 4 – *Contingencies and Events Occurring after the Balance Sheet Date*.

Non-accounting of the above has also resulted in corresponding understatement of Capital work-in-progress.

## **B. COMMENTS ON CASH FLOW**

### **(i) Net cash from financing activities - ₹178.03 lakh**

The above is understated by ₹471.97 lakh due to inclusion of provision for interest payable against loan given by Government of Kerala. As a result, 'Net cash generated from operating activities' is understated to that extent.

### **(ii) Net cash from investing activities - ₹(417.38) lakh**

This is understated by ₹28.00 lakh due to inclusion of interest accrued on fixed deposits as cash inflow despite no cash involved in it. As a result, 'Net cash generated from operating activities' is understated to that extent.

## **C. Net Impact of the comments**

**The net impact of the above comments is that the assets and liabilities sides of the Balance Sheet is understated by ₹46.30 lakh.**

**For and on behalf of  
The Comptroller and Auditor General of India**

**Sd/-**

**ATOORVA SINHA**

**ACCOUNTANT GENERAL (AUDIT-II) KERALA**

**Thiruvananthapuram**

**Dated: 28-08-2024**

**COMMENTS OF ADDITIONAL CHIEF SECRETARY (FINANCE) ON THE AUDITED ANNUAL ACCOUNTS OF KELTRON COMPONENT COMPLEX LIMITED FOR THE FINANCIAL YEAR 2022-23**

- 1) Company's profit has increased from Rs 256.04 lakh during 2021-22 to Rs 463.21 lakh during 2022-23, i.e 80.91% rise. Revenue from operation has increased from 8132.36 lakh to 9496.24 lakh. Company may make all efforts to continue this positive trend in the performance.
- 2) Company may make earnest efforts for the repayment of the loan and payment of interest accrued thereon, which are due to GoK.
- 3) Company's trade receivables has increased during the audit period. Company shall take efforts to realize the trade receivables to improve the financial condition.
- 4) Company has not revalued its property, plant and equipment for the financial years 2021-22 and 2022-23.
- 5) Though the net profit ratio has increased during the year 2022-23, when compared to 2021-22, the net capital turnover ratio has decreased 278.22% than previous year. BoD may look into this.
- 6) As per GO(P)No.61/2023/Fin dated 23.06.2023, companies with Profit after Tax(PAT) above Rs.50 Cr. has to pay a minimum dividend of 20% and those with PAT below Rs.50 Cr. has to pay 15% as dividend. As company's profit is Rs 4.63 crore, Board may examine this non compliance of Govt direction and take steps to declare dividend as per rules.
- 7) BoD may make a serious review on the lapses reported in the Audit report for the year 2022-23, besides the above mentioned and may take earnest efforts to clear the same at the earliest.

**Sd/-**  
**NELSON. J**  
**Additional Secretary**  
**For officer on Special Duty (Finance-Resources)**

**Thiruvananthapuram**  
**13.12.2024**

**KELTRON COMPONENT COMPLEX LIMITED**  
**KELTRON NAGAR, KALLIASSERI P.O., KANNUR-670 562.**  
**(CIN: U31904KL1974SGC002630)**

Shareholders attending the Meeting in person or by proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

I hereby record my presence at the Adjourned 49th Annual General Meeting of the Company at the registered office of the Company at KELTRON NAGAR, KALLIASSERI PO, KANNUR, KERALA 670562 on Saturday, the 15<sup>th</sup> March 2025 at 3.00 pm.

-----  
Full Name of the Shareholder  
(In Block Letters)

-----  
Signature

**ATTENDANCE SLIP**  
**ANNUAL GENERAL MEETING ON 15<sup>TH</sup> MARCH, 2025**

Regd. Folio No.	
DP ID No*	
Client ID No*	

\* Applicable for members holding shares in electronic form.

-----  
Full Name of Proxy  
(In block Capitals)

-----  
Signature

EVEN (Remote e-voting event no)	USER ID	PASSWORD

**NOTES:**

- Members/ Proxy holders are requested to bring the attendance slip with them when they come to the meeting and handover at the entrance after affixing signature.

**FORM No. MGT-11**

**Proxy form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3)  
Of the Companies (Management and Administration) Rules, 2014]

CIN: U31904KL1974SGC002630

Name of the company: KELTRON COMPONENT COMPLEX LIMITED

Registered office: KELTRON NAGAR, KALLIASSERI, KANNUR, KERALA 670562

Name of the member(s)	:
Registered address	:
E-mail id	:
Folio No/ Client Id	:
DP ID	:

I/We, being the members(s) of .....shares of the above named company, hereby appoint

1. Name: .....  
Address: .....  
E-mail Id: .....  
Signature ....., or failing him
2. Name: .....  
Address: .....  
E-mail Id: .....  
Signature ....., or failing him
3. Name: .....  
Address: .....  
E-mail Id: .....  
Signature .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the .....  
Annual General Meeting/ Extra ordinary general meeting of the company, to be held on the .....  
day of ..... at ..... a.m/ p.m at .....  
(place) and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1. ....

2. ....

3. ....

Signed this ..... Day of ..... 20.....

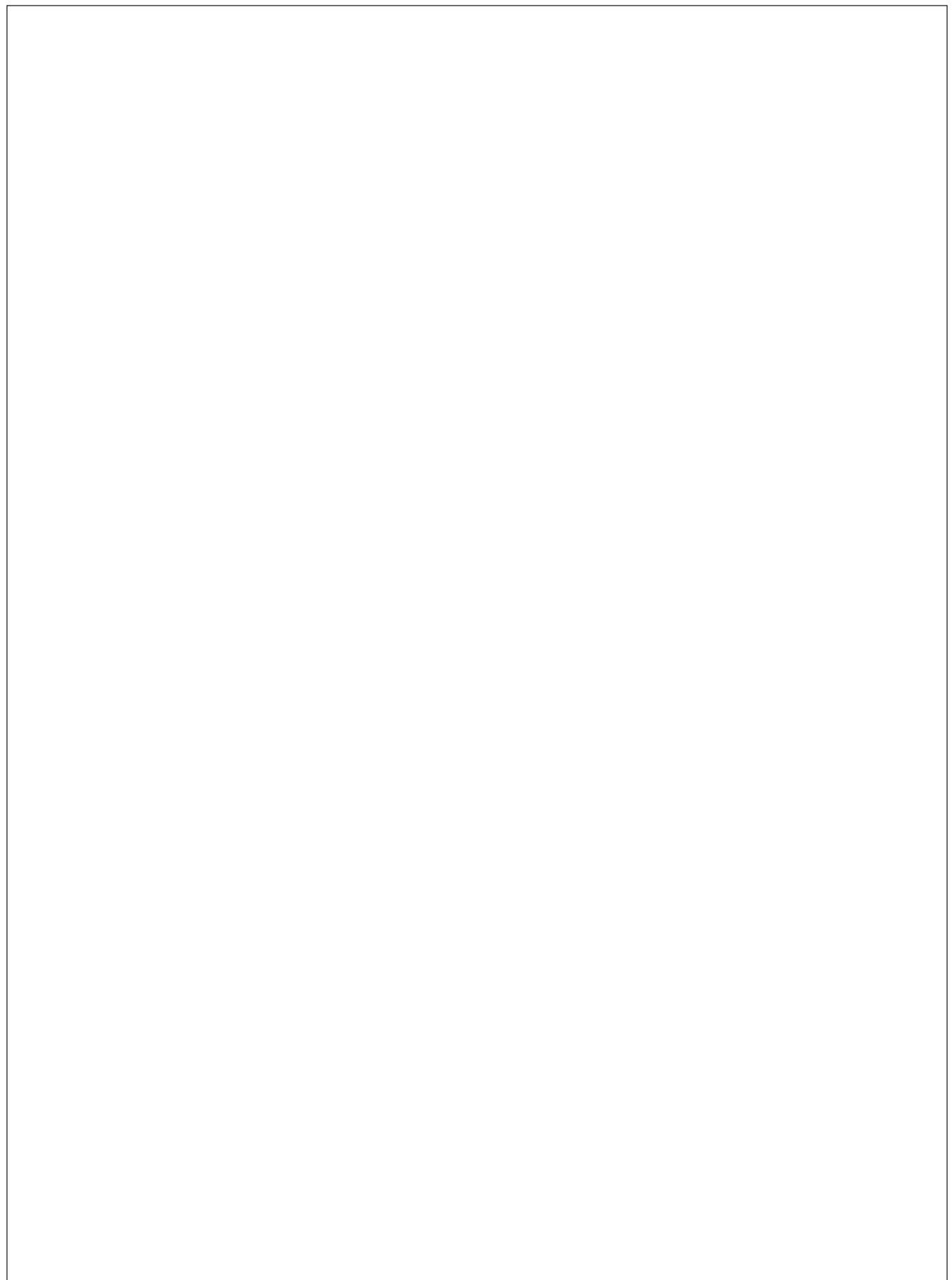
Signature of share holder

Signature of Proxy holder(s)

Affix  
Revenue  
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the  
Registered Office of the Company, not less than 48 hours before the commencement of the  
Meeting.







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## **KELTRON COMPONENT COMPLEX LIMITED**

Keltron Nagar, Kalliasseri P.O., Kannur

Kerala, India, Pin-670 562

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Fax : 0497-2781055

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Web : [www.keltroncomp.org](http://www.keltroncomp.org)



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