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वार्षिक प्रतिवेदन  
ANNUAL  
REPORT  
2023-2024



**इन्स्ट्रुमेन्टेशन लिमिटेड**

(भारत सरकार संस्थान)

**Instrumentation Limited**

(A Government of India Enterprise)

# Board of Directors



**Shri Thangavelu Ravi**



**Shri Madan Pal Singh**



**Shri Rajesh Kumar**



**Dr. Smt. RH Lata**

**BOARD OF DIRECTORS** : Shri Thangavelu Ravi Chairman and Managing Director  
Additional Charge  
(From 24.03.2023 to 24.09.2024)

Shri Rajesh Kumar Director (Govt. Nominee)  
Director, MHI  
(From 03.09.2020)

Shri Madan Pal Singh Director (Govt. Nominee)  
Joint Director (Finance), MHI  
(From 09.11.2020)

Dr. Smt. RH Lata Independent Director  
(From 02.11.2021)

**Company Secretary** : Mrs. Anjali Gupta

**Auditors** : M/s. N. Singhal & Co., Jaipur - Statutory Auditors  
M/s. Nathan Rajah & Co., Palakkad - Branch Auditors

**Registered Office** : G-229, Sitapura Industrial Area  
Jaipur-302022(Rajasthan)

**Manufacturing Works** : Kanjikode (West), Palakkad-678623, Kerala



## CHAIRMAN'S STATEMENT

**Dear Members,**

I have great pleasure in extending to you a warm welcome to the 60<sup>th</sup> Annual General Meeting of the Company. The report of the Directors, together with the audited accounts for the year ended 31<sup>st</sup> March 2024 and the comments of the Comptroller and Auditor General of India are with you. With your permission, I shall take them as read.

### PERFORMANCE HIGHLIGHTS

During the year 2023-2024, the Company has achieved turnover of ₹ 9585.57 Lakhs (target ₹ 9000 lakh), as compared to turnover of ₹7876.92 Lakhs in 2022-2023. The total income in 2023-24 was ₹ 10178 lakh as compared to ₹ 8310 lakh in 2022-23. The order booking was ₹ 12479 Lakh (target ₹ 12000 lakh) as compared to previous year's order booking of ₹ 11216 Lakh.

In the year 2023-2024 the operational profit was ₹ 1292 lakh against ₹ 1097 lakh in 2022-23. Similarly the net profit after tax in 2023-24 was ₹ 701.00 Lakhs as compared to ₹ 486.07 Lakhs in the previous year.

I would like to place on record the extreme support of Ministry of Heavy Industries in guiding the company which helped the company in exceeding the targets of turnover and order booking.

The PAT of ₹ 701 lakh is after deduction of wage revision arrears of ₹ 396 lakh to retired employees for prior period paid in FY 2023-24.

The company has added 15 new customers in its portfolio and you will be happy to know that more than 55% orders are received from private sector. Many strategic decisions were taken to execute the orders as per the requirements of customers by better procurement process, smart execution strategy by focusing on getting balance items for easy to execute orders, re-assessing and fixing re-order level inventory etc. This resulted in executing the priority orders and sustained the operation of the company and company could successfully overcome the market disruptions.

All organizational issues were properly addressed considering market and financial conditions. The company has intrinsic strength of having its own technology and we have good orders in hands and are continuously striving to enhance our order booking and turnover in 2024-2025. It is certainly difficult, but not impossible due to capable Managers, hard working employees and extremely good industrial relations.

### ISO-9001 (2015), ISO-14001 (2015) AND OHSAS-45001 (2018) CERTIFICATION

During the year under review company maintained ISO-9001:2015, ISO 14001:2015 and OHSAS 45001 (2018) accreditation. This has imparted status of quality products and services which is much needed in contemporary business. Company has also achieved ISO 29001 quality certification specifically for supplies to Oil & Gas and Natural Gas sector and

Petrochemical sector. IL is the only control valve company in country to get this certification. This will certainly enhance company's business in this sector including exports.

### **MOU with MHI**

As per DPE letter no M-03/0009/2019-DPE(Mou) dated 29.10.2021, the MoU target for the year 2023-24 were fixed internally and monitored by Ministry of Heavy Industries (MHI) Accordingly during various review meetings with MHI the performance of the company is being monitored by MHI. As per the MOU targets submitted to MHI for the year 2023-2024, the company has achieved targets corresponding to Excellent rating for revenue from operations, Order booking and operating profit and good rating for PAT.

### **STATUS OF SUBSIDIARY COMPANY**

The company has no Subsidiary company.

### **PRESENT STATUS OF THE COMPANY**

The company is independently sustaining its operation in a profitable manner under MHI without any kind of monetary support from GoI.

### **STATUS CLOSURE ACTIVITIES AT KOTA**

Closure activities of Kota is complete except disposal of other Assets at Varodara and Mumbai which are in process of monetization.

### **THE ROAD AHEAD**

I wish to state that in spite of a continued competitive and stretched business environment, the year gone by can be considered satisfactory from an every angle

of business especially from operational perspective. The Company made all out efforts to maintain the presence of its products in the market, added new customers, added new products and diversified into new business areas. All earnest, we have endeavored to deliver the trust, the customer reposed in us which gave us the strength to face the situation realistically.

### **FUTURE PROSPECTS**

The company is having its own indigenous technology and capable of designing new products as per latest international design standards and increasingly severe operating conditions of process industries. Company is also capable of customization of existing products according to end user's flow requirements. This way company is achieving the vision of Aatma Nirbhar and Make in India.

The four new products developed by IL and commercially launched have given good orders and in the year 2023-24, contributed 35% of the order booking. Work for development of 6 new products is under way.

The products manufactured are technologically equivalent and sometimes superior in performance to the products of any foreign manufacturer or MNC at lesser cost. The prices are very competitive and comparable to private players.

The company is able to meet the competitive nature of market and analyses the every tender opening results to understand the pricing strategy of competitors and prepare ourselves better for next requirements.

The sectors/verticals catered by the

company are Nuclear, Space, Atomic Research, Steel, Thermal, Petrochemical, Oil & Gas, Refining, Fertilizers, Paper and Pulp, Minerals and Mining, etc.

Demand fluctuation in any particular sector will not affect the business of the company. The products of the company are required by these sectors during initial set-up, expansion, renovation and modernization and also for replacement of existing valves after few years of usage as spares. Hence, there will be continuous business from existing projects and from new projects coming up in future.

The recent fillip by Govt of Indis to Thermal power sector and finalization of more than 20 800MW units has started resulting in increased order booking from Thermal sector from BHEL, GE Power, L&T MHPs, etc and IL will continue to get benefitted in 2024-25, as the tenders for control valves get finalized by such companies.

The spectrum of customers include private companies like GE Power, L&T, Reliance, Adani, TLT Engg, Tata Steel, JSW, Arcelor Mittal, etc; pure Govt organizations like Space, Atomic Energy, State Electricity Boards; CPSEs like NPCIL, BHEL, IOCL, SAIL, ONGC, NFL, NTPC, NLC, GNFC, etc., and consultants like EIL, Technip, Thermax, Thyssen Krup, etc. Company is getting repeat orders. The wide spectrum of customers ensure business continuity in future. 55% of the order booking is from private sector.

Company has taken up development of 6 new products for highly technically demanding customers like NPCIL, ISRO, IGCAR, BHEL, EIL and Valves for Climate

Control process systems like FGD and SCR technologies. All these new initiatives will ensure continuity and scaling up of business operation of the company in future.

Company has diversified into new vertical of Third Party Inspection Services and Valves for Pipeline applications. Continuing its pursuit to provide indigenous solutions to Space industry, company has delivered 5 specialized control valves for testing of Gaganyaan mission.

### **VIGILANCE:**

The company ensures transparency, objectivity, quality of decision making in its operations monitor the same. We have Vigilance Department, Chief Vigilance Officer, nominated by Administrative Ministry. During the year Vigilance Department functioned as an effective part of management. Our greater emphasis is always laid on preventive vigilance.

### **INDUSTRIAL RELATIONS & HUMAN RESOURCE MANAGEMENT**

The industrial relations during the year continued to be harmonious and cordial and supporting to smooth operation as ever. In the current year Company has improved a lot in terms of industrial discipline with positive overall environment, maintaining very cordial relation with unions and associations. There has not been a single incidence of any disruption / gate meeting by unions for more than last 4 years in row. The expectations / issues of Unions are pre-empted and resolved as per the extant guidelines of the company.

I would like to highlight the unique working culture in the company, which gives lot of

operational freedom to employees (especially younger generation which have lots of new ideas), encourages innovation at all levels by indemnifying innovators for errors and omissions that may happen during working thereby creating an atmosphere of working hard and fast without being bogged down with fear. We at IL are always open to adopt new / good practices of other companies (customers / vendors) and regularly organize training sessions by subject experts relevant to us. The honest, and ethical, working culture in company is our biggest strength.

## **CORPORATE GOVERNANCE**

It is my strong belief that good Corporate Governance is essential to achieve long-term corporate goals and to safeguarding the interest of all stake holders and to satisfy the core principles of accountability, transparency and fair dealings. The commitment is to strictly comply at all level with the Corporate Governance Guidelines issued by Department of Public Enterprise (DPE). This is imperative for the overall enhancement of all operations & activities of the Company. All applicable Corporate Governance guidelines / reports are met / submitted in time.

## **ACKNOWLEDGEMENT**

I would also like to place on record my appreciation and gratefulness to my colleagues on the Board for their valuable contribution and cooperation in guiding the Company.

I seek your continued support and encouragement as the Company has been receiving so far. We are thankful to the

Ministry of Heavy Industries, Government of India and other agencies and authorities of Government of India for their help and support to the Company.

I would like to convey, on behalf of Board and my own, our deep appreciation for all our colleagues, the support and confidence we receive from our valued customers and vendor partners, business associates, local Government departments and every one associated with the company.

We are also grateful to the Statutory Auditors of the Company and to CAG for their observations and suggestions.

I also convey my sincere thanks to State Bank of India for their unstinted support. I am specifically thankful to our MSE vendors, from whom we source almost 65% of inputs and who face various challenges generally being faced by MSEs and assure them for company's continued support for business cooperation.

I would like to extend my thanks for immense contribution made by all sections of employees of the Company through their dedication and commitment. I also appreciate and thank Unions for their unstinted support to management in maintaining the good industrial relations.

I now move the Directors' Report as well as the audited Balance Sheet and the Statement of "Profit & Loss" for the year 2023-2024 to be approved and adopted.

**Rajesh Kumar**

Dated : 04th Oct. 2024



## DIRECTORS' REPORT

To,

### The Shareholders

Ladies and Gentlemen,

Your Directors have pleasure in presenting their 60th Annual Report along with Audited Accounts for the year ended 31st March, 2024, Report of the Statutory Auditors and Comments thereon by the Comptroller and Auditor General of India.

### PERFORMANCE HIGHLIGHTS

The Financial Statements have been prepared in accordance with the historical cost convention on the basis of a 'going concern' with revenue recognized and expenses accounted for on accrual system of accounting.

The MoU target for the year 2023-24 were fixed internally and monitored by Ministry of Heavy Industries (MHI) as per DPE letter no M-03/0009/2019-DPE(Mou) dated 29.10.2021.

During the year 2023-2024, the Company has achieved turnover of ₹ 9585.57 Lakhs, as compared to turnover of ₹ 7876.92 Lakhs in 2022-2023. The total income in 2023-24 was ₹ 10178 lakh as compared to ₹ 8310 lakh in 2022-23.

In the year 2023-2024, the Company has booked an operating profit of ₹ 1291.98 Lakhs, as compared to profit of ₹ 1097.14 Lakhs in the previous year.

Net profit after tax (PAT), for the year 2023-2024 was ₹ 701.00 Lakhs as compared to net profit of ₹ 486.07 Lakhs in the previous year.

The PAT of ₹ 701 lakh is after deduction of wage revision arrears of ₹ 396 lakh to retired employees for prior period paid in FY 2023-24.

### OPERATING RESULTS

The salient features of the operating results for the year 2023-2024 as compared to the previous year are given below: -

( ₹ in Lakhs)

S No	Particulars	2023-2024	2022-2023
a.	Turnover	9585.57	7876.92
	Job done for internal use	-	-
	Net Turnover	9585.57	7876.92
b.	Other Income	593.23	433.33
	Total Income	10178.80	8310.25
c.	Expenditure on material	4605.85	3531.43
d.	Change in inventories of Finished goods & work in-process	(388.69)	(302.63)
e.	Employees remuneration and benefits	2734.71	2348.01
f.	Services & Sub-Contracting	866.02	629.46
g.	Financial Cost	-	-
h.	Depreciation & Amortization	124.71	148.68
i.	Other Expenditure	944.22	858.16
j.	Total Expenditure	8886.82	7213.11
k.	Profit/(Loss) before exceptional and extraordinary item and tax	(1291.98)	1097.14
l.	Exceptional items :-	(590.98)	(611.06)
m.	Profit/(Loss) before extraordinary item tax	701.00	486.07
n.	Extraordinary item	-	-
o.	Profit/(Loss) before tax	701.00	486.07
p.	Tax	-	-
q.	Profit/(Loss) for the year	701.00	486.07

### ORDER BOOKING

During the year under review (2023-2024) the Company continued to face stiff competition in all areas of its operations, resulting in severe pressures on margins. Because of high quality products & services and proven track record, the company maintained its market share and booked orders of ₹ 12479 Lakh as compared to previous year's order booking of ₹ 11216 Lakh. Some of the major and prestigious orders received by the company are as below:-

- Rubber Lined Butterfly Valves for Climate Control application worth ₹ 664 Lakhs from BHEL.
- Control valve orders for ₹ 310 Lakhs from Jindal Steel and Power.
- Control Valve orders for ₹ 181 Lakhs from BPCL Kochi.
- Control Valve orders for ₹ 164 Lakhs from

Bhartiya Rail NTPP.

- e) Control Valve Order of ₹ 148 lakhs from Pri Tech India Pvt Ltd

### **ISO-9001 (2015), ISO-14001 (2015) AND OHSAS-45001 (2018) CERTIFICATION**

During the year under review company maintained ISO-9001:2015, ISO 14001:2015 and OHSAS 45001 (2018) accreditation. This has imparted status of quality products and services which is much needed in contemporary business. Company has also achieved ISO 29001 quality certification specifically for supplies to Oil & Gas and Natural Gas sector and Petrochemical sector. IL is the only control valve company in country to get this certification. This will certainly enhance company's business in this sector including exports.

### **SALES AND SERVICE**

The Company has achieved a turnover of ₹ 9585.57 Lakhs Lakh during the year as against turnover of ₹ 7876.92 Lakh during the previous year 2022-2023. The company continued to execute the orders as per requirements of the customers and provided effective after sales services. Company has added more resources to its after sales service department for effectively addressing the servicing requirements of users.

### **EXPORTS**

During the year under review Company increased the export 3 times and achieved export turnover of ₹ 238.70 Lakh(Previous year ₹ 81.64 Lakh).

### **DIVIDEND**

Directors have recommended a dividend of ₹ 210 lakhs which is 30% of the PAT and is as per the norms of DPE.

### **RESERVES**

Directors do not propose to carry any amount to reserves for the year under review.

### **DETAILS OF DEPOSITS**

During the year under review, the Company has neither accepted nor renewed any deposit under Sec.73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014.

### **FINANCE**

Paid-up Capital of the Company as on 31.3.2024 remained at ₹2404.53 Lakh and Share Application Money at ₹ 12200.96 Lakh is pending for allotment of equity and preference shares. As on 31.03.2024, amount of ₹ 51494.83 lakh(out of ₹ 58457 lakh) which was received from GoI for closure of Kota complex as interest free loan is to be converted into equity.

### **BORROWINGS FROM THE GOVERNMENT/ PSUs**

GOI provided a loan of ₹ 58457.00 Lakhs against the decision of closure of Kota Complex towards clearance of employees' liabilities and other dues as interest free loan to be converted to equity. The request has been put up for approval to Ministry of Heavy Industries for increasing the authorized share capital of the company to enable issue of equity shares.

### **WORKING CAPITAL**

During the financial year under review Inventory and Sundry Debtors were ₹ 5725.78 Lakh and ₹ 4606.37 Lakh respectively as compared to ₹ 4258.88 Lakh and ₹ 4966.10 Lakh respectively during the previous year. The operation of Company are going smoothly with sufficient working capital. The company has not utilized its cash credit limits available with Bank for its working capital and has managed all its operations from the collections received for debtors.

### **MOU WITH MHI**

As per DPE letter no M-03/0009/2019-DPE(Mou) dated 29.10.2021, the MoU target for the year 2023-24 were fixed internally and monitored by Ministry of Heavy Industries (MHI) in review meetings. As per the MOU targets submitted to

MHI for the year 2023-2024, the company has achieved performance corresponding to Excellent rating for revenue from operations, Order booking and operating profit and good rating for PAT.

### **FUTURE PROSPECTS**

The Company is operating in the field of control valves for process industries. The company is well equipped with its own indigenous technology for manufacturing its products and meeting new, severe and customized requirements of its customers. The Company has the ability to develop new products and its variations which gives immense scope for future developments.

Company has diversified into new vertical of Third Party Inspection Services and Valves for Pipeline applications. Continuing its pursuit to provide indigenous solutions to Space industry, company has delivered 5 specialized control valves for testing of Gaganyaan mission.

The company has taken up the development of 6 new products. All the initiatives of the company ensures that the future prospect is bright and the company is on the path of growth.

### **SUBSIDIARY COMPANY:**

The company has no Subsidiary company.

### **WORKERS PARTICIPATION IN MANAGEMENT**

Keeping in view the guidelines of the Government of India on the subject and to foster a sense of belongingness and team spirit amongst the employees, regular interaction with the Workers' representatives are held, where useful contributions emerge during the deliberations for improving productivity, efficiency, minimizing absenteeism, waste. The industrial relations had been excellent with no incidence of loss of working days.

### **RESERVATION FOR SC & ST AND DISABLED PERSONS**

The Government directives regarding

reservation for SC / ST, Physically handicapped and Ex-service personnel etc. were adhered to during the year under review. The total number of employees belonging to these categories at the end of the year was nearly 14.00% of the total manpower.

### **PERSONNEL AND INDUSTRIAL RELATIONS AND WELFARE**

The industrial relations in the Company continued to remain cordial and harmonious.

### **HUMAN RESOURCE & DEVELOPMENT**

For better utilization of Human Resources and improvement in work culture and productivity, the Human Resource Development Department undertook various programs to train/ retrain the employees to develop their skills.

### **VIGIL MECHANISM**

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, the Company has established a secured system to provide for adequate safeguards against victimization of employees and Directors who avail of the vigil mechanism and to enable our Directors & Employees to report their genuine concerns or grievances, generally impacting / affecting the business of our Company, including but not limited to improper or unethical behaviour / misconduct / actual or suspended frauds / violation of code of conduct. The company has made and implemented whistle blower policy. Vigil Mechanism of the company and whistle blower policy is available on the website of the company i.e. [www.ilpgt.com](http://www.ilpgt.com).

Any Director or employee can directly email his/her concern or complaint to [cvo@ilkota.in](mailto:cvo@ilkota.in). The CVO will take appropriate action for its resolution.

### **VIGILANCE ACTIVITIES**

During the year Vigilance Department functioned as an effective part of management and greater emphasis was laid on preventive vigilance.

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

The Company has not advanced any loans, not provided any guarantee or not made any investment under Section 186 of the Companies Act, 2013 during the period under review. All the guidelines of CVC issued during the year were fully complied with.

### **PARTICULARS OF CONTRACTS OR ARRANGMENTS WITH RELATED PARTIES**

There were no contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013 read with rules prescribed under Chapter XII relating to Meetings of Board and its Power as amended from time to time.

### **SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS**

During the year under review, no significant and material orders were passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company.

### **INTERNAL CONTROL SYSTEM AND ITS ADEQUACY**

The company has well placed proper and adequate systems of internal control and documented procedures covering all financial and operating functions. Adequate internal control measures are in the form of various codes, manuals and procedures issued by the management covering all critical and important activities viz. Purchase, Material, Stores, Works, Finance, and Personnel etc. In order to ensure that all checks and balances are in place and all internal control systems are in order, regular and exhaustive internal audit of various divisions are conducted by firms of Chartered Accountants. Internal control system ensures complete compliance with laws, regulations, standards and internal procedures and systems.

### **EXTRACT OF ANNUAL RETURN**

As required pursuant to section 92(3) of

the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT 9 has been given at Annexure-I.

### **PREVENTIVE SEXUAL HARASSMENT POLICY**

The Company has in place a Preventive Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2023-2024 :

- No. of complaints received : Nil
- No. of complaints disposed off : Nil

### **PROGRESSIVE USE OF HINDI**

The Company's emphasis on use of Hindi in its official working continued and effective steps have been taken on the implementation of provisions of the Official Languages Act and rules framed there-under. Use of Hindi language was promoted in communication. More employees from non-Hindi speaking areas are taking interest in the use of Hindi. The use of official language in the company was inspected by Honorable Parliament Committee on Official language and a certificate was issued.

### **DISCLOSURE OF PARTICULARS**

In accordance with the provision of Section 134(3)(m) of the Companies Act, 2013 read with Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 the information is given below: -

#### **a. CONSERVATION OF ENERGY**

The Company is not a bulk user of energy. However, keeping the Government directives in

mind, maximum saving of energy is being planned at all its works locations. Progressively the conventional lamps are being replaced by LED fittings.

#### **b. TECHNOLOGY ABSORPTION - R & D ACTIVITIES**

In the year under review company has Designed and Developed 4 new products. Orders were received for all.

Further, company has undertaken the development of 6 new products. The D&E department is being strengthened by purchase of latest software for design of control valves, so that the accurate modeling of flow characteristics can be predicted before the actual manufacturing to save cost and time. Development of above items will add to the product portfolio and increase the business in coming years.

#### **c. FOREIGN EXCHANGE EARNINGS AND OUTGO**

During the year the Company earned foreign exchange equivalent to ₹ 238.70 Lakh (previous year ₹ 81.64 Lakh) while the foreign exchange outgo was ₹ 209.33 lakh previous year ₹ 216.98 Lakh

#### **d. POLLUTION CONTROL**

The Company's products are Eco-friendly as these are, by and large, electro-mechanical in nature and pollution and environmental hazards are negligible. Company has ISO- 14001 (2015) EMS certification and all the provisions of the standard are maintained. Company maintained its pollution license. The company has planted more than 500 trees in its already green campus. The 150 mango trees in factory campus are fruit bearing and giving 40,000 liters of Oxygen every day. Intense green initiative has been taken and all directives of Govt. of India on Swachhta are meticulously followed and implemented.

#### **e. SAFETY**

Safety of manpower, machinery and environment

is the guiding factor in the Company's operations. The year under review continues to be another accident-free year. Company has OHSAS-45001 (2018) ISO certification for Occupational Health and Safety. The company also conducts regular safety drills under guidance of Safety Council Kerala. Special care is been taken that all employees and visitors wear the prescribed safety gears.

#### **PARTICULARS OF EMPLOYEES IN TERMS OF SECTION 197(12) OF THE COMPANIES ACT, 2013**

There was no employee of the Company who is falling under this provision for the financial year under reference, who has received remuneration in excess of limits prescribed i.e. remuneration of not less than ₹ 102,00,000/- per annum or ₹ 8,50,000/- per month under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2016, hence, information may be treated as NIL.

#### **RESPONSIBILITY STATEMENT**

Pursuant to Section 134(3)© of the Companies Act, 2013, the Board of Directors state that: -

- (a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act,

2013 for safe guarding the assets of the company and for preventing and detecting fraud and other irregularities;

- (d) The Financial Statements have been prepared in accordance with the historical cost convention on the basis of a 'going concern' with revenue recognized and expenses accounted for on accrual system of accounting.
- (e) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **CORPORATE GOVERNANCE**

Instrumentation Limited (IL) believes that good Corporate Governance is essential to achieve long-term corporate goals and to enhance stakeholders' value. IL has been complying with the Corporate Governance Guidelines issued by Department of Public Enterprise (DPE) and submits Compliance Report to Ministry of Heavy Industry (MHI) on quarterly basis.

Report on Corporate Governance and Management Discussion and Analysis Report are annexed at Annexure-II to this Directors' Report.

### **CLOSURE OF KOTA COMPLEX**

Pursuant to the Union Cabinet's decision dated 30.11.2016 and DHI directives dated 08.12.2016, all closure activities for Kota Complex are completed as per prescribed guidelines including relieving of all employees, sale of all immovable assets except 12 flats in Mumbai and 1 flat in Vadodara.

- a. Transfer of Palakkad Unit of Instrumentation Limited to Govt of Kerala could not be done because the High Level Committee constituted had not taken into consideration the value of land owned by Palakkad Unit, measuring 566.30 acres which was assigned on registry to Instrumentation Limited, Kota for the establishment of Precision

Instrumentation Project at Pudukkottai Kerala under the Rules of Assignment of Government Land for Industrial Purposes dated 30.03.1964, which has material bearing on the transfer modalities. The valuation of land could not be completed due to reluctance of Government of Kerala to discuss the matter of land owned by the Company.

- b. The process of shifting of the Registered and Corporate office of the company from Jaipur (RoC Jaipur) to Palakkad (RoC Trivandrum) has been approved by the Board of Directors and is being initiated.
- c. Out of total fund of ₹ 584.57 Crore received from GOI, an amount of ₹ 561.64 Crore has been utilized towards settlement of liabilities of Provident Fund, VRS/VSS, Bankers Taxes, Unsecured Creditors and towards watch and ward expenses. An amount of ₹ 12.51 crore has been returned back to GoI. An amount of ₹ 10.42 Cr is lying with the company for settlement of any liability of Kota Complex that arises in future. Out of this ₹ 8.88 crore has been adjusted towards transfer of share of REIL to GoI,

### **AUDITORS**

In accordance with Section 143(5) of the Companies Act, 2013, Comptroller and Auditor General of India has appointed Auditors for the Company. Accordingly, M/s N. Singhal & Co., Jaipur were appointed as Statutory Auditors and M/s. Nathan Rajah & Co Palakkad were appointed as Branch Auditors for auditing accounts for IL Palakkad for the financial year 2023-24.

Certain qualifications are made by the Statutory Auditors in their report dated 07.09.2024. They are of very minor in nature. The qualifications/reservations together with replies of the Directors are given in Annexure-III enclosed forming part of this report.

### **COST AUDITORS:**

The Turnover of the Company is ₹ 95.85 Crore, In accordance with the Rule-4 of the Companies (Cost Records and Audit) Rules, 2014 which states that Cost audit requirement has been made subject to a turnover based threshold for non-regulated sector of ₹ 100 crore for all products or services and of ₹ 35 crore for individual product or service. Hence cost audit is not required for the Company for the financial year 2023-2024.

### REPORTING OF FRAUDS BY AUDITORS

For the Financial year 2023-2024, no fraud by the Company or on the Company by its officers or employees has been noticed or reported by the Statutory Auditors to the Board of the Company.

### REVIEW OF THE ACCOUNTS BY COMPTROLLER & AUDITOR GENERAL OF INDIA

The Comptroller and Auditor General of India has decided not to conduct the supplementary audit of the financial statements for the year ended 31st March 2024. A copy of C&AG's comments under section 143 (6)(b) of the Companies Act, 2013 is placed at Annexure-IV.

### NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

#### APPOINTMENT:

The Board of Directors duly met 05 times during the Financial Year from 1st April 2023 to 31st March, 2024. The dates of the meetings are given in Report on Corporate Governance at Annexure II.

#### AUDIT COMMITTEE:

IL has constituted an Audit Committee in terms of Section 177 of the Companies Act and also as per DPE guidelines. The Audit Committee reviews, with the management, annual financial statements before submission to the Board for approval. The Committee also oversees the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct,

sufficient and credible. The terms of reference of Audit Committee include:

#### Composition of Audit Committee:

The constitution of the Audit Committee as on 31.03.2024 was as follows:

1. Dr. Smt RH Lata, Chairperson, Independent Director
2. Shri Rajesh Kumar, Member.
3. Shri Madan Pal Singh, Member.
4. Shri THANGAVELU RAVI, special invitee, Chairman and Managing Director.

The Audit Committee of the Board of Directors met two times on 08.09.2023, 28.10.2023. The Audit Committee has been reconstituted, with Independent Director as a Chairperson of the Audit Committee, by the Board of Directors in their 352nd Meeting held on 30.06.2023.

### DECLARATION BY INDEPENDENT DIRECTOR U/S 149 OF COMPANIES ACT, 2013

During the financial year, Independent director have met the requirements specified under section 149(6) of the companies Act,2013 for holding the position of Independent Director and necessary declaration from Independent Director under section 149(7) of the companies Act,2013 was received.

### ADDITIONAL INFORMATION PURSUANT TO RECOMMENDATIONS OF PARLIAMENTARY COMMITTEE

	(Rs In Lakh)	
	<u>2023-24</u>	<u>2022-23</u>
a. Foreign Tours	-	-
b. Expenditure on Public Relations / Business Promotion	-	-
c. Entertainment	-	-

## Expenditure

### **REASON FOR DELAY IN HOLDING ANNUAL GENERAL MEETING:**

Following are the reason for delay in holding 60th Annual General Meeting of Instrumentation Limited for the Financial year ended 31.03.2024.

Approval of Board of Directors on Annual Account for the Financial Year ended 31.03.2024 has been accorded in duly convened Board Meeting held on 07.09.2024 on recommendation of the Audit Committee and accordingly, the Annual Account for the year ended 31.03.2024 has been submitted to Statutory Auditor for their Report and also to Comptroller & Auditor General of India (C&AG) for their comments. The comments of C&AG were received on 03.10.2024.

### **OTHER**

During the year under review, the Company has complied with the applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India.

It is a matter of satisfaction that Company manages its working capital requirement fully from the collection of trade receivables and did not utilized its CC limit, hereby incurring NIL interest cost. Further all MSE vendors, which constitute around 65 % of the net purchase were paid on or before time. All the other vendors were also paid as per the purchase orders terms and conditions. IL will continue its dedicated efforts for faster collection of Debtors and released the

payments to its vendors on time.

### **APPRECIATION**

The Board acknowledges the sincere support and extends its grateful thanks to the Government of India, particularly Ministry of Heavy Industry.

The Directors wish to place on record their sincere thanks for the support and patronage received from the valued customers.

The Board also acknowledges the sincere support and extends its grateful thanks to Department of Public Enterprises, Statutory Auditor, branch auditor, government auditor and the Company's Bankers i.e. State Bank of India for their continued co-operation and guidance.

The Board also wishes to place on record its deep appreciation for the valuable contributions made by employees at all levels of the Company.

**For and on behalf of the Board of Directors**

**of**

**INSTRUMENTATION LIMITED**

**Rajesh Kumar**



**ANNEXURE - I**

<b>FORM NO. MGT 9</b>
<b>EXTRACT OF ANNUAL RETURN</b>
<b>as on financial year ended on 31.03.2023</b>
<b>[Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management &amp; Administration ) Rules, 2014]</b>

**I REGISTRATION & OTHER DETAILS :**

i	CIN	U29299RJ1964GOI001174
ii	Registration Date	21-03-1964
iii	Name of the Company	INSTRUMENTATION LIMITED
iv	Category/Sub-category of the Company	Union Government Company/Limited by Shares
v	Address of the Registered office & contact details	C/o Hindustan Salt Limited, G-229, Sitapur Industrial. Area, Jaipur (Raj.)-302022 Tel : 0141-2771885 Fax : NIL
vi	Whether listed company	No
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	N.A.

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

Sl. No.	Name & Description of main products/services	NIC Code of the Product/Service	% to total turnover of the company
1	Control Valves	8481	100.00

**III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sl. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/Associate	% to Shares held	Applicable Section
1	----	----	----	----	----

**IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)**
**(i) CATEGORYWISE SHAREHOLDING**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
<b>A. Promoters</b>									
(1) Indian									
a) Individual/HUF	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Central Govt.	Nil	240453	240453	100	Nil	240453	240453	100	Nil
c) State Government	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Bodies Corporate	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Bank/FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Any other	Nil	Nil	Nil	0	Nil	Nil	Nil	0	Nil
<b>SUB TOTAL:(A) (1)</b>	Nil	240453	240453	100	Nil	240453	240453	100	Nil

<b>(2) Foreign</b>									
a) NRI- Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	NA
b) Other Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	NA
c) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	NA
d) Banks/FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	NA
e) Any other...	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	NA
<b>SUB TOTAL (A) (2)</b>	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	NA
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	Nil	240453	240453	100	Nil	240453	240453	100	Nil

<b>B. PUBLIC SHAREHOLDING</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Banks/FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Central govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) State Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Venture Capital Fund	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
g) FIIS	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h) Foreign Venture Cap.Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>SUB TOTAL (B)(1):</b>	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

<b>(2) Non Institutions</b>									
a) Bodies corporates									
i) Indian	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
ii) Overseas	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
ii) Individuals Shareholders holding nominal share cap.in excess of Rs.1 lac	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>SUB TOTAL (B)(2):</b>	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
---	-----	-----	-----	-----	-----	-----	-----	-----	-----

<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Grand Total (A+B+C)</b>	Nil	240453	240453	100	Nil	240453	240453	100	Nil

**(ii) SHARE HOLDING OF PROMOTERS**

SI No.	Shareholders Name	Shareholding at the Beginning of the year			Shareholding at the End of the year			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	President of India and his Nominees	240,453	100	Nil	240,453	100	Nil	Nil
	<b>Total</b>	<b>240,453</b>	<b>100</b>	<b>Nil</b>	<b>240,453</b>	<b>100</b>	<b>Nil</b>	<b>Nil</b>

(iii) **CHANGE IN PROMOTERS' SHAREHOLDING ( Specify if There is No Change)**

Sl. No.	President of India	Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
1	At the beginning of the year	240,450	100	240,450	100
2	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc)	No Change	No Change	No Change	No Change
3	At the end of the year	240,450	100	240,450	100

Sl. No.	Shri Rajesh Kumar (nominee of Central Government)	Shareholding at the end 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	At the beginning of the year	01	0.0	01	0.0
2	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc)	No Change	No Change	No Change	No Change
3	At the end of the year	01	0.0	01	0.0

Sl. No.	Shri Madan Pal Singh (nominee of Central Government)	Shareholding at the end 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	At the beginning of the year	01	0.0	01	0.0
2	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc)	No Change	No Change	No Change	No Change
3	At the end of the year	01	0.0	01	0.0

**(iv) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (other than Directors, Promoters & Holders of GDRs & ADRs)**

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the end 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)	(2)	(3)	(4)	(5)	(6)
1	At the beginning of the year	Nil	Nil	Nil	Nil
2	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	No Change	No Change	No Change	No Change
3	At the end of the year (or on the date of separation, if separated during the year)	Nil	Nil	Nil	Nil

**(v) SHAREHOLDING OF DIRECTORS & KMP.**

Sl. No.	For Each of the Directors & KMP	Shareholding at the end 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	At the beginning of the year	Nil	Nil	Nil	Nil
2	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	No Change	No Change	No Change	No Change
3	At the end of the year	Nil	Nil	Nil	Nil

Sl. No.	Shri B. Balasubramanian (nominee of Central Government) (Chairman and Managing Director)	Shareholding at the end 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	At the beginning of the year	01	0.0	01	0.0
2	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc)	No Change	No Change	No Change	No Change
3	At the end of the year	01	0.0	01	0.0

Sl. No.	Shri Rajesh Kumar (nominee of Central Government) ( Director)	Shareholding at the end 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	At the beginning of the year	01	0.0	01	0.0
2	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc)	No Change	No Change	No Change	No Change
3	At the end of the year	01	0.0	01	0.0

Sl. No.	Shri Madan Pal Singh (nominee of Central Government) (Director)	Shareholding at the end 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	At the beginning of the year	01	0.0	01	0.0
2	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc)	No Change	No Change	No Change	No Change
3	At the end of the year	01	0.0	01	0.0

## V INDEBTEDNESS

(Amount in ₹)

Indebtedness of the Company including interest outstanding/accrued but not due for payment					
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness	
<b>Indebtness at the beginning of the financial year</b>					
i) Principal Amount	Nil	57,20,619,482	Nil	57,20,619,482	
ii) Interest due but not paid	Nil	Nil	Nil	Nil	
iii) Interest accrued but not due	Nil	Nil	Nil	Nil	
<b>Total (i+ii+iii)</b>	-	<b>57,20,619,482</b>	Nil	<b>57,20,619,482</b>	

Change in Indebtedness during the financial year					
Additions	Nil	Nil	Nil	Nil	
Reduction	Nil	8,88,36,383	Nil	8,88,36,383	
<b>Net Change</b>	<b>Nil</b>	<b>8,88,36,383</b>	Nil	<b>8,88,36,383</b>	

Indebtedness at the end of the financial year					
i) Principal Amount	Nil	56,31,783,099	Nil	56,31,783,099	
ii) Interest due but not paid	Nil	Nil	Nil	Nil	
iii) Interest accrued but not due	Nil	Nil	Nil	Nil	
<b>Total (i+ii+iii)</b>	<b>Nil</b>	<b>56,31,783,099</b>	Nil	<b>56,31,783,099</b>	

## VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole Time Director and/or Manager:

(Amount in ₹)

Sr. No.	Particular of Remuneration	Director	Total Amount
1	<b>Gross salary</b>	-	-
(a)	Salary as per provisions contained in Sec.17 (1) of the Income Tax. 1961.		
(b)	Value of perquisites u/s 17(2) of the Income tax Act, 1961		
(c)	Profits in lieu of salary u/s section 17(3) of the Income Tax Act, 1961		
2	Stock option		
3	Sweat Equity		
4	Commission as % of profit or others (specify)		
	<b>Total (A)</b>	-	-
	<b>Ceiling as per the Act</b>	NA	NA

### B. Remuneration to other Directors :

(Amount in ₹)

S No	Particulars of Remuneration	Name of the Directors	
1	Independent Directors	<b>Dr. Smt. RH Lata</b>	
	(a) Fee for attending board committee meetings	1,00,000	
	(b) Commission as % of profit or others (specify)		
	(c) Others, please specify		
	<b>Total (1)</b>	1,00,000	
2	Other Non Executive Directors	<b>Shri Rajesh Kumar</b>	<b>Shri Madan Pal Singh</b>
	(a) Fee for attending board committee meetings		
	(b) Commission as % of profit or others (specify)		
	(c) Others, please specify.		
	<b>Total (2)</b>		
	<b>Total (B)=(1+2)</b>	-	
	<b>Total Managerial Remuneration</b>	-	
	<b>Overall ceiling as per Act.</b>	NA	NA

### c. Remuneration Of Key Managerial Personnel Other Than Md/Manager/WTD

(Amount in ₹)

Sl. No.	Particulars of Remuneration	
1	<b>Gross Salary</b>	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	Nil
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	Nil
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	Nil
2	Stock Option	Nil
3	Sweat Equity	Nil
4	Commission as % of profit or others (specify)	Nil
5	Others, please specify	Nil
	<b>Total</b>	Nil

**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			----- Nil -----		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			----- Nil -----		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			----- Nil -----		
Punishment					
Compounding					

## REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2023-24

(Pursuant to Department of Public Enterprises Guidelines)

IL has established a sound framework of Corporate Governance, which underlines commitment to quality of governance, transparency in disclosures and consistent stakeholders' value enhancement. Corporate Governance is a combination of voluntary practices and compliance with laws and regulations, leading to effective control and management of the Company. It is the strong belief of Company that the good corporate governance ensures that the corporate actions balance the interest of all stakeholders and satisfy the tests of accountability, transparency, and fair play. The Company believes that all its operations and actions must be directed towards enhancing overall stakeholder value. The company will continue to focus on its resources, strengths, strategies to achieve this purpose.

At the heart of Company's Corporate Governance policy is the ideology of transparency and openness in the effective working of the Management and Board. It is believed that the imperative for good Corporate Governance lies not merely in drafting a code of Corporate Governance but in practicing it.

With commitment to practice sound governance principles, your Company is guided by the following core principles.

- Proactive flow of information to the members of the Board.
- Framework to enable effective discharge of fiduciary duties;
- To comply with all the applicable laws, rules and regulations;
- Ethical business conduct by the Board, Management & employees; and
- Robust systems and processes for internal control.

The Board of your Company constantly endeavors to set goals and targets aligned to the Company's vision and mission - To be pioneer in Control Valves, Actuators, Butterfly valves, Power Cylinders and Bellow Sealed Valves and is committed to total customer satisfaction by identifying and fulfilling their specific needs, translating them into quality products, providing dependable after sales service and to work

for continual improvement of Quality Management System by developing/marketing quality products.

### BOARDS AND COMMITTEES:

#### a) Board of Directors:

As on 31st March, 2024, the Board of Directors consists of four Directors. During the Financial Year ended 31st March, 2024, Board meetings were held on 30.06.2023, 08.09.2023, 28.10.2023, 25.01.2024 and 27.03.2024.

The details of composition of the Board as on 31.03.2024, the attendance record of the Directors at the Board Meetings held during the financial year 2023-2024 and at the last Annual General Meeting (AGM), as also the number of Directorships, Committee Chairmanships and Memberships held by them in other Companies are given here below:-

Name of Director	Category	No. of Board Meetings Held	No. of Board Meetings attended by the Director	Attendance at the previous Annual Meeting held on 28.10.2023	No. of Other Directorships	No. of membership of other Board Committees	No. of other Committees of which the Director is a Chairperson
Shri. B. Thangavelu and Ravi	Chairman and Managing Director (Additional Charge) from 25.03.2023	5	3	Present	1	Nil	Nil
Shri Rajesh Kumar	Director (Govt. Nominee) from 03.09.2020	5	5	Present	0	Nil	Nil



Shri Madan Pal Singh	Director (Govt. Nominee) from 09.11.2020	5	5	Present	1	Nil	Nil
Dr. Smt. R.H Lata	Independent director From 02.11.2021	4	4	Present	1	Nil	Audit Committee

### b) Board Procedure:

The Board generally meets once in a quarter to review the quarterly business and financial performance of the Company. Additional meetings are held, when necessary. These Meetings are scheduled well in advance and the notice of each Board Meeting is given in writing to each Director. All the items on the agenda are accompanied by notes giving comprehensive information on the related subject and in certain matters such as financial/business plans, financial results, etc., the same are tabled at the meeting.

The agenda and the relevant notes are sent in advance separately to each Director and only in exceptional cases; the same is tabled at the meeting. The Minutes of the Board Meetings are also circulated in advance to all Directors and confirmed at subsequent Meeting. The Board reviews the performance of the Company every quarter vis-à-vis the targets set by them and helps in the major strategic decisions and policy formulations. The members of the Board have access to all information of the Company and are free to recommend inclusion of any matter in agenda for discussion in consultation with the Chairman.

### c) Board's Responsibilities:

The Board of Directors oversees the overall

functioning of the Company. The Board provides and evaluates the strategic direction of the Company, management policies and their effectiveness and ensures that the long-term interests of the stakeholders are being served.

## MANAGEMENT DISCUSSION AND ANALYSIS

### CORPORATE OVERVIEW:

The Company, Instrumentation Limited (IL) having its Registered Office & Headquarters at Jaipur, Rajasthan was established with a manufacturing Unit at Palakkad, Kerala is a fully Government owned CPSE to cater to the growing Control Valves needs of Core Industrial sectors viz. Power, Steel, Oil, Refinery etc. and for achieving self reliance in this field. The products include Control Valves, Butterfly Valves, Power Cylinders/ Actuators, Orifice Plate, Flow Nozzles etc.

Based on the Union Cabinet decision, Kota complex (comprising of Kota Unit, Marketing Unit, P-DDC Unit and Head Quarter) was closed on 18.04.2017.

Palakkad factory which is accredited with ISO 9001:2015, ISO 14001:2015 and OHSAS 45001:2018 Certification is fully operational.

### MISSION, VISION AND VALUES

**MISSION** : Committed to provide simple, responsive and innovative solutions for flow requirement of process industry.

**VISION** : To make Nation self-reliant in the field of process control valves and be the control valve manufacturer of choice the Process industry in India and Abroad.

**VALUES** : Quality, service, transparency, ethics, politeness and sustainability.

## ***ANNEXURE-III***

Replies to the observations made by the Statutory Auditors in their report dated 07.09.2024 on the accounts of the Company for the year 2023-24:-

### **On the Audit of the Financial Statement:**

#### **1. Observation at S. No. I, III & V :**

Regarding Statutory Auditors observation number I, III, & V of the Report, Note No. 12.2, 32.8 and 32.6, respectively forming part of accounts are self-explanatory and sufficient.

#### **2. Observation at S. No. II :**

Observation at point No. II contingent liability relating to pending cases in respect of ex-employees and labour unions before various authorities against Company is subjudice and is not ascertained.

**Thangavelu Ravi**  
Chairman and Managing Director

**ANNEXURE-IV**

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA  
UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL  
STATEMENTS OF INSTRUMENTATION LIMITED FOR THE YEAR ENDED 31  
MARCH 2024**

The preparation of financial statements of Instrumentation Limited for the year ended 31 March 2024 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 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 07 September 2024.

I, on behalf of the Comptroller and Auditor General of India have decided not to conduct the supplementary audit of the financial statements of the Instrumentation Limited for the year ended 31 March 2024 under section 143 (6)(a) of the Act.

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



**(S. Ahladini Panda)  
Director General of Audit  
(Industry & Corporate Affairs)  
New Delhi**

**Place : New Delhi  
Dated : 03.10.2024**

# INDEPENDENT AUDITORS' REPORT

To  
The Members of  
Instrumentation Limited

## Report on the Audit of the Standalone Financial Statements

### Qualified Opinion

We have audited the standalone financial statements of INSTRUMENTATION LIMITED ("the Company"), which comprise the balance sheet as at 31st March 2024, and the statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information in which are included the Returns for the year ended on that date audited by the branch auditor of the Company's branch located at Palakkad.

In our opinion and to the best of our information and according to the explanations given to us, for the effects of the matter described in the Basis for Qualified opinion of our report, the aforesaid standalone financial statements give the information required by the Act in the manner so required and to that effect to 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, 2024, and profit and its cash flows for the year ended on that date.

### Basis for Qualified opinion

- I. Refer note no. 12.5 of notes on accounts regarding non-execution of title deed of Building of Rs. 3,32 lacs.
- II. There are cases pending in respect of ex-employees and labour unions before various authorities against the company. The liability in respect of this not quantified and not recognized as contingent liability.
- III. Actuarial Valuation Report dated 18.04.2024 has not been taken into account fully while making Provision for Long Term Employee Benefit Obligations. We draw attention to para 13(1) of significant accounting policies regarding Other Long Term Employee Benefit Obligations. There is an existing provision made for Rs. 18971329/- for earned leave. Our opinion is not modified in view of disclosure in accounting policies paragraph 13(1) and the provisions existing as disclosed in note no 32 of the financial statements.
- IV. Trade Receivables under current assets includes an amount of Rs 1352061/- in the name of UPRVUNL. According to the information and explanations received for the same, the amount is fully recovered and no balance is pending to be recovered from them and the same is under reconciliation.
- V. As per corporate social responsibilities (CSR) compliance requirements, The board is required to spend Rs.41.17 lacs during the year including the short spending in the previous year. But actual expenses incurred on CSR activity during the year is Rs. 19.51 lacs only thereby resulting in short spending to the tune of Rs. 21.65 lacs. The company however earmarked an FD of the shortfall amount out of the total investments in Fixed Deposits held by them.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those

Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

- I. The financial statement of the company has been prepared on going concern basis considering the material evidences such as current year turnover of ₹ 95.86 Crores and the future project in hand which indicate that the company is going concern. There is no apparent factor affecting the liquidity of the company as explained by the management.
- II. An Amount of Rs. 32904181/- has been provided in the books towards trade receivables during the year including LD provision for prior period amounting to Rs. 19500632/- . The provision has been made on the basis of the evaluation by the management.
- III. An amount of Rs 39596976/- has been charged to Profit & Loss Account during the year under exceptional items being liability arising out of Salary revision for employees accrued in the financial year 2022-2
- iv. As per the letter dated 01/12/2018 Land of 566.30 acres was assigned on registry to Instrumentation Limited, Kota vide Patta No. 938 dated 12.10.1976 at Pudussery, Kerela under the Rules of Assignments No. lease/hire purchase agreement was executed in the transfer of land. There were resumptions / surrenders / allotments of unused land to Government of Kerela/other Govt. Institutions up to 2009. Tehsildar (Land Records) vide proceeding No. F3-2018/19231/9/500 dated 10.06.2019 informed that Instrumentation Limited, Palakkad has possession of 48.9320 hectare (120.91 acres), in survey 37/13 Block 35 and category of land is "Owned Property". Land of 88.7920 hectars (219.4 acres) in survey number 37/2, block 35 is in the name of central government precision instrumentation project and category of land is "Porambokku" (Govt. land) Appeal against above Tehsildar order has been filed before RDO on 23.06.2021, to issue fresh order duly indicating the total extent of 566.30 acres land as own property of the company. The land was allotted by government of Kerela free of cost. Therefore, the land is valued at nominal value of ₹ 1/-.

### Responsibilities of Management for the Standalone Financial Statements

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

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

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

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

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

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

#### **Emphasis of Matters**

We draw attention to the following Notes:

- (i) With reference to note no. 1 of financial statements which mention that the Ministry of Heavy Industry & Public Enterprises, Govt. of India vide its letter dated 08.12.2016 intimated the decision of the Union Cabinet in its meeting held on 30.11.2016 for closure of Kota Unit (comprising Corporate Head Quarter, Kota Unit, P-DDC Unit and Marketing Unit viz Kota Complex) and in principle approval for transfer of Palakkad Unit of Instrumentation Limited to Government of Kerala in a time bound manner as per DPE Guideline dated 07.09.2016 of closure and accordingly board of directors of company in board meeting held on 16.12.2016 also passed resolutions for closure. Accordingly, the financial statements have been prepared in accordance with the historical cost convention on the basis of a 'going concern' Concept.
- (iii) With reference to note no. 32.2, the Company is not presenting the segment information as required by Accounting Standard -17 'Segment Reporting' issued by the Institute of Chartered Accountants of India.
- (iv) Inventory includes stocks which are slow/nonmoving, obsolete, damaged & unusable items. As refer note no. 26.2 reduction of ₹ 2.94 lacs has been made by the company for inventory obsolescence, nonmoving and slow moving on estimated basis. However, the adequacy of the same cannot be ascertained and therefore, the exact financial impact on the financial statements of the Company could not be ascertained.
- (v) Actuarial Valuation Report dated 18.04.2024 has not been taken into account fully while making Provision for Long Term Employee Benefit Obligations. We draw attention to para 13(1) of significant accounting policies regarding Other Long Term Employee Benefit Obligations. There is an existing provision made for Rs. 18971329/- for earned leave. Our opinion is not modified in view of disclosure in accounting policies paragraph 13(1) and the provisions existing as disclosed in note no 32 of the financial statements.

However, it is to be noted that "Our opinion is not modified in respect of the matter emphasized"

#### **Other Matter**

We did not audit the financial statements/ information of Palakkad branch included in the standalone financial statements of the Company whose financial statements / financial information reflect total assets of ₹ 134,22,42,182/- as at 31st March 2024 and the total revenue of ₹ 98,8,875,809/- for the year ended on that date, as considered in the standalone financial statements. The financial statements/ information of these branches have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of branches, is based solely on the report of such branch auditor. Our opinion is not modified in respect of this matter.



## **Annexure-A to the Independent Auditors' Report**

Report 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 ( Refer to in paragraph 1 under report on Other Legal Regulatory Requirements section of our report of even date) with reference to the Annexure A referred to the Independent Auditors Report to the members of the company on the financial statements for the year ended March 31st,2024 we report the following:

### **1) In respect of Fixed Assets:**

- a) A. The Company generally has maintained proper records showing full particulars, including quantitative details of fixed assets. Further certain details as regard to situation of fixed assets and area of leasehold land also need to be updated in fixed asset register.  
B. The Company (the Palghat unit) has maintained proper records showing full particulars of Intangible assets.
- b) As explained to us, all fixed Assets have been physically verified by the management in a phased manner, which in our opinion is reasonable having regard to the size of the company and nature of its business. No material discrepancies were noticed on such physical verification.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company and on the basis of photocopies/Duplicate copy of lease deed, lease deed of lands have been verified by us and same are held in the name of company. As regard to title deed/lease deed of other immovable properties are concerned we have verified the same from photocopies of deeds, as original copies are not made available to us, except Building value of ₹ 3.32 lacs refer note no. 12.2 title deed of which is yet to be executed and flats at Bombay deed of which is not made available for verification.
- d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year. Accordingly, the reporting under Clause 3(i)(d) of the Order is not applicable to the Company.
- e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

### **2) In respect of Inventories**

- a) It has informed to us that the management has conducted the physical verification of inventory in a phased manner and looking to the size of company and nature of business the procedure and frequency are reasonable and adequate.
- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not been sanctioned any working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the

basis of Govt. Guarantee during any point of time of the year. Accordingly the provisions of clause 3(ii)(b) of the Order are not applicable to the company.

- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (f) of Order are not applicable to the Company.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5) The company has not accepted any deposits or amounts which are deemed to be deposits covered under sections 73 to 76 of the Companies Act, 2013. Accordingly, clause 3(v) of the Order is not applicable.
- 6) As informed to us, the cost records related to Palakkad unit as specified by the Central Government under Section 148(1) of the Companies Act, 2013 have been properly maintained in respect of the activities carried on by the company. As there is no manufacturing activity carried in Kota complex there is no such records are maintained.

### **7) In respect of Statutory Dues**

According to information and explanation given to us, there are disputed statutory dues aggregating of ₹ 63,445,811 Details are enclosed as Annexure A1. Also according to information and explanation given to us, there were no outstanding statutory dues as on 31st of March,2024 for a period of more than six months from the date they became payable.

- 8) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- 9) (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not been declared a willful defaulter by any bank or financial institution or other lender;
- (c) According to the information and explanations given to us by the management, the Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained,
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short term basis have been used for long term purposes by the company.
- (e) The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under the Act) during the year ended 31 March 2023.

- Accordingly, clause 3(ix)(e) is not applicable.
- (f) The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under the Act) during the year ended 31 March 2024. Accordingly, clause 3(ix)(f) is not applicable.
- 10) (a) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, clause 3(x)(b) of the Order is not applicable
- 11) (a) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- (b) According to the information and explanations 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 explanations given to us by the management, no whistle-blower complaints had been received by the company
- 12) In our opinion, the Company is not a Nidhi Company Accordingly, clause 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Order is not applicable.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) (a) Based on information and explanations provided to us and our audit procedures, the company has an internal audit system commensurate with the size and nature of its business;
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company.
- 16) (a) In our Opinion and based on our examination, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934). Accordingly, clause 3(xvi) (a) of the Order is not applicable.
- (b) In our Opinion and based on our examination, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid

- Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable. ,
- (c) In our Opinion and based on our examination, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)© of the Order is not applicable.
- (d) According to the information and explanations given by the management, the Group does not have any CIC as part of the Group.
- 17) Based on our examination, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- 18) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- 19) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, 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 that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. 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.
- l) Based on our examination, the provision of section 135 are applicable on the company and as per corporate social responsibilities (CSR) compliance requirements, The board is required to spend Rs.41.17 lacs during the year including the short spending in the previous year. But actual expenses incurred on CSR activity during the year is Rs. 19.51 lacs only thereby resulting in short spending to the tune of Rs. 21.65 lacs . The company however earmarked an FD of the shortfall amount out of the total investments in Fixed Deposits held by them.
- 20) The company is not required to prepare Consolidate financial statement hence this clause is not applicable

**For N. Singhal & Company**  
Chartered Accountants  
Firm Registration No.: 006249C  
**(CA. Niranjan Kumar Singhal**  
Partner  
(M. No.: 075001)

UDIN : 24075001BKCCCM1724  
PLACE : JAIPUR  
DATE : 07.09.2024



### Annexure A1- Details of Disputed Statutory dues

Period	PF related liability	Service tax	Custom Duty	Total	Remark
1992-93	-	-	1,459,824	1,459,824	Collector (A) Mumbai
1993-94	-	-	716,953	716,953	Collector (A) Mumbai
1994-95	-	-	12,770,590	12,770,590	Collector (A) Mumbai & CESTAT(A), Mumbai
2004-05	-	-	4,220,000	4,220,000	CESTAT(A) Mumbai
2003-04 to 2006-07	-	4,751,000	-	4,751,000	Pending with CESTAT, New Delhi
2006-07	-	7,643,892	-	7,643,892	Pending with CESTAT
2007-08	-	137,766	-	137,766	Pending with CESTAT (Appeals), Jaipur
2009-10	-	26,466,524	-	26,466,524	Pending with CESTAT, Delhi
2023-24	52,79,262	-	-	52,79,262	Damages u/s14B of Employees Provident Act 1952 on account of PF on salary arrears. This was raised in FY 2023-24 for which appeal is pending to be filed
.	52,79,262	38,999,182	19,167,367	63,445,811	

## Annexure B to the Independent Auditor's Report

Referred to in Paragraph 2 of "Other Legal and Regulatory requirements" of our Audit Report as per CAG's directions to statutory auditor under Section 143(5) of the Companies Act, 2013 applicable to the financial statements of Government companies for the year 2020-21 and onwards

Sl. No.	Details\Directions	Auditor's Reply	Action taken and Impact on Accounts and Financial Statements
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 company has system in place to process all the accounting transactions through IT system. According to the information and explanations given to us there is no accounting transactions are processed outside IT system.	No impact on financial statements.
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts / loans / interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a Government company, then this direction is also applicable for statutory auditor of lender company).	According to the information and explanations given to us, there is no cases of restructuring of an existing loan or cases of waiver /write off the debts / loans / interest etc made by a lender to the company.	No impact on financial statements.
3.	Whether funds received / receivable for specific schemes from Central/State agencies were properly accounted for/utilized as per its term and condition? List the cases of deviation.	According to the information and explanations given to us, no funds were received / receivable for specific scheme from Central /State agencies during the financial year 2023-24.	No impact on financial statements.

**For N. Singhal Company**  
Chartered Accountants  
Firm Registration No.: 006249C

**(CA. Niranjan Kumar Singhal**  
Partner  
(M. No.: 075001)

UDIN : 24075001BKCCCM1724  
PLACE : JAIPUR  
DATE : 07.09.2024

## Annexure C to the Independent Auditor's Report

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

We have audited the internal financial controls over financial reporting of Instrumentation Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date in which are included the Returns for the year ended on that date audited by the branch auditor of the Company's branch located at Palakkad.

#### Management's Responsibility for Internal Financial Controls

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

#### Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained is

sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### Meaning of Internal Financial Controls Over Financial Reporting

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

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

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

#### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For N. Singhal & Company**  
Chartered Accountants  
Firm Registration No.: 006249C

**(CA. Niranjan Kumar Singhal**  
Partner  
(M. No.: 075001)

UDIN : 24075001BKCCCM1724  
PLACE : JAIPUR  
DATE : 07.09.2024

## BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2024

(₹ in Lakhs)

Particulars	Note No.	As at 31-3-2024	As at 31-3-2023
<b>EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' Funds</b>			
(a) Share Capital	2	2,404.53	2,404.53
(b) Reserves & Surplus	3	(50,646.94)	(50,882.35)
(c) Money received against share warrants		-	-
		<u>(48,242.41)</u>	<u>(48,477.82)</u>
<b>2. Share Application Money Pending Allotment</b>	4	<b>12,200.96</b>	<b>12,200.96</b>
<b>3. Non-Current Liabilities</b>			
(a) Long Term Borrowings	5	-	-
(b) Deferred Tax Liability (Net)	6	-	-
(c) Other Long Term Liabilities	7	223.69	181.18
(d) Long Term Provisions		-	-
		<u>223.69</u>	<u>181.18</u>
<b>4. Current Liabilities</b>			
(a) Short Term Borrowings	8	-	-
(b) Trade Payables	9	-	-
(A) Total Outstanding dues of micro enterprises and small enterprises ; and		483.02	807.46
(B) Total Outstanding dues of creditors other than micro enterprises and small enterprises		560.84	784.38
Less: Debit Balance		<u>11.98</u>	<u>16.99</u>
		<u>1,031.88</u>	<u>1,574.85</u>
(c) Other Current Liabilities	10	57,588.54	57,719.41
(d) Short Term Provisions	11	22.65	18.69
		<u>58,643.07</u>	<u>60,312.95</u>
		<u><b>22,825.32</b></u>	<u><b>24,217.27</b></u>
<b>ASSETS</b>			
<b>1. Non-Current Assets</b>			
<b>(a) Fixed Assets</b>			
(i) Tangible Assets	12	708.87	704.91
(ii) Intangible Assets	12	38.50	51.40
(iii) Capital Work in Progress	12	1.64	62.72
(iv) Intangible Assets under Development		-	-
		<u>749.01</u>	<u>819.03</u>
(b) Non-Current Investments	13	-	-
(c) Long Term Loans and Advances	14	800.66	903.91
(d) Deferred Tax Assets (Net)	6	-	-
(e) Other Non-Current Assets	15	41.01	26.33
		<u>1,590.68</u>	<u>1,749.27</u>
<b>2. Current Assets</b>			
(a) Current Investments	16	0.04	0.04
(b) Inventories	17	5,725.78	4,258.88
(c) System Work (At Sites)	18	-	-
(d) Trade Receivables	19	4,606.37	4,966.10
(e) Cash and Bank Balances	20	514.84	968.24
(f) Bank Balances other than and cash Equivalents	20	5,209.19	6,140.86
(g) Short Term Loans and Advances	21	127.54	198.75
(g) Other Current Assets	22	5,050.88	5,935.13
		<u>21,234.64</u>	<u>22,468.00</u>
<b>Total</b>		<u><b>22,825.32</b></u>	<u><b>24,217.27</b></u>

Significant Accounting Policies and 1 to 32 Note form integral part of these Financial Statements

For and on behalf of the Board

**Anjali Gupta**  
Company Secretary  
M.No.ACS 49251

**Madan Pal Singh**  
Director  
DIN No. : 08414417

**Thangavelu Ravi**  
Chairman and Managing Director  
DIN No. 10221443

In terms of our report of even date attached  
**For N. Singhal & Company**  
Chartered Accountants  
F.R.N. 006249C

**C.A. Niranjan Kumar Singhal**  
Partner  
M.No.075001

Place : Palakkad  
Date : 07<sup>th</sup> September, 2024

## STATEMENT OF PROFIT AND LOSS

### FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2024

(₹ in Lakhs)

Particulars	Note No.	2023-2024	2022-2023
<b>REVENUE FROM OPERATIONS</b>	23	<b>9,585.57</b>	<b>7,876.92</b>
Jobs done for internal use	24	-	-
<b>Total</b>		<b>9,585.57</b>	<b>7,876.92</b>
Revenue from Operations (Net)		<b>9,585.57</b>	7,876.92
Other Income	25	<b>593.23</b>	433.33
<b>Total Revenue</b>		<b>10,178.80</b>	<b>8310.25</b>
<b>EXPENSES</b>			
Cost of Materials consumed	26	<b>4,605.85</b>	3,531.43
Changes in Inventories of Finished goods & Work-in-process	27	<b>(388.69)</b>	(302.63)
Employee benefit expenses	28	<b>2,734.71</b>	2,348.01
Services & Sub-Contracting		<b>866.02</b>	629.46
Finance Cost	29	-	-
Depreciation and Amortisation Exp.	30	<b>124.71</b>	148.68
Other Expenses	31	<b>944.22</b>	858.16
<b>Total Expenses</b>		<b>8,886.82</b>	<b>7,213.11</b>
<b>Profit/(Loss) before exceptional and extraordinary items and tax</b>		<b>1,291.98</b>	1,097.14
Exceptional items Income/(Expenses)	32.7	<b>(590.98)</b>	(611.06)
<b>Profit/(Loss) before extraordinary items and tax</b>		<b>701.00</b>	486.07
Extraordinary items Income/(Expenses)		-	-
<b>Profit/(Loss) before Tax</b>		<b>701.00</b>	486.07
<b>Tax Expenses on Continuing Operations</b>			
Current Tax		-	-
Deferred Tax		-	-
<b>Profit/(Loss) for the year</b>		<b>701.00</b>	486.07
Profit/(Loss) from Continuing Operations		<b>227.91</b>	317.86
Tax Expenses on Continuing Operations		-	-
<b>Profit/(Loss) from Continuing Operations (After Tax)</b>	32.4	<b>227.91</b>	317.86
Profit/(Loss) from Discontinuing Operations		<b>473.09</b>	168.21
Tax Expenses on Discontinuing Operations		-	-
<b>Profit/(Loss) from Discontinuing Operations (After Tax)</b>	32.4	<b>473.09</b>	<b>168.21</b>
<b>Profit/(Loss) for the year (Continuing &amp; Discontinuing Operations)</b>		<b>701.00</b>	<b>486.07</b>
<b>Basic &amp; Diluted EPS</b>	32.9	<b>291.53</b>	202.14
		Basic ₹	202.14
		Diluted ₹	49.75
(Face value of ₹1000/-each)			

Significant Accounting Policies and Notes 1 to 32 Notes form integral part of these Financial Statements

For and on behalf of the Board

**Anjali Gupta**  
Company Secretary  
M.No.ACS 49251

**Madan Pal Singh**  
Director  
DIN No. : 08414417

**Thangavelu Ravi**  
Chairman and Managing Director  
DIN No. 10221443

In terms of our report of even date attached  
**For N. Singhal & Company**  
Chartered Accountants  
F.R.N. 006249C

**C.A. Niranjan Kumar Singhal**  
Partner  
M.No.075001

Place : Palakkad  
Date : 07<sup>th</sup> September, 2024

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2024 (₹ in Lakhs)

	2023-2024	2022-2023
<b>A. Cash Flow from Operating Activities</b>		
Net Profit/(Loss) before Tax & Extraordinary items :-	701.00	486.07
Depreciation & amortisation	124.71	148.68
Loss on sale of fixed assets	(1.63)	(0.97)
Provision for doubtful debts	-	10.00
Provision - others	-	-
Interest Income	(409.64)	(327.32)
Dividend Income	-	-
Interest Expenses	-	-
Operating Profit before working capital changes	<u>414.45</u>	<u>316.46</u>
Adjustment for:-		
Investment	-	-
Trade Receivable	359.73	(424.64)
Inventory	(1,466.90)	(883.29)
Loans and Advances and Other Current Assets	1975.71	(3,364.61)
Trade payable,Provisions and Other Liabilities	(1,627.37)	(1,041.88)
Net cash from/(used in) operating activities before Tax & extraordinary items	<u>(344.38)</u>	<u>(3,314.20)</u>
Tax	-	-
Net cash from/(used in) operating activities before extraordinary items	<u>(344.38)</u>	<u>(3,314.20)</u>
Extra ordinary items	-	-
Net cash from/(used in) operating activities after extraordinary items	<u>(344.38)</u>	<u>(3,314.20)</u>
<b>B. Cash flow from investing activities</b>		
Purchase of Fixed Assets	(58.53)	(136.68)
Sale of Fixed Assets	3.84	2.12
Loss on Sale of Fixed Assets	1.63	0.97
Investments	-	-
Interest Received	409.64	327.32
Dividend received	-	-
Rent and other Revenue received	-	-
Net cash from / (used in) investing activities	<u>356.58</u>	<u>193.74</u>
<b>C. Cash flow from financing activities</b>		
Share application money	-	-
Long term Loan	-	-
Borrowings	(465.59)	-
Interest Paid	-	-
Net cash from / (used in) financing activities	<u>(465.59)</u>	<u>-</u>
<b>D. Net increase in cash &amp; cash equivalent (A+B+C)</b>	<b>(453.40)</b>	<b>(3,120.46)</b>
Cash & Cash equivalent at the beginning of the year	968.24	4,088.70
Cash & Cash equivalent at the end of the year (Refer Note No.20)	<u>514.84</u>	<u>968.24</u>
<b>Notes:-</b>		
1. Cash & Cash equivalent at the end of the year comprises:-		
Cash on hand	3.23	1.70
Cheque on Hand	0.02	0.02
Balance with Banks	-	-
-On current Accounts	117.46	508.21
-On Deposits Accounts	394.13	458.31
<b>Total</b>	<u>514.84</u>	<u>968.24</u>

Note:- 1. Cash Flow Statement has been prepared as per AS-3.

2. Cash & Cash Equivalents consists of cash and bank balance & deposits with banks.

**Anjali Gupta**  
Company Secretary  
M.No.ACS 49251

**Madan Pal Singh**  
Director  
DIN No. : 08414417

**Thangavelu Ravi**  
Chairman and Managing Director  
DIN No. 10221443

In terms of our report of even date attached  
**For N. Singhal & Company**  
Chartered Accountants  
F.R.N. 006249C

**C.A. Niranjan Kumar Singhal**  
Partner  
M.No.075001

Place : Palakkad  
Date : 07<sup>th</sup> September, 2024

## Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2024

### Note:1. SIGNIFICANT ACCOUNTING POLICIES ACCOUNTING CONVENTION

The Ministry of Heavy Industry & Public Enterprises, Govt. of India vide its letter dated 08.12.2016 intimated the decision of the Union Cabinet in its meeting held on 30.11.2016 for closure of Kota Unit (comprising Corporate Head Quarter, Kota Unit, P-DDC Unit and Marketing Unit viz Kota Complex) and in principle approval for transfer of Palakkad Unit of Instrumentation Limited to Government of Kerala in a time bound manner as per DPE Guideline dated 07.09.2016 of closure. Although assets of Kota Unit have been sold but since Palakkad Unit is going concern and it is only discontinuation of operation of Kota Unit, Instrumentation Limited is a going concern.

Accordingly, the financial statements have been prepared in accordance with the historical cost convention on the basis of a 'going concern' with revenue recognised and expenses accounted for on accrual system of accounting.

**Use of Estimates:** The preparation of financial Statements requires estimates and assumption which affected the reported amounts of assets, liabilities, revenues & expenses of the reporting period. The difference between the actual results and estimates are recognized in the period in which the results are known or materialized.

1. **LAND:** The Company values lease-hold land obtained free of cost at the nominal value of Rs. 1/-.
2. **FIXED ASSETS:** Fixed Assets are valued at historical cost on consistent basis and are net of refundable taxes & levies wherever applicable. All cost relating to acquisition of fixed assets till commissioning of such assets are capitalized.
3. **INVESTMENT:** Investments are classified into current and long term investments. Current investments are stated at lower of cost or market value. Long term investments are stated at cost and provision for diminution in value is made only if such decline is other than temporary in the opinion of management.
4. **VALUATIONS**
  - 4.1 Raw materials, stores and spare parts are valued at cost or estimated realisable value whichever is lower.
  - 4.2 Bought-out components and manufactured components (including in process) are valued at cost or estimated realisable value whichever is lower. Components purchased/ manufactured against production orders but declared surplus/ obsolete are valued at estimated scrap value. Work-in-process is valued at cost or estimated realisable value whichever is less.
  - 4.3 Loose tools & implements in stock are valued at cost or estimated realisable value whichever is lower. Those in use costing Rs. 5000/- or less each are charged off to revenue while others are written off over a period of three years.
  - 4.4 Finished goods and completing items are valued at cost or estimated realisable value whichever is lower. Excise duty paid stock at Branch/Regional/Site and other outstation places are valued at cost or estimated realisable value whichever is lower.
  - 4.5 Cost is ascertained using the Weighted Average

Method and is the fairest possible approximation to the cost incurred in bringing the inventories to their present location and condition.

- 4.6 System work-in-progress at customer's sites are valued at 95% of the proportionate contract value for work executed based on technical evaluation where work completed more than 20% or more. Where the contracts are under finalisation, the price quoted/under negotiation is considered for such valuation. Necessary adjustments are made in the year of finalisation of the contract.
- 4.7 Scrap is accounted for, to the extent received in Scrap Yard, on estimated realisable value.

### 5. TURNOVER

- 5.1 Turnover in respect of system-sale contract is ascertained by valuing despatches to the customers/engineering against each contract at the close of the year on proportionate value of such contracts based on technical evaluation at the commencement of the year. Where the contracts are under finalisation, the price quoted/under negotiation is considered for such valuation.
- 5.2 System work contracts completed/handed over are valued at break-up value of the contracts based on technical evaluation. Turnover in respect of system works contracts in progress is ascertained by valuing such contracts as per Accounting Policy No. 4.6 and reducing there from valuation of work-in-progress at the commencement of the year after adjustment of work completed / handed over.
- 5.3 Retail sales are net of adjustments/returns pertaining to earlier years.
- 5.4 Sales are set up based on dispatches/ customer acceptance against valid sales contract.

### 6. DEPRECIATION

#### TANGIBLE ASSET :

- 6.1 Depreciation is provided on Straight-Line Method basis. For Fixed Assets put to use upto 01.04.1987 depreciation was provided at the rate specified in Income Tax Rules and at applicable rates specified in Schedule- XIV of the Companies Act, 1956 for the assets added after 01.04.1987 upto 31.03.2014. With effect from 01.04.2014, the depreciation is provided based on useful life of the assets per Schedule-II of the Companies Act, 2013.
- 6.2 Lease Hold Land is amortised over a period of lease.
- 6.3 Fixed assets other than Lease Hold Land were depreciated on Straight-Line Method at the rates computed in terms of Section 205 (2)(b) of the Companies Act, 1956, Fraction of percentage was rounded to the next percent in respect of asset put to use prior to 2.04,1987.
- 6.4 Items of Plant and Machinery costing upto Rs. 5000/- each are depreciated at 100%. Other assets costing upto Rs. 750/- and put to use prior to 16.12.1993 were depreciated at 100% and those costing upto 5000/- each and put to use on or after 16.12.1993 are depreciated at 100%.
- 6.5 Asset at work sites were depreciated at higher rates

due to higher wear & tear upto 31.03.2014. With effect from 1.04.2014 depreciation based on useful life of assets as per Part-II of the Companies Act, 2013 is provided.

- 6.6 Residual value in respect of assets capitalized is taken @ of 5% w.ef. 01.4.2014 except for Sino. 6.2 & 6.4 above.

**INTANGIBLE ASSET:**

- 6.7 The cost of technical knowhow and documents acquired for new production are capitalized and the same are depreciated over a period of five years based on useful life of assets as per part-II of Companies Act, 2013 from the day these are put to use.

- 6.8 Cost of software and documents acquired for other performances are capitalized and the same are depreciated over a period of five years based on useful life of assets as per part-II of Companies Act, 2013 from the day these are put to use.

- 6.9 Residual value in respect of cost of technical knowhow, documents and softwares is considered as Nil.

7. **CONTRACTUAL OBLIGATION:** Provision for contractual obligation in respect of completed/handed over contracts under warranty and executed portion of each system sale contract is kept at 5% of the value excluding excise duty.

The same is written back after fulfillment of contractual obligations. The expenses incurred against contractual obligations including short supplies, replacement, rejections are charged to natural heads of accounts in the year of occurrence.

8. **DISCONTINUING OPERATIONS:-** As per Accounting Standard 24:

A discontinuing operation is a component of enterprises:

- a) that the enterprise, pursuant to a single plan is:
  - i) disposing of substantially in its entirety, such as by selling the component in a single transaction or by demerger or spin-off of ownership of the component to the enterprise's shareholders; or
  - ii) disposing of placement, such as by selling off the component's assets and selling its liabilities individually; or
  - iii) terminating through abandonment; and
- b) that represents a separate major line of business or geographical area of operation; and
- c) that can be distinguished operationally and for financial reporting purpose.

As mentioned earlier in accounting convention closure order of Kota Complex has been passed, it is satisfying the condition mentioned above, therefore it is discontinued operation but no disclosure has been made as per AS 24 in Financial Statement.

9. **PROVISIONS, CONTINGENT LIABILITIES &**

**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 outflow of resources will be required to settle the obligation and reliable estimates of amount of the obligation can be made. Provisions are determined based on management estimate require to settle the obligation

at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

10. **IMPAIRMENT OF ASSETS :** The carrying amounts of assets are reviewed at each Balance Sheet date. In case there is any indication of impairment based on Internal / External factors, an Impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount.

11. **LIQUIDATED DAMAGES:** Price Reduction Schedule, if any, are accounted for as and when recovery is effected and the matter is considered settled by the Management.

12. **CASH FLOW STATEMENT:** Cash Flow Statement: Cash Flow statement is prepared in accordance with the indirect method prescribed in Accounting Standard AS-3 on "Cash Flow Statement".

13. **OTHERS:-**

- 13.1 **GRATUITY :** The Company contributes an amount equal to the premium for the Cash Accumulation Policy taken with Life Insurance Corporation of India, to Gratuity Trust, for onward payments to the Life Insurance Corporation.

- 13.2 **EARNED LEAVE :** The Liabilities for earned leaves are not expected to be settled wholly within twelve months after the end of the period in which the employees render the related service. They are therefore measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. The benefits are discounted using the market yield on government bonds at the end of the reporting period that have maturity term approximating to the estimated term of the related obligation. Re-measurements as a result of experience, adjustments and changes in actuarial assumptions are recognized in profit or loss. The obligations are presented as provisions in the balance sheet where-ever applicable, as deemed necessary by the management.

- 13.3 **RESEARCH AND DEVELOPMENT:** All expenditure incurred on Research and Development except on acquisition of fixed assets is charged to revenue.

- 13.4 **TRANSLATION OF FOREIGN CURRENCY ACCOUNTS:** Accounts of overseas Branch in foreign currency are converted for incorporation in annual accounts at the following rates:

- i) Items of income and expenditure are translated at the average rate except depreciation which is converted at the rate adopted for the fixed assets.
- ii) Assets and Liabilities are translated at the closing rate.
- iii) Translation variations, if debit, are adjusted to reserve/revenue.

- 13.5 **EXCHANGE RATE :** Liability for deferred payments and receivable in foreign currency is accounted for at the exchange rate prevailing at the close of the year except it case of forward exchange contracts / ascertained liability.



## Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2024

### 2 SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31-3-2024	As at 31-3-2023
<b>AUTHORISED</b>		
2,50,000 Equity Shares (Previous year 2,50,000) of ₹ 1,000/- each	2,500.00	2,500.00
<b>ISSUED, SUBSCRIBED &amp; PAID-UP</b>		
2,40,453 Equity Shares (Previous year 2,40,453) of ₹ 1,000/- each	2,404.53	2,404.53

#### 2.1 Details of Shareholders holding more than 5% shares :

(₹ in Lakhs)

Name of the Shareholder	As at 31-3-2024		As at 31-3-2023	
	No. of Shares		No. of Shares	% held
President of India	240,450		240,450	100

#### 2.2 The reconciliation of the number of shares outstanding is set out below :-

(₹ in Lakhs)

Particulars	As at 31-3-2024	As at 31-3-2023
	No. of Shares	No. of Shares
Equity Shares at the beginning of the year	240,453	240,453
Add : Issued during the year	-	-
Less : Cancelled during the year	-	-
Equity Shares at the end of the year	240,453	240,453

#### 2.3 Aggregate number of shares issued for consideration other than cash :

(₹ in Lakhs)

Particulars	As at 31-3-2024	As at 31-3-2023
	No. of Shares	No. of Shares
Equity Shares	753	753

### 3 RESERVES & SURPLUS

(₹ in Lakhs)

Particulars	As at 31.03.2024	As at 31-3-2023
<b>Capital Reserves</b>		
As per last Financial Statement	101.42	101.42
<b>Statement of Profit &amp; Loss</b>		
As per last Balance Sheet	(50,983.77)	(51,469.84)
Less : Divided to Govt. of India for the 2021-22	319.77	
Less : Divided to Govt. of India for the 2022-23	145.82	
Add : Profit /(Loss) for the year	701.00	486.07
Add: Adjustment relating to Fixed Assets	-	-
Closing Balance	(50,748.36)	(50,983.77)
<b>Less: Miscellaneous Exps. (to the extent not written off)</b>		
As per last Balance Sheet	-	-
Add : Expenditure on VRS during year.	-	-
	-	-
Less : Amortisation during the year	-	-
Deferred Revenue Exps. to the extent not written off	-	-
<b>Total</b>	<b>(50,646.94)</b>	<b>(50,882.35)</b>

## Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2024

### 4. SHARE APPLICATION MONEY PENDING ALLOTMENT

(₹ in Lakhs)

Particulars	As at 31-3-2024		As at 31-3-2023	
	Non Current	Current	Non Current	Current
Share application money pending allotment		<b>12,200.96</b>		12,200.96
Share application money pending allotment includes :-				

- 4.1 Amount of Govt. of India Loan of ₹ 2598.46 Lakhs (previous year ₹ 2598.46, Lakhs) converted into Equity Share Capital awaiting allotment of 2,59,846 (previous year 2,59,846) Equity shares of Rs. 1000/- each.
- 4.2 Amount of ₹ 4836.00 Lakhs (previous year ₹ 4836.00 Lakhs) received by the Company under MRS towards issue of 4,83,600 (previous year 4,83,600) 3.5% Preference Share of Rs. 1000/- each.
- 4.3 Amount of 4766.50 Lakhs (previous year ₹ 4766.50 Lakhs) received by the company from Govt of India for Issue of 4,76,650 (previous year 4,76,650) Equity Shares of Rs. 1000/- each.

### 5. LONG TERM BORROWINGS

(₹ in Lakhs)

Particulars	As at 31-3-2024		As at 31-3-2023	
	Non Current	Current	Non Current	Current
<b>Unsecured</b>				
(i) Government of India	-	<b>56,317.83</b>	-	57,206.19
Total	-	<b>56,317.83</b>	-	57,206.19

- 5.1 As per decision of the Union Cabinet taken in meeting held on 30.11.2016 as informed by Deptt. of Heavy Industry, Ministry of Heavy Industry and Public Enterprises, Govt of India vide letter No. 5(1)/2016-PE-VIII dated 08.12.2016 Kota Unit (Kota Complex) of IL is to be closed and in principle approval of transfer of Palakkad Unit of IL to Govt of Kerala. IL has received funds of ₹ 58457.00 lakhs as a interest free loan which shall be converted into equity later, for meeting liabilities on closure of Kota unit.
- 5.2 Pursuant to approval of CCEA as informed by Deptt. of Heavy Industry, Ministry of Heavy Industry and Public Enterprises, Govt of India vide letter No.5(4)/2010-PE-VIII dated 23.02.2016, Govt. of India Loan of ₹ 1675.00 Lakhs and normal & penal interest of ₹ 2252.53 Lakhs as on 31.03.2016 has been adjusted against consideration of ₹ 48.16 Crores transfer of entire shareholding of IL in REIL to Govt. of India. Balance amount of ₹ 8.88 Crores shall be adjusted towards future restructuring/ closure liability of IL (₹ 48.16 Crores - ₹ 39.28 Crores). Hence, the balance amount of ₹ 8.88 Crores is adjusted from Loan received from Govt. of India against Closure of Kota Complex.

### 6. Deferred Tax Liability/Assets (Net)

Deferred Tax Assets (Net):- As per Accounting Standard-22 "Accounting for taxes on income", deferred tax assets has not been accounted for in the books of accounts" as a matter of prudence as there is no reasonable certainty that the future taxable income will be available against such deferred tax assets. The deferred tax assets/liability work out as under:

(₹ in Lakhs)

Particulars	As at 31-3-2024		As at 31-3-2023	
	Non Current	Current	Non Current	Current
Deferred Tax Assets (Net)		-		14.61

### 7. OTHER LONG TERM LIABILITIES

(₹ in Lakhs)

Particulars	As at 31-3-2024		As at 31-3-2023	
	Current	Non-Current	Current	Non-Current
Deposits from contractors, Suppliers & others	-	<b>33.98</b>	-	22.42
Employees Benefits	-	<b>189.71</b>	-	158.76
	-	<b>223.69</b>	-	181.18

## Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2024

### 8. SHORT TERM BORROWINGS SECURED

(₹ in Lakhs)

Particulars	As at 31-3-2024		As at 31-3-2023	
	Current	Non-Current	Current	Non-Current
<b>From Banks</b>				
Cash Credit A/c	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

#### 8.1 Nature of Security

Secured by way of hypothecation of tangible movable current assets of the Company viz. raw material, stock in process, components, finished goods, consumable stores, tools and implements, work in progress at customer sites & receivables etc. The Cash Credit limit sanctioned by the Bank has not been utilised by the Company during the Financial Year.

### 9. TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at 31-3-2024		As at 31-3-2023	
Trade payables :-				
- Dues to Micro & Small Enterprises	483.02		807.46	
- Dues to Other than Micro & Small Enterprises	560.84	1,043.86	784.38	1,591.84
Acceptances		-		-
Less : Debit Balance		11.98		16.99
<b>Total Trade Payable</b>		<b>1,031.88</b>		<b>1,574.85</b>

#### 9.1 Trade Payable ageing schedule:

(₹ in Lakhs)

Particulars	As at 31-3-2024				As at 31-3-2023
	Less than 1 year	1-2 year	2-3 year	More than 3 year	Total
MSME	465.20	-	-	17.82	483.02
Others	555.44	5.40	-	-	560.84
Disputed dues MSME's	-	-	-	-	-
Disputed dues Others	-	-	-	-	-

9.2 (a) The Company owes dues to Micro and Small enterprises to whom outstanding for more than 45 days as on 31st March, 2024 is ₹ 62.89 Lakhs ( Includes ₹ 45.07 Lakhs relating to Palakkad Unit which is not outstanding more than 45 days as on 31.03.2024 due to documents/clearance are pending as per term of PO items (previous year ₹ 17.82 Lakhs includes ₹ Nil Lakhs relating to Palakkad Unit is not over or due for more than 45 days). This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

(b) Disclosure in accordance with section 22 of the Act read with Notification No. GSR 719 (E) dated 16th November 2007 issued by the Ministry of Corporate Affairs:

Particulars	31.03.2024	31.03.2023
	₹	₹
(a) Principal amount remaining unpaid and interest due thereon	483.02	807.46
(b) Interest paid in term of Sec. 16	-	-
(c) Interest due and payable for the period of delay in payment	-	-
(d) Interest accrued and remaining unpaid	-	-
(e) Interest due and payable even in the succeeding years	-	-

## Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2024

### 10. OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Current maturities of Long Term Loans (Refer Note No.5)	56,317.83	57,206.19
Advance from Customers against:-		
(a) System contracts	-	-
Less: On account payments transferred to work in-progress at site (as per contra)	-	-
(b) Retail Sale	345.34	340.69
For Expenses	630.35	641.93
Others	156.69	392.26
Employees Benefits	-	1,034.19
Interest accrued but not due	-	-
Deposits from contractors, Suppliers & others	138.33	138.33
<b>Total</b>	<b>57,588.54</b>	<b>58,719.41</b>

### 11. SHORT TERM PROVISIONS

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
- Provision for Income Tax	-	-
- Provision for Contractual obligations	-	-
- Provision for sales tax on works projects	-	-
- Provision for Corporate Social Responsibility	22.65	18.69
<b>Total</b>	<b>22.65</b>	<b>18.69</b>

11.1 Adequate provision in respect of project and products where the Company is under obligation of warranties has been made in the books in accordance with AS-29. Details of provision are as under:-

	Opening Balance as on 01.04.2023 (₹)	Provision made during the year (₹)	Provision Written Back during the year (₹)	Closing Balance as on 31.03.2024 (₹)
Contingencies	-	-	-	-
Sales Tax	-	-	-	-
Others	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2024

### 12. FIXED ASSETS

(₹ in Lakhs)

Description	GROSS BLOCK			As at 31.3.2024	Accumulated Depreciation upto 1.4.2022	DEPRECIATION			Net-Block	
	As at 01.04.2023	Addition during the year	Deduction/ Sales/ write off Adjustment			For the year	Deduction/ Sales/ write off Adjustment	Accumulated Depreciation upto 31.3.2024	As at 31.3.2024	As at 31.3.2023
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
1	2	3	4	5	6	7	8	9	10	11
<b>TANGIBLE ASSETS</b>										
Land	-	-	-	-	-	-	-	-	-	-
Roads,Drains & Culverts	14.60	-	-	14.60	13.87	-	-	13.87	0.73	0.73
Buildings	635.68	16.31	-	651.98	323.04	13.59	-	336.63	315.36	312.63
Electric Installations	196.99	0.06	-	197.05	124.74	15.07	-	139.82	57.24	72.25
Drainage,Sewerage & Water Supply	8.73	-	-	8.73	8.30	-	-	8.30	0.44	0.44
Furniture & Fittings	48.71	0.93	-	49.64	47.10	0.43	-	47.54	2.10	1.60
Plant & Machinery	2,078.46	72.43	61.79	2,089.09	1,809.29	75.48	58.72	1,826.05	263.05	269.17
Other Appliances	161.45	23.45	13.61	171.29	140.53	3.09	12.93	130.69	40.61	20.92
Transport Equipments	72.38	6.43	1.94	76.87	45.21	4.16	1.84	47.52	29.35	27.17
<b>Total A</b>	<b>3,217.01</b>	<b>119.61</b>	<b>77.34</b>	<b>3,259.27</b>	<b>2,512.08</b>	<b>111.82</b>	<b>73.50</b>	<b>2,550.40</b>	<b>708.87</b>	<b>704.91</b>
Previous Year	3,176.37	73.96	33.32	3,217.00	2,407.49	135.79	31.20	2,512.09	704.91	
<b>INTANGIBLE ASSETS</b>										
Technical know-how	290.69	0.00	-	290.69	239.29	12.89	-	252.19	38.50	51.40
Softwares	64.70	-	-	64.70	64.70	-	-	64.70	-	-
<b>Total B</b>	<b>355.38</b>	<b>0.00</b>	<b>-</b>	<b>355.39</b>	<b>303.99</b>	<b>12.89</b>	<b>-</b>	<b>316.88</b>	<b>38.50</b>	<b>51.40</b>
Previous Year	355.38	-	-	355.39	291.09	12.89	-	303.99	51.40	-
<b>Total A+B</b>	<b>3,572.39</b>	<b>119.61</b>	<b>77.34</b>	<b>3,614.66</b>	<b>2,816.07</b>	<b>124.71</b>	<b>73.50</b>	<b>2,867.29</b>	<b>747.37</b>	<b>756.31</b>
Previous Year	3,531.75	73.96	33.32	3,572.39	2,698.59	148.68	31.20	2,816.07	756.31	
<b>Capital work in progress</b>										
Capital work in progress									1.64	62.72
Capital items in stock									-	-
<b>Total C</b>									<b>1.64</b>	<b>62.72</b>

### Notes on Financial Statements for the year ended 31st March,2024

- 12.1 Land at Kota with the built up structure free of all encumbrances handed over to Tehsildhar, Ladpur , Kota, Govt. of Rajasthan on 29.08.2018.
- 12.2 Buildings Gross Block of ₹ 96.13 lakhs includes 12 flats at Mumbai and 1 flat at Vadodara apart from Building of Palakkad and ₹ 3.32 Lakhs relating to 3 flats at Mumbai for which the Company possess clear title and Stamp duty is paid , However, depreciation at applicable rate has been provided.
- 12.3. Impairment of loss as required under Accounting Standard -28 on impairment of Assets has been recognised on CAD/CAM work station and has been written down to ₹ 1/-.
- 12.4 The land owned by Palakkad Unit, measuring 566.30 acres which was assigned on registry to Instrumentation Limited, Kota for establishment of Precision Instrumentation Project at Pudussery Kerala

## Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2023

under the Rules of Assignment of Government Land for Industrial Purposes dated 30.03.1964. A per letter dated 01.12.2018, land of 566.30 acres was assigned on registry to Instrumentation Limited, Kota through Patta No 938 dated 12.10.1976 at Pudussery, Kerala under the rule of assignment . No lease / hire purchase agreement was executed in the transfer of land. There were resumptions / surrenders / allotments of unused land to other Govt Institutions in the period upto 2009. Vide proceedings No F3-2018/19231/9/500 dated 10.06.2019 of Tehsildar (Land Records), Instrumentation Limited, has possession of 48.9320 hectare (120.91 acres) of land in survey 37/13 Block 35 and category of land is Own property. Land of 88.7920 hectare (219.40 acres) in Survey no 37/2 Block 35 is name of Central Govt. Precision Instrumentation Project and category of land is "Porambokku" (Govt. Land). Appeal against above Tahsildar order was filed before RDO on 23-06-2021, to issue fresh order duly indicating the total extent of 566.30 acres of land as own property of Instrumentation Ltd. Palakkad. The land was allotted by Government of Kerala at free of Cost. Therefore, the land valued at nominal value ₹ 1/-.

### 13. NON-CURRENT INVESTMENTS (₹ in Lakhs)

Particulars	As at 31-3-2024	As at 31-3-2023
<b>LONG TERM INVESTMENT</b>		
<b>TRADE at Cost (Unquoted)</b>	-	-
<b>Total</b>	<u>-</u>	<u>-</u>

### 14. LONG TERM LOANS AND ADVANCES (₹ in Lakhs)

Particulars	As at 31-3-2024	As at 31-3-2023
(Unsecured, considered good unless otherwise stated)		
<b>Advances against Capital items</b>	-	-
<b>Security Deposits</b>		
Deposits:-		
- With Govt. Departments	-	-
- With Others	<u>-</u>	<u>-</u>
<b>Other Loans &amp; Advances</b>		
- Advances recoverable in cash or kind or for value to be recd.		
- Considered good	771.00	877.46
- Considered doubtful	<u>-</u>	<u>-</u>
	<u>771.00</u>	<u>877.46</u>
Less: Provision	<u>771.00</u>	-
Prepaid Expenses	29.66	26.45
- Balance with Port Trust, Customs, excise etc.	<u>-</u>	<u>-</u>
<b>Total</b>	<u>800.66</u>	<u>903.91</u>

## Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2024

### 15. OTHER NON-CURRENT ASSETS (₹ in Lakhs)

Particulars	As at 31-3-2024	As at 31-3-2023
Deposits:-		
- With Govt. Departments	11.28	11.28
- With Others	28.08	13.04
Interest accrued on deposits & advances	1.65	2.01
Total	<u>41.01</u>	<u>26.33</u>

### 16. CURRENT INVESTMENTS (₹ in Lakhs)

Particulars	As at 31-3-2024	As at 31-3-2023
OTHERS - TRADE AT COST (UNQUOTED)		
350 Equity shares of ₹ 10 each (Previous year Nil) fully paid up in Engineering Projects (India) Ltd.	0.04	0.04
Total	<u>0.04</u>	<u>0.04</u>

16.1 In view of approval of Union Cabinet for closure of Kota Complex, the Investment in Equity Shares of Engineering Projects (India) Ltd. has been handed over to Deptt. of Heavy Industries, Govt of India, New Delhi in May 2017, approval of same is awaited.

### 17. INVENTORIES (₹ in Lakhs)

Particulars	As at 31-3-2024	As at 31-3-2023
1. Stores & Spare parts	112.01	72.07
2. Loose Tools & Implements	62.37	68.32
3. A. Finished Goods.	480.98	571.56
B. Completing Items	-	-
	<u>480.98</u>	<u>571.56</u>
4. Work In Process	708.25	395.13
5. A. Raw Materials	331.72	297.46
B. Boughtout Components	3,284.45	2,274.48
C. Manufactured Components	745.99	579.85
	<u>4,362.16</u>	<u>3,151.80</u>
Total	<u>5,725.78</u>	<u>4,258.88</u>
Less : Provision for Stock Discrepancy	-	-
Total	<u>5,725.78</u>	<u>4,258.88</u>

17.1 The above Inventory includes goods :-  
Lying with others 213.95 99.49

17.2 Estimated realisable value of items amounting to ₹ 272.19 Lakhs (previous year ₹ 225.94 Lakhs) included in Finished Goods is based on past order received from customers.

17.3 Raw materials, Stores & Spare parts, Boughtout components, Manufactured components, Loose tools and Implements in stock which are valued at cost are taken as they would be used for manufacture of goods which are expected to be sold at or above cost.

17.4 All Inventory are relating to Palakkad Unit.

## Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2024

### 18. SYSTEM WORK (at sites) (\*)

(₹ in Lakhs)

Particulars	As at 31-3-2024	As at 31-3-2023
In Progress	-	-
Less: On account payment from Customers (as per contra)	-	-
Total	-	-

(\*) For mode of valuation refer Accounting Policy No: 4.6.

### 19. TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at 31-3-2024	As at 31-3-2023
(Unsecured, considered good unless otherwise stated)		
<b>Outstanding over six months:-*</b>		
- Considered good	1,319.55	1,227.32
- Considered doubtful	329.04	5,600.92
<b>Other debts :-</b>		
- Considered good	3,266.66	3,704.95
- Considered doubtful	-	-
	4,915.25	10,533.19
Less: Provision	329.04	5,600.92
<b>Retention Money **</b>	<b>20.16</b>	<b>33.83</b>
Total	<b>4,606.37</b>	<b>4,966.10</b>

19.1 All Sundry Debtors are relating to Palakkad Unit.

19.2 Provision has been made for the debts considered doubtful by the Management. An amount of ₹ 5600.92 Lakhs (Previous year ₹ 184.54 Lakhs) for which provision has been made in earlier years has been set off against debtors.

19.3 An amount of ₹ 329.04 Lakhs ( LD relating to current year of ₹ 134.03 Lakhs and LD provision prior period for the year 2022-23 of ₹195.01 Lakhs) (Previous year ₹ 7.30 Lakhs) being liquidated damages during the year 2023-24 and previous years has been charged to the Statement of Profit & Loss Account related to current year and prior period expenses related to previous year, as has been disclosed in notes No.32.7.

19.4 Sundry Debtors, Loans & Advances including interest, balance in Deposit Account with customers, creditors, material with others and at customers sites and other personal accounts are taken as per books.

19.5 Trade Receivable Agening Details :-

(₹ in Lakhs)

Particulars	Outstanding for following period from due date of payments					
	Less than 6 Months	6 Months-1 Year	1-2 Years	2-3 years	More than 3 Years	Total
Undisputed Trade receivable considered good	3,266.66	546.15	299.60	102.15	391.81	4,606.37
Undisputed Trade receivable doubtful and provided	-	-	-	-	329.04	329.04
Disputed trade receivable considered good	-	-	-	-	-	-
Disputed trade receivable considered Doubtful	-	-	-	-	-	-



## Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2024

### 20. CASH AND BANK BALANCES

(₹ in Lakhs)

Particulars	As at 31-3-2024	As at 31-3-2023
<b>- Cash on Cash equivalents</b>		
- Cash on hand	3.23	1.70
- Cheques, DDs, Stamps on hand including in transit	0.02	0.02
<b>- With scheduled Banks -</b>		
- In current and saving A/c	117.46	508.21
- In Cash Credit A/c	-	-
- In Margin Money A/c	-	-
- Deposit with original maturity for less than 3 months	394.13	458.31
<b>- Other Bank Balances</b>	<b>514.84</b>	<b>968.24</b>
- In Fixed Deposit *		
- Deposit with original Maturity for more than 3 months but less than 12 months	3,899.09	6,140.86
- Deposit with original Maturity for more than 12 months	1,310.10	-
- Others	-	-
<b>Total</b>	<b>5,724.03</b>	<b>7,109.10</b>
Of the above, the balances that meet the definition of Cash and Cash equivalents as per AS-3 Cash Flow Statements is	514.84	968.24

\* Includes amount ₹ 408.46 Lakhs (Previous year ₹ 63.27 Lakhs) pledged as margin money.

### 21. SHORT TERM LOANS & ADVANCES

<b>- Loans and Advances</b> (Unsecured, considered good unless otherwise stated)			
- Considered good	16.29	16.37	
- Considered doubtful	-	-	
	16.29	16.37	
Less: Provision	-	-	16.37
Income Tax & Sales Tax payment in advance and deduction at source	48.39		66.48
Balance with Port Trust, Customs, excise etc.	43.59		103.58
Others	6.95		-
Deposits - With Govt. Departments	12.32		12.32
- With Others	-		-
<b>Total</b>	<b>127.54</b>	<b>198.75</b>	

### 22. OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31-3-2024	As at 31-3-2023
Interest accrued on deposits & advances	61.42	96.43
Deposits:-		
- With Govt. Departments	-	-
- With Others	0.12	0.32
- Claims & other amounts recoverable:		
- Considered good	166.34	127.02
- Considered doubtful	-	-
	166.34	127.02
Less: Provision	-	-
Govt. of India	-	888.36
Sales Proceeds of Immovable Assets Transferred to Govt. of India	4,823.00	4,823.00
<b>Total</b>	<b>5,050.88</b>	<b>5,935.13</b>

22.1 Pursuant to approval of CCEA as informed by Deptt. of Heavy Industry, Ministry of Heavy Industry and Public Enterprises. Govt of India vide letter No.5(4)/2010-PE-VIII dated 23.02.2016, Govt, of India Loan of ₹ 1675.00 Lakhs and normal & penal interest of ₹ 2252.53 Lakhs as on 31.03.2016 has been adjusted against consideration of ₹ 48.16 Crores transfer of entire shareholding of IL in REIL to Govt, of India. Balance amount of ₹ 8.88 Crores shall be adjusted towards future restructuring / closure liability of IL (₹ 48.16 Crores- ₹ 39.28 Crores). Hence, the balance amount of ₹ 8.88 Crores is adjusted from Loan received from Govt. of India against Closure of Kota Complex.

22.2 Sale Proceeds of Immovable assets includes amount of ₹ 3662.93 Lakhs against sale of Land at Jaipur and amount of ₹ 1160.07 lakhs against sales of office space at SCOPE Complex, New Delhi total amount of ₹ 4823 Lakhs transferred to the Consolidated funds of Govt. of India.

## Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2024

### 23. REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	2023-2024		2022-2023	
<b>A. Retail Sale</b>	<b>9,567.76</b>		7,858.35	
<b>B. Execution of System Contracts</b>				
1. System	-		-	
2. Works				
- Completed & Adj.	-		-	
- In progress as as on 31-3-2024	-		-	
	<u>-</u>		<u>-</u>	
Less:				
- In Progress as on 31-3-2023	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>C. Other Services</b>	<b>17.81</b>		18.56	
	<u><b>9,585.57</b></u>		<u>7,876.92</u>	

### 24. JOBS DONE FOR INTERNAL USE

(₹ in Lakhs)

Particulars	2023-2024		2022-2023	
Capital Items	-		-	
Others	-		-	
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>-</u>		<u>-</u>	

### 25. OTHER INCOME

(₹ in Lakhs)

Particulars	2023-2024		2022-2023	
	₹	₹	₹	₹
Excess Liability written back	<b>49.70</b>		26.77	
Profit on sale of Fixed Assets	<b>1.63</b>		0.97	
Interest				
- Banks	<b>402.63</b>	-	324.82	
- Others	<u><b>7.02</b></u>	<u><b>409.64</b></u>	<u>2.50</u>	327.32
Exchange difference (Net)	-		6.53	
Scrap sale	<b>55.32</b>		32.19	
Rent & Other Revenues				
- Township	<b>4.04</b>		2.99	
- Others	<u>-</u>	<u><b>4.04</b></u>	<u>-</u>	2.99
Miscellaneous income	<b>72.90</b>		36.56	
<b>DIVIDEND</b>				
From Other				
Engineering Projects (I) Ltd.	-		-	
<b>Total</b>	<u><b>593.23</b></u>		<u>433.33</u>	

## Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2024

### 26. COST OF MATERIALS CONSUMED

(₹ in Lakhs)

Particulars	Unit	2023-2024		2022-2023	
		Qty.		Qty.	
<b>(A) RAW MATERIALS CONSUMED</b>					
1. Stainless Steel and Alloy Steel and other special alloys	Kgs	45,647	139.01	44,036	117.49
	Mtrs	4,757	13.43	4,471	8.07
	Nos.	66	0.20	116	2.41
2. Mild and Alloy Steel	Kgs	97	0.25	316	0.34
	Mtrs	305	1.30	33	0.51
3. Copper and Copper based alloys & other non-ferrous metals excluding Aluminium	Kgs	796	9.51	145	1.76
	Mtrs	540	0.93	1,092	1.40
4. Aluminium and its alloys	Kgs	-	-	-	-
	Mtrs	-	-	-	-
5. Others	Kgs	-	-	-	-
	Mtrs	475	0.64	445	0.52
	Nos.	-	-	5	28.01
			165.27		160.51
Other adjustment			-		-
	Total(A)		165.27		160.51
<b>(B) BOUGHT OUT COMPONENTS</b>					
1. Electrical, Electronics and Electro-mechanical components and sub assemblies			-		-
2. Pneumatic fittings			-		-
3. Fastners			47.62		37.36
4. Other auxiliary components and sub assemblies			0.13		0.05
5. Mechanical, Metallic components and sub assemblies			4,301.49		3,260.49
6. Non-metallic components and sub-assemblies			91.33		73.02
			4,440.58		3,370.91
Other uses/adjustment(Net)			-		-
	Total(B)		4,440.58		3,370.91
<b>(C) COMPLETING ITEMS*</b>					
- Opening Stock			-		-
- Purchases			-		-
- Other Adjustments			-		-
Less: Used for other than sales			-		-
Closing Stock			-		-
	Total(C)		-		-
	Total (A) To (C)		4,605.85		3,531.43

\*Includes value of replacement

26.1 Due to varied specification, quantity data has not been given in respect of Components consumed and completing items.

26.2 Expenditure on Materials i.e. Consumption of Raw materials, Boughtout items, Completing items, Store & spares and tools include value reduction on account of obsolescence of Bought out items of ₹ 2.94 Lakhs (Previous year ₹ 3.16 Lakhs). This does not include such value reduction of manufactured items amounting to ₹ 1.67 Lakhs (Previous year ₹ 1.45 Lakhs).

## Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2024

### 27. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROCESS AND MANUFACTURED COMPONENTS

(₹ in Lakhs)

Particulars	2023-2024	2022-2023
<b>Closing Balance</b>		
(i) Finished goods	480.98	571.56
(ii) Work in process	708.25	395.13
(iii) Manufactured Components	745.99	579.85
Total	<u>1,935.23</u>	<u>1,546.54</u>
<b>Less: Opening Balance</b>		
(i) Finished goods	571.56	450.23
(ii) Work in process	395.13	270.57
(iii) Manufactured Components	579.85	523.11
Total	<u>1,546.54</u>	<u>1,243.91</u>
<b>Net Accretion/ (Decretion)</b>	<u>388.69</u>	<u>302.63</u>

### 28. EMPLOYEES' BENEFIT EXPENSES

(₹ in Lakhs)

Particulars	2023-2024	2022-2023
Salaries, Wages, Bonus & Allowances	2,263.58	1,904.13
PF Contribution	200.44	174.67
Gratuity	27.05	34.79
Staff Welfare Expenses	243.64	234.42
Total	<u>2,734.71</u>	<u>2348.01</u>

28.1 During the year the following amounts were paid and provided for Chairman and Managing Director and full time Directors as remuneration :-

Salaries and allowances	-	-
PF contributions	-	-
Other perquisites	-	-
Total	<u>-</u>	<u>-</u>

(₹ in Lakhs)

28.2 Expenditure on Public Relations are as under:-

	2023-2024	2022-2023
Salaries wages, Bonus and Allowances included in Note No. 28	-	-
Public Relation Expenses shown in Note No. 31.	-	-

(₹ in Lakhs)

### 29. FINANCE COST

	2023-2024	2022-2023
Bank Borrowings	-	-
Others	-	-
Total	<u>-</u>	<u>-</u>

### 30. DEPRECIATION AND AMORTISATION EXPENSES

(₹ in Lakhs)

Particulars	2023-2024	2022-2023
<b>Depreciation</b>		
Depreciation on Tangible Assets (Pl.see Note No. 12) A	111.82	135.79
Depreciation on Intangible Assets (Pl.see Note No. 12) B	12.89	12.89
<b>Amortisation of Deferred Revenue Exps.</b>		
Amortisation during the year C	-	-
<b>Depreciation and Amortisation Expenses (A+B+C)</b>	<u>124.71</u>	<u>148.68</u>

## Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2024

### 31. OTHER EXPENSES

(₹ in Lakhs)

Particulars	2023-2024	2022-2023
Directors fees and expenses	1.72	1.75
Rent	7.29	6.63
Rates & Taxes	38.29	21.75
Insurance	4.87	3.91
Travelling expenses-Directors	8.79	6.90
Travelling expenses-Others	47.52	41.42
Conveyance Charges	(2.66)	27.38
Vehicle running & maintenance	22.13	19.43
Payment to Auditors (including Cost Auditors)		
(a) As Auditors		
- Fees	1.72	1.72
- Expenses	0.03	0.36
(b) In other capacity in respect of		
- Certification fee	9.94	0.44
- Tax Audit fee	0.72	0.54
Legal Expenses	16.16	15.81
Repairs & Maintenance(other than salaries & wages)		
- Plant & Machinery	0.01	0.09
- Buildings	173.68	120.06
- Others	9.12	14.93
Advertisement & Publicity	2.73	3.08
Business Promotion	-	-
Stores, Spares & Tools Consumed	142.22	151.54
Packing & Forwarding	256.69	200.22
Other selling & distribution Exps.	34.14	22.51
Liquidated Damages	134.03	7.30
Power & Electricity	78.88	67.49
Water Charges	30.65	14.22
Social Welfare exp.	9.21	8.66
CSR Expenditure	22.48	21.63
Research & Development (other than Salaries & Wages)	1.28	1.32
Printing & Stationery	26.52	26.01
Claims/sundry debit balances	4.36	-
Bank charges	27.56	17.19
Exchange rate variation(Net)	0.20	-
Postage, Telegram, Telex & Telephone Exps	6.31	4.85
Provision for Doubtful debt Loans & Advance and claims -Net	-	-
Provision for Sale Tax on works contract	-	-
System sale contacts	-	-
Miscellaneous expenses	76.15	68.62
Prior Period Items (Net)	(248.52)	(39.57)
Total	944.22	858.16

#### 31.1 Details of Prior Period items are as under :-

(₹ in Lakhs)

Particulars	2023-2024	2022-2023
<b>DEBITS</b>		
Salaries, wages allowances	7.70	-
Repair & maintenance	0.38	-
Misc. Expenses	-	-
Total Debits	8.08	-
<b>CREDIT</b>		
Refund of Income Tax	249.65	-
Interest	6.95	39.21
Repair & Maintenance	-	0.04
Misc. Expenses	-	0.31
Total Credits	256.60	39.57
<b>NET CREDIT/ (DEBIT)</b>	<b>248.52</b>	<b>39.57</b>

## Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2024

### 32 CONTINGENT LIABILITIES NOT PROVIDED FOR IN RESPECT OF :-

(₹ in Lakhs)

Particulars	2023-2024	2022-2023
(a) Guarantees given by Bankers to Customers and others.	1,021.33	1,019.83
(b) Service Tax demand disputed in appeals	389.99	389.99
(c) Custom Duty demand disputed in appeals	191.67	191.67
(d) On account of Central Exices/CENVAT/PF Demand*	52.79	-
(e) Estimated liability for 1997 pay-revision arrears for the period w.e.f. 1.1.1997 to 22.2.2009	12,583.99	12,583.99

\*The Liability on account of PF damages U/s 14B has arisen arrear wages with Retrospective effect from 01.04.2021 was paid on subsequent dates. Since there had been instances where the Appellate Authority has settled for reduced demand U/s 14B of PF Act, it is proposed to disclose the amount of ₹ 52.79 Lakhs (previous year ₹ Nil Lakhs) as Contingent Liability for the year 2023-24. Reliance is placed on Appeal No. 254/2018 before the Industrial Tribunal -cum-Labour Court, Ernakulam, where in the Authority has allowed remission of lesser penalty U/s 14B to the Appellant.

### INFORMATION REGARDING EXPORT & IMPORTS:-

(₹ in Lakhs)

Particulars	2023-2024		2022-2023	
(a) Earning in Foreign Exchange				
Export of goods				
- Retail sale (F.O.B.BASIS)*	238.70		81.64	
(b) Value of Imports(CIF)				
- Raw Materials	2.41		3.10	
- Components, Completing items & Spare Parts	206.92		213.88	
- Capital Goods	-		-	
(c) Expenditure in foreign currency (does not include expenditure of Branch abroad)				
- Technical know how and documents	-		-	
- Others	-		-	
(d) Value of Consumption				
<b>Raw materials</b>		%		%
- Imported	8.33	5.04	5.70	4.23
- Indigenous	156.94	94.96	128.99	95.77
<b>Boughtout components</b>				
- Imported	201.73	4.54	198.45	5.89
- Indigenous	4,238.85	95.46	3,172.46	94.11
<b>Stores &amp; Spares</b>				
- Imported	-	-	-	-
- Indigenous	142.22	100.00	151.54	100.00

\* Excludes deemed export ₹ Nil/- (Previous year ₹ Nil/-)

### 32.1 Disclosure of Applicable Key Financial Ratio:

Particulars	Unit of Measurem	As on 31.03.2024	As on 31.03.2023	Variation in %	Reason for Change
Current Ratio	In Multiple	0.36	0.37	(2.80)	NA
Debt-Equity Ratio	In Multiple	23.42	23.79	(1.55)	NA
Inventory Turnover Ratio	In Days	218	156	39.72	Increased stocking of material compared to previous year in anticipation of consumption
Trade Receivable Turnover Ratio	In Days	175	187	(6.26)	NA
Trade Payable Turnover Ratio	In Days	39	73	(46.16)	Better Creditors Payment due to stringent MSME
Net Capital Turnover Ratio	In Days	354	270	31.07	NA
Net Profit Ratio	In %	7.31	6.17	18.51	

## Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2024

- 32.2 The Company is engaged in manufacturing of multiple products using many common inputs and plant and machinery. It is extremely difficult to apportion common infrastructure of manufacturing, assembling and testing of such multiple products. Due to diverse nature of company's activities and that the risks and returns of the Company are not affected by geographical or economic factors and can be determined from aggregate data, therefore, provision of segment reporting is not required in accordance with AS 17.
- 32.3 As per Accounting Standard 18 (AS 18) issued by ICAI, the disclosures of transactions with related parties as defined in the AS 18 are given below :-

### Key Management personnel :-

Sl.No.	Name	Nature of Relationship
1	B. Balasubramanian	Chairman and Managing Director (Addl. Charge) up to 24.03.2023
1	Thangavelu Ravi	Chairman and Managing Director (Addl. Charge) from 25.03.2023

Transactions during the year with the related parties are as under:-

### ii) Key Management personnel :-

	Nature of Transaction	Value of Transaction (₹)	Balance with related parties as at 31.03.2024 (₹)
Thangavelu Ravi	Remuneration (Additional charge for the post of CMD) from 25.03.2023	-	-

- 32.4 The Ministry of Heavy Industry & Public Enterprises, Govt. of India vide its letter dated 08.12.2016 intimated the decision of the Union Cabinet in its meeting held on 30.11.2016 for closure of Kota Unit (comprising Corporate Head Quarter, Kota Unit, P-DDC Unit and Marketing Unit viz Kota Complex) and in principle approval for transfer of Palakkad Unit of Instrumentation Limited to Government of Kerala in a time bound manner as per DPE Guideline dated 07.09.2016 of closure. In compliance of directives of Govt. of India, all employees of Kota have been relieved under VRS/VSS on 18.04.2017. Immovable and Movable assets of Kota complex, are under the process of sale through M/s. NBCC, (a PSU under Ministry of Steel) and M/s. MSTC, as per Govt. guidelines. Accordingly, the Finance statement have been prepared on the basis of a 'going concern' for Palakkad Unit and 'not on going concern' basis of Kota Complex. Standalone Profit & Loss Accounts and Balance Sheet of Kota Complex and Palakkad Unit as below :-

## Statement of Profit & Loss for the year ended 31st March, 2024

(₹ in Lakhs)

Particular	Discontinuing Operation		Continuing Operation		Total	
	Kota Complex		Palakkad Unit			
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
REVENUE FROM OPERATIONS	-	-	9,585.57	7,876.92	9,585.57	7,876.92
Jobs done for internal use	-	-	-	-	-	-
Total Revenue from Operations	-	-	9,585.57	7,876.92	9,585.57	7,876.92
Other Income	290.05	190.25	303.18	217.26	593.33	407.51
<b>Total Revenue</b>	290.05	190.25	9,888.75	8,094.18	10,178.80	8,284.43
EXPENSES						
Cost of Materials consumed	-	-	4,605.85	3,505.61	4,605.85	3,505.61
Changes in Inventories of Finished goods & Work-in-process	-	-	(388.69)	(302.63)	(388.69)	(302.63)
Employees Benefit Expenses	-	2.64	2,734.71	2,345.37	2,734.71	2,348.01
Services & Sub-Contracting	1.30	1.15	864.72	628.31	866.02	629.46
Finance Cost	-	-	-	-	-	-
Depreciation and Amortisation Expense	1.47	1.47	123.24	147.22	124.71	148.69
Other Expenses	(185.81)	19.88	1,130.04	838.28	944.23	858.16
<b>Total Expenses</b>	(183.04)	25.14	9,069.86	7,162.15	8,886.83	7,187.30
Profit/(Loss) before exceptional and, extraordinary items and tax	473.09	165.11	818.89	932.03	1,291.97	1,097.13
Exceptional item Income (Expenses)	-	3.10	(590.98)	(614.16)	(590.98)	(611.06)
Profit/(Loss) before extraordinary items and tax	473.09	168.21	227.91	317.87	701.00	486.08
Extraordinary items	-	-	-	-	-	-
Profit/(Loss) before Tax	473.09	168.21	227.91	317.87	701.00	486.08
Tax Expenses						
Current Tax	-	-	-	-	-	-
Deferred Tax	-	-	-	-	-	-
Profit/(Loss) for the year	473.09	168.21	227.91	317.87	701.00	486.08

## Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2024

### Balance Sheet

(₹ in Lakhs)

Partieula	Kota Complex		Palakkad Unit		Total	
	As on 31.03.2024	As on 31.03.2023	As on 31.03.2024	As on 31.03.2023	As on 31.03.2024	As on 31.03.2023
<b>1. Source Of Funds</b>						
<b>1. Shareholders' Funds</b>						
Share Capital	2,404.53	2,404.53	-	-	2,404.53	2,404.53
Reserves & Surplus	(50,646.94)	(50,882.35)	-	-	(50,446.94)	(50,882.35)
<b>2. Share Application Money</b>						
Pending Allotment	12,200.96	12,200.96	-	-	12,200.96	12,200.96
<b>3. Non-Current Liabilities</b>						
(a) Long Term Borrowings	-	-	-	-	-	-
(b) Deferred Tax Liability	-	-	-	-	-	-
(c) Other Long Term Liabilities	-	-	223.69	181.18	223.69	181.18
Long Term Provisions	-	-	-	-	-	-
<b>4. Current Liabilities</b>						
(a) Short Term Borrowings	-	-	-	-	-	-
(b) Trade Payables	17.82	17.82	1,014.06	1,557.03	1,031.88	1,574.84
(c) Other Current Liabilities	56,676.55	57,575.23	911.99	1,144.18	57,588.54	58,719.41
(d) Short Term Provisions	-	-	22.65	18.69	22.65	18.69
3. Inter Unit Transfer	(11,250.03)	(11,240.89)	11,250.03	11,240.89	-	-
<b>Total</b>	<b>9,402.90</b>	<b>10,075.30</b>	<b>13,422.42</b>	<b>14,141.97</b>	<b>22,825.32</b>	<b>24,217.27</b>
<b>ASSETS</b>						
<b>1. Non-Current Assets</b>						
(a) Fixed Assets						
(i) Tangible Assets	55.95	57.41	652.92	647.50	708.87	704.90
(ii) Intangible Assets	-	-	38.50	51.40	38.50	51.40
(ii) Capital Work in Progress	-	-	1.64	62.72	1.64	62.72
(b) Non-Current Investments	-	-	-	-	-	-
(c) Long Term Loans and Advances	-	-	800.66	903.91	800.66	903.91
(d) Other Non-Current Assets	-	-	41.01	26.33	41.01	26.33
<b>Total</b>	<b>55.95</b>	<b>57.41</b>	<b>1,534.73</b>	<b>1,691.86</b>	<b>1,590.68</b>	<b>1,749.26</b>
<b>2. Current Assets</b>						
(a) Current Investments	0.04	0.04	-	-	0.04	0.04
(b) Inventories	-	-	5,725.78	4,258.88	5,725.78	4,258.88
(c) System Work (At Sites)	-	-	-	-	-	-
(d) Trade Receivables	-	-	4,606.37	4,966.10	4,606.37	4,966.10
(e) Cash and Bank Balances	4,357.92	4,110.49	1,366.11	2,998.60	5,724.03	7,109.09
(f) Short Term Loans and Advances	77.00	95.17	50.54	103.58	127.54	198.75
(g) Other Current Assets	4,911.99	5,812.18	138.89	122.95	5,050.88	5,935.12
<b>Total</b>	<b>9,346.95</b>	<b>10,017.88</b>	<b>11,887.69</b>	<b>12,450.11</b>	<b>21,234.65</b>	<b>22,467.98</b>
<b>Total</b>	<b>9,409.90</b>	<b>10,075.30</b>	<b>13,422.42</b>	<b>14,141.97</b>	<b>22,825.32</b>	<b>24,217.27</b>



## Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2024

### 32.5 Cash Flow Statement for the year ended 31st March,2024:-

#### CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2024

(₹ in Lakhs)

Particulars	Discounting Operation		Continuing Operation		Total	
	Kota Complex		Palakkad Unit		As at 31.03.2024	As at 31.03.2023
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023		
A.						
Net Profit(Loss) before Tax & Extraordinary items:-	473.09	168.21	227.91	317.86	701.00	486.07
Depreciation & amortisation	1.47	1.46	123.24	147.22	124.71	148.68
Profit on sale of fixed assets	-	-	(1.63)	(0.97)	(1.63)	(0.97)
Provision for doubtful debts	-	-	-	10.00	-	10.00
Provision - others	-	-	-	-	-	-
Interest Income	(289.89)	(190.05)	(119.75)	(137.27)	(409.64)	(327.32)
Dividend Income	-	-	-	-	-	-
Rent and other Revenue	-	-	-	-	-	-
Interest Expenses	-	-	-	-	-	-
<b>Operating Profit before working capital changes</b>	<b>184.67</b>	<b>(20.38)</b>	<b>229.77</b>	<b>336.84</b>	<b>414.44</b>	<b>316.46</b>
Adjustment for:-						
Investment	-	-	-	-	-	-
Trade Receivable	-	-	359.73	(424.64)	359.73	(424.64)
Inventory	-	-	(1,466.90)	(883.29)	(1,466.90)	(883.29)
Loans and Advances and Other Current Assets	174.78	(1,201.75)	(1,800.92)	(2,162.86)	1,975.70	(3,364.61)
Trade payable,Provisions and Other Liabilities	(679.91)	(334.18)	(947.45)	1,376.07	(1,627.36)	(1,041.88)
Net cash from/(used in) operating activities before Tax & extraordinary items	(320.46)	(1,556.31)	(23.92)	(1,757.88)	(334.38)	(3,314.20)
Tax	-	-	-	-	-	-
Net cash from/(used in) operating activities before extraordinary items	(320.46)	(1,556.31)	(23.92)	(1,757.88)	(334.38)	(3,314.20)
Extra ordinary items	-	-	-	-	-	-
Net cash from/(used in) operating activities after extraordinary items	(320.46)	(1,556.31)	(23.92)	(1,757.88)	(334.38)	(3,314.20)
B. <b>Cash flow from investing activities</b>						
Purchase of Fixed Assets	-	-	(58.54)	(136.68)	(58.54)	(136.68)
Sale of Fixed Assets	-	-	3.84	2.12	3.84	2.12
Profit/Loss on Sale of Fixed Assets	-	-	1.63	0.97	1.63	0.97
Investments	-	-	-	-	-	-
Interest Received	289.89	190.05	119.75	137.27	409.64	327.32
Dividend received	-	-	-	-	-	-
Rent and other Revenue received	-	-	-	-	-	-
Net cash from I (used in) investing activities	289.89	190.05	66.68	3.68	356.57	193.75
C. <b>Cash flow from financing activities</b>						
Share application money	-	-	-	-	-	-
Long term Loan	-	-	-	-	-	-
Dividend paid to Govt. of India	(465.59)	-	-	-	(465.59)	-
Borrowings	-	-	-	-	-	-
Interest Paid	-	-	-	-	-	-
Net Cash from (used in) financing activities	(465.59)	-	-	-	(465.59)	-
D. <b>Net increase in cash &amp; cash equivalent (A+B+C)</b>	<b>(496.16)</b>	<b>(1,366.27)</b>	<b>42.76</b>	<b>(1,754.20)</b>	<b>(453.40)</b>	<b>(3,120.46)</b>
Cash & Cash equivalent at the beginning of the year	489.40	1,855.65	478.84	2,233.04	968.24	4,088.70
Cash & Cash equivalent at the end of the year (Refer Note No.20)	458.83	489.40	56.01	478.84	514.84	968.24

Notes:-

1.Cash & Cash equivalent at the end of the year comprises:-

Cash on hand	-	-	3.23	1.70	3.23	1.70
Cheques on Hand	0.02	0.02	-	-	-	0.02
Balance with Banks	-	-	-	-	-	-
-On Current Accounts	64.68	41.79	52.78	466.42	117.46	508.21
-On Deposits Accounts	394.13	447.59	-	10.72	394.13	458.31
Total Cash & Cash Equivalent at the end of the year	458.83	489.40	56.01	478.84	514.84	968.24

1.Cash Flow Statement has been prepared as per AS-3.

2.Cash & Cash Equivalents consists of cash and bank balance & deposits with banks

## Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2024

(₹ in Lakhs)

### 32.6 Exceptional item :-

	2023-2024	2022-2023
	Amount (₹)	Amount (₹)
Amount required to be spend by Company during the year	41.17	22.16
Shortfall for the year 2022-23 of ₹ 18.69 Lakhs+Provision for during the year 2023-24 of ₹ 22.48 Lakhs		
Amount of expenditure incurred	19.51	3.47
Shortfall at the end of the year	21.65	18.69
Previous year Shortfall	18.69	-
Reason of Shortfall	Difficulty in indentification of approved CSR Activities	
Nature of CSRActivity	Supply of medical equipment and building material to Trusts CCTV Installation and Procurement of Library books to School (Previous Year- Renovation of Mannan Charitable Trust, Bhiwani, Haryana, CCTV installationat Vivekananda Kendriya Vidyalaya, Kitpi, Arunanchal Pradesh.	

Details of related party transactions Not Applicable

During the financial year 2022-23 an amount of ₹ 18.69 Lakhs been earmarked as Fixed Deposit with Bank for carrying out shortfall CSR activities in the next financial year.

### 32.7 Exceptional item :-

	2023-2024	2022-2023
1. Write off Sundry Debtors (Net) (Collection Received from Customers against Write off Sundry Debtors )	-	(3.10)
2. Liability for Salary Revision of earlier years (Palakkad Unit)	395.97	604.15
3. LD Provision prior period for the year 2022-23 (Palakkad Unit)*	195.01	-
4. Doubtful Debts Provision Prior Period (Palakkad Unit)	-	10.00
	<b>590.98</b>	<b>611.06</b>

\*No Provision (Previous year ₹ 10 Lakhs) has been made in the accounts of 2023-24 towards trade receivable other than LD for the year 2017-18 i.e. receivable more than 5 years old. Prior LD provision related to previous years created during the year 2023-24 is ₹ 195.01 Lakhs (previous year ₹ Nil Lakhs).

32.8 As per actuarial valuation Company has provided for Earned Leave Encashment of ₹ 158.77 Lakhs upto 31.03.2023. Additional provision of ₹ 30.95 Lakhs (previous year ₹ Nil) has been towards Earned Leave Encashment expenses in 2023-24. Apart from above provision for Earned Leave, prior period arrear wages paid due to wage revision w.e.f. 01.04.2021 during the year 2023-24 is ₹ 365.02 Lakhs (previous for ₹ 604.16 Lakhs) which includes ₹ 114.43 Lakhs on account of Gratuity for retired employees paid our of Company's funds.

32.9 Earning per share calculated in accordance with the provisions of AS-20 :-

	As on	As on
	31.03.2024	31.03.2023
EPS on Profit	(₹)	(₹)
Profit after tax as per Statement of Profit & Loss (Used as denominator)	701.00	486.07
Number of Equity shares (Face value 1000/- each)	240,453	240,453
Weighted Average number of equity shares for calculating Basic earning per share	240,453	240,453
Weighted Average number of equity shares for calculating Diluted earning per share	976,949	976,949
Basic earning per share (Rs. per share)	291.53	202.14
(Face value of Rs.1000/- each)		
Diluted earning per share (Rs. per share)	71.75	49.75
(Face value of Rs. 1000/- each)		

32.10 Figures have been rounded off to the nearest rupee, wherever considered necessary. Figures in brackets ( ) indicate deduction.

32.11 The figures of the previous year have been regrouped/reclassified wherever necessary.

32.12 The figures of Palakkad Unit have been regrouped/reclassified wherever necessary.

32.13 Note No.1 to 32 form integral part of the Balance Sheet, Statement of Profit & Loss and Cash Flow Statement.

For and on behalf of the Board

**Anjali Gupta**      **Madan Pal Singh**      **Thangavelu Ravi**  
Company Secretary      Director      Chairman and Managing Director  
M.No.ACS 49251      DIN No. : 08414417      DIN No. 10221443

In terms of our report of even date attached  
**For N. Singhal & Company**  
Chartered Accountants  
F.R.N. 006249C

**C.A. Niranjana Kumar Singhal**  
Partner  
M.No.075001

Place : Palakkad  
Date : 07<sup>th</sup> September, 2024

## OUR PLANTS AND OFFICES

	Address	Telephone	E-mail/Website
<b>CORPORATE HEAD-QUARTER &amp; REGISTERED OFFICE</b>	Sitapura Industrial Area, Jaipur- 302 022	0141-2771885	
<b>PLANT</b>	Kanjikode West Palakkad-678 623 Kerala	0491-2566127-30 04931-2566132	<a href="mailto:contact@ilpgt.com">contact@ilpgt.com</a> <a href="mailto:gm@ilpgt.com">gm@ilpgt.com</a> <a href="http://www.ilpgt.com">www.ilpgt.com</a>





एक कदम स्वच्छता की ओर

