

CIN: L31900WB2010PLC154236 GSTIN: 19AAGCM8455J1ZV

# Megatherm Induction Limited

(Formerly Megatherm Induction Pvt. Ltd.)

Megatherm Tower.

Plot L1, Block GP, Sector-V, Electronics Complex, Salt Lake City, Kolkata - 700 091, India.

Date: 7 August, 2025

To

The Listing Department, National Stock Exchange of India Ltd, Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai-400051

Ref.: Megatherm Induction Limited / NSE /2025-26/30

**Symbol: MEGATHERM** ISIN: INE531R01010

Dear Sir/Madam,

Sub: Regulation 34 of the Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') - Annual Report for the Financial Year 2024-25

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed Annual Report of the Company for the financial year 2024-25 which has been sent to the shareholders through electronic mode.

The Notice of AGM and Annual Report 2024-25 has also been uploaded on the website of the Company at https://megatherm.com.

The e-voting shall be open for 3 days, commencing at 9.00 a.m. (IST) on Tuesday, 26th August, 2025 and ending at **5.00 p.m.** (IST) on Thursday, 28<sup>th</sup> August, 2025 for all the shareholders whose names appear in the Register of Members on Friday, 22<sup>nd</sup> August, 2025.

Kindly take the same into your records.

Yours faithfully, For Megatherm Induction Limited

(Abanti Saha Basu) **Company Secretary & Compliance Officer** 

Place: Kolkata







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# Reporting scope and boundary

This report covers financial and nonfinancial information and activities of Megatherm Induction Limited ('the Company' or 'MIL') during the period April 1, 2024, to March 31, 2025. In this, we aspire to provide an incisive view of our performance and strategy across business segments. The content of this Report depicts both quantitative and qualitative disclosures on our performance.

# **Forward-looking statements**

This Report contains statements about expected future events and

financials of Megatherm Induction Limited, which are forward-looking. By their nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate and actual future results and events may differ materially from those expressed in the forward-looking statements. Readers are cautioned not to place undue reliance on forward-looking statements. The Company undertakes no obligation to update these

forward-looking statements which reflect events or circumstances, after the publication of this document.

# Precautionary approach

We follow a precautionary approach towards minimising our operational impact on the environment. We have implemented best-in-class technology for our manufacturing operations to limit our ecological footprint, and we continue to enhance our efforts towards the same. At all our plants, we have implemented environment, health, and safety (EHS) management systems to monitor and address any concerns.



To view this report online and for further information, visit our website:

We stand at a pivotal moment, strengthened by past achievements and driven by a bold vision for the future.

Our organisation is poised to capitalise on emerging opportunities, fuel innovation, and chart new pathways to sustainable growth.

This readiness is not by chance.

It is the result of a clear focus, disciplined execution, and an unwavering commitment to creating value for all stakeholders.

Over the past years, we have laid the foundation for transformative progress, harnessing emerging opportunities, strengthening partnerships, and optimizing our capabilities.

Every decision, every initiative over the past year, has been judiciously undertaken to propel us forward, strengthening our market position and expanding our capabilities.

With a forward-looking mindset and a clear vision, we are unlocking new possibilities that will propel sustainable and impactful expansion.

By harnessing the power of technology, deepening customer relationships, and investing in our people, we are unlocking fresh potential across every dimensions of our business.

As we move forward, we do so with optimism and confidence, ready to scale new heights and shape a future defined by purposeful progress and enduring success.

₹32,050.84 lac

Revenue from operations, in FY25





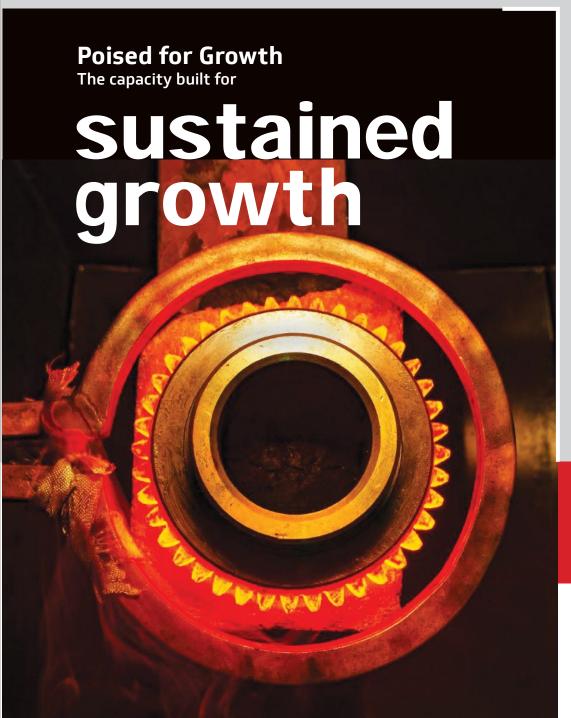
30+ years

**Industry presence** 

3,000+ Number of successful

installations completed till date

We have the required industry experience we need to grow. We have an industry experience of more than three decades, which gives us a competitive advantage and will enable us to deliver sustainable growth over the foreseeable future. We have the invested in the capacity to scale the business. Over the years, we have consistently invested in strengthening our capabilities, expanding through new greenfield projects, enhancing the capacity of our ancillary operations, and shaping a compelling employee value proposition to lay a strong foundation for sustained growth and progress.



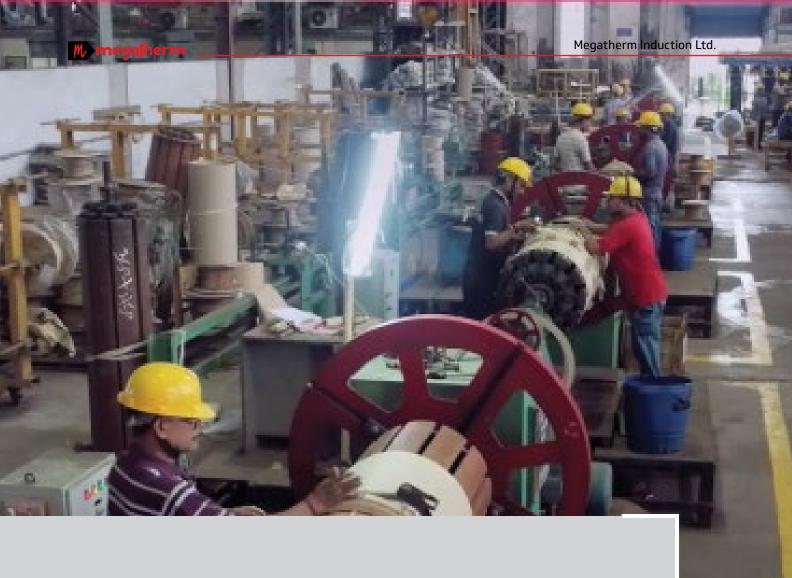
# Largest

MIL has the largest transformer manufacturing facility in Eastern India

63%

Percentage of employees who have been associated with MIL for over 10 years





# Poised for Growth

A business focused on operational excellence to

# drive value

Empowered by a well-diversified product portfolio and a state-of-theart manufacturing facility, we are continuously investing in technology and R&D to drive greater efficiency and deliver cost advantages. It's a commitment that ensures we stay agile, innovative, and competitive in an evolving market landscape.

100%

Capacity utilisation in FY25

₹2,521.71 lac

Investment in capex in the last two years



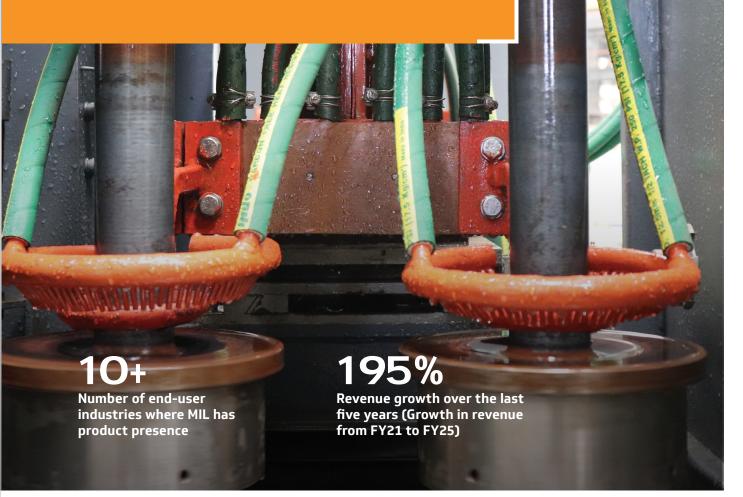
# **Poised for Growth**

An agile strategy for

# delivering success

Over the years, we marked our presence across several end-user industries to reduce our dependence on any single sector. With proven strategic cornerstones providing flexibility to perform in all market conditions and a differentiated value-proposition approach for the customers, we have been able to secure reliable returns for our stakeholders.







# Chairman's message



# **DEAR SHAREHOLDERS.**

I am delighted to present to you an overview of Megatherm's resilient performance in FY 2024-25 that reflects our ability to adapt to challenges, stay competitive, and remain focused on growth while creating value for our stakeholders. FY 2024-25 was marked by cautious optimism across many of our key end-user industries. Despite challenges stemming from global crude oil volatility, geopolitical tensions, and a disconnect between domestic and international demand, we stayed firmly focused on operational excellence and building value-driven partnerships. Our integrated Kharagpur facility, coupled with a well-executed operational strategy, enabled us to sustain consistent output.

# Robust background performance

The year witnessed marginal financial growth, largely owing to the fact that we achieved maximum capacity utilisation and our new capital expansion got completed only towards the end of the financial year. Many such initiatives were undertaken in laying the groundwork for a new period of sustainable and long-term growth, positioning us for more robust expansion in the coming years. Our total revenue rose to ₹3,205.08 million, marking a 4.65% increase over FY24. Despite increased investments in HR and marketing initiatives, aimed at strengthening our long-term growth engine, our PAT remained stable with a growth of 3%, rising

to ₹213.06 million from ₹207.24 million in the previous year. This reflects our focus on building future-ready capabilities while maintaining financial stability.

# **Building a promising tomorrow**

While our FY25 numbers may not truly reflect the progress we made, the year marks a significant milestone in our operational journey. We achieved most of our key operational targets and laid a strong foundation for a promising and sustainable tomorrow. FY25 marked a defining chapter in our journey, one of transition, consolidation, and forward-looking ambition. Importantly, your Company has taken significant steps towards becoming growth-oriented and building strong organisational capabilities. During the year, substantial progress has been made in strengthening the core business and expanding the total addressable market.

One, we have successfully completed a major phase of our capital investment journey, with our new transformer manufacturing facility at the Kharagpur site now nearing full operational status. While we await the delivery and installation of a few equipment, the facility is largely ready to serve. Importantly, this development not only strengthens our transformer capabilities but also unlocks additional capacity to scale up our induction business.

Two, we have further broad based our product lines by entering the solar transformer segment, which have generated substantial customer interest. Encouraged by the response, we will invest steadily in these revenue verticals over the next few years to increase their contribution to our performance. We have taken steps to get a 13.2MVA Inverter Duty Transformer certified by CPRI which will pave the way for our foray into the solar transformer segment.

Three, in our pursuit of operational excellence during the year, we invested in building our capabilities, such as inhouse copper extrusion, core-cutting capabilities, and adoption of new technologies like vacuum autoclaves to enhance productivity and efficiency.

Four, in line with our vision to expand globally, we formed a strategic joint venture with Cyprium Induction in the USA, a move aimed at strengthening our foothold across the US, Canada, and Mexico markets

We are also working towards completing our R&D in high-frequency power sources, which will pave the way for entering new sectors like pipes & tubes and other highfrequency applications.

Along with our existing business, our foray in growing sectors, should result in a double-digit topline growth and a higher growth in EBITDA over the foreseeable future. From a strategic perspective, I am convinced that FY25 was a critical milestone in MIL's journey to building a brighter tomorrow for itself and its stakeholders.

### **Industry outlook**

India's industrial landscape is on a strong growth trajectory, led by rising investments in power, infrastructure, and clean energy. The foundry market is set to expand from USD 25.57 billion in 2025 to USD 42.61 billion by 2030, reflecting the country's increasing manufacturing momentum. With India poised to become a global power hub, its capacity expected to grow from 536.23 GW to 817.52 GW by 2030, the demand for power and distribution transformers is surging, projected to more than double by 2030. Meanwhile, the renewable energy sector continues its upward march, with the market expected to more than double by 2033, driven by technological advancements and the shift towards

sustainable energy. Together, these trends signal a promising outlook for the sectors we serve.

# Capitalizing on the industry trends

At MIL, we are strategically positioned to capitalise on these growth opportunities. With our well-equipped production facilities and with investments made to enhance our manufacturing capacity, we are well-equipped to meet the rising demand for foundry and casting products from the transformers and power industry. Our commitment to sustainable practices and innovation, including the commissioning of our transformer manufacturing facility in FY25, positions us to cater to emerging markets and evolving consumer preferences.

Our strategy for growth is anchored in continuous innovation, operational efficiency, and a commitment to sustainable value creation for all stakeholders. In the face of ongoing global economic challenges, we are focused on optimising costs, enhancing our product mix through value addition, and pursuing

quality certifications to strengthen our market position. By leveraging our integrated operations, low-cost manufacturing advantage, and established global presence, we are exploring new market opportunities while maintaining the high standards and legacy that define Megatherm Industries Limited.

# Putting our people first

Our employees are at the heart of our growth story. We strive to create workplace where professional development and personal well-being go hand in hand. By fostering a culture of transparency, collaboration, and continuous learning, we aim to empower our teams and enhance organisational performance. Safety remains a top priority, upheld through well-defined systems and proactive on-ground measures that ensure a secure and supportive environment. Together, these efforts reflect our unwavering commitment to building a resilient, engaged, and futureready workforce.

# Advancing sustainability through responsible operations

Sustainability is a core business imperative, embedded in our commitment to responsible growth. We continue to monitor and mitigate our environmental and social impact through efficient

technologies, responsible resource use, and circular practices. Our approach to waste management, water stewardship, and emissions control is supported by continuous investments in process improvements and compliance.

# Looking ahead

We remain committed to enhancing capacities and capabilities across our existing facilities to scale up production of our current product lines. With the commissioning of our new transformer manufacturing unit, we anticipate sales in this segment to grow to ₹100–150 crore, while also unlocking additional space to expand our induction product line.

Parallelly, we will continue to invest in backward integration and scale up our hyperlocal spares service network, aiming for completion by the end of FY26. We are also sharpening our focus on niche applications with limited competition to strengthen our market position.

Looking ahead, we will explore new segments and product categories that align with the evolving global needs, developing solutions that match the aspirations of a growing and dynamic nation. Where strategic, we will pursue organic expansion to build critical capabilities, ensuring every move aligns with our long-term vision and financial prudence.

With our major capex investments completed in FY25, Megatherm now stands on a strong foundation, truly poised for its next phase of growth, and the road ahead holds exciting possibilities.

Finally, I would like to extend my sincere thanks to the Board, whose leadership and foresight continue to guide us with great clarity and purpose. To our employees, your dedication remains the cornerstone of our success, driving innovation and operational excellence across the organisation. I am also grateful to our shareholders for their ongoing trust and support, which empowers us to execute our strategy with confidence.

As we navigate the rapidly changing business landscape, our strategy will continue to focus on expanding our production capabilities, expanding market presence, integrating new technologies, positioning us to leverage emerging opportunities and create long-term value for all stakeholders.



# **CORPORATE SNAPSHOT**

# Megatherm Induction Limited

Established in 1989, Megatherm Induction Limited stands at the forefront of thermal technology, specializing in advanced induction heating solutions tailored for industrial and manufacturing applications.

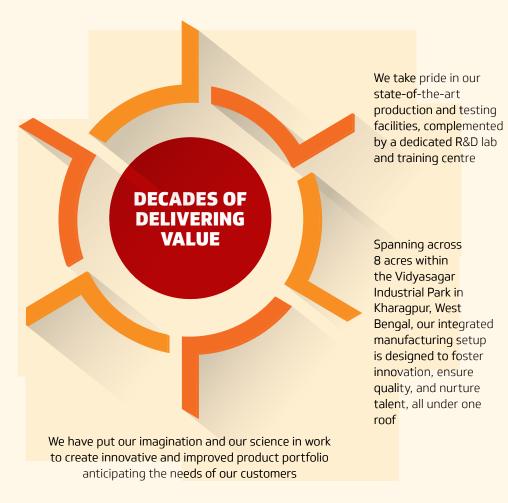
With a commitment to innovation and precision, Megatherm combines cutting-edge R&D, robust engineering, and global expertise to deliver energy-efficient, high-performance systems for heat treatment, forging, melting, and more.

Trusted by customers across diverse sectors and regions, the company is dedicated to excellence, sustainability, and continuous product advancement, ensuring reliable processes and future-ready solutions.

Over the decades, we have evolved to emerge as one of the leading players offering turney solutions in the foundry industry

Our unwavering commitment to quality has significantly strengthened our relationships with both vendors and customers, fostering greater trust and longterm collaboration

Our global footprint has significantly strengthened our brand equity, enhancing our visibility, credibility, and trust across international markets



DELIVERING VALUE
THROUGH OUR
COMPETITIVE
ADVANTAGES

One of India's emerging Company in the Indian induction industry with a strong focus on R&D and innovation

Operational flexibility is a key feature of our strategically located and well-integrated manufacturing site

Our backward integration capability plays a crucial role in strengthening our self-reliance by reducing dependence on outsourcing. This approach not only ensures greater control over our value chain, but also enhances our ability to offer cost-effective solutions to our customers

The Company has a growing product portfolio. The product reach and distribution too, are well diversified geographically with presence in India and 52 countries globally.

Capability to provide turnkey solutions and strong after-sale services along with spare parts

We collaborate with other renowned global players to develop safer, more efficient, and sustainable solutions and to efficiently market them.



# **OUR LEGACY**

As the founder and promoter of Megatherm Induction Limited (MIL) Mr. Shesadri Bhusan Chanda brings over four and half decades of diverse and invaluable experience to the table. His journey in the induction industry began in the mid 1980's and established the Company's existence in 1989 in Kolkata, West Bengal. Under his leadership, MIL has grown to become a prominent player in the induction industry. He is ably supported by Mr. Satadri Chanda, the Executive Director and CFO. whose strategic acumen and financial expertise continue to be instrumental in driving the Company's growth and stability.

# **OUR PURPOSE**

To maximise stakeholders' value through delivering best-in-class solutions aiming at energy efficiency, reliability, aesthetics and user friendliness within acceptable cost parameters.

# **OUR VISION**

To attain market leadership in all products and solutions that we provide.

# **OUR MISSION**

# **Product**

Continuous improvement and innovation in performance and quality.

# **Production and delivery**

To establish systems & processes most suitable for streamlining production and supply chain.

## Service

Align, engage, and serve to customers' delight.

### Resources

Investment in people, processes, systems, and technologies.



# **OUR VALUES**

We are driven by a core set of values that define who we are and guide our actions:



# **Customer Centricity**

Customers' delight is the core of our existence, and their needs will be the primary focus in all engagements.



# Commitment

We honour our commitments to all stakeholders.



# **Teamwork**

We feed off our mutual strengths and deal with adversities with sensitivity, trust, and abiding respect.



# **Agility**

We are agile and flexible in our approach and processes to address evolving market challenges.



# **Innovation**

We foster a culture of inquisitiveness and encourage diversity of ideas to reach optimum solutions.



# **CORPORATE SNAPSHOT**

# Wide array of offerings

Powered by our strong research and development capabilities, deep-rooted industry insight, and a sharp focus on customer needs, we have built a diverse portfolio of high-quality, innovative products. This has enabled us to meet a wide spectrum of demands across multiple industries with agility and precision. As markets and consumer preferences continue to evolve, we have consistently adapted and refined our offerings to stay ahead of trends and deliver lasting value.



# **Induction melting furnace**

- Electrical furnace used to melt iron and steel, copper, aluminium, and precious metals or make alloys of different compositions
- It finds application in industries such as automobile casting, DI pipe casting, Manganese steel casting, heavy engineering casting, casting of railway components, and metal roll manufacturing, among others.

### Induction billet heaters

- Heating of ferro-magnetic and austenitic quality steel billets to the forging temperature of 1200 – 1250 celsius.
- It finds application in heating of non-ferrous metals such as aluminium, copper and its alloys like brass and bronze.





### Induction hardening & heat-treating equipment

- Utilizes the principle of electromagnetic induction to produce heat inside the surface layer of the metal.
- It finds application in manufacturing air/gas cylinders, annealing of tube and pipe, pipe stress relieving, and heating of billets for tube manufacturing, among others.

### **Induction power source**

Converters accept multi-phase 50 Hz AC power from the grid, which
is rectified to DC and then inverted back into a single-phase medium
or high frequency AC power. Conversion process is effected through
Power Electronics Technology using Power Semiconductor Devices.





### **Transformers**

**Statutory Reports** 

- We manufacture converter transformers, electric arc and ladle refining furnace transformers, distribution transformers and power transformers.
- It finds application in induction melting / heating equipment, AC-DC drives, and industrial rectifier, among others.

# Ladle refining furnace

- To adjust the chemical composition & raise the temperature of molten metal.
- To hold the molten steel for casting operations
- Acts as a buffer between the steelmaking furnace and the continuous casting machines



# **Electric arc furnace**

- Melts all types of scrap irrespective of chemical composition or size and melts direct reduced iron (D.R.I) / Sponge Iron.
- It finds application in steelmaking and smelting of non-ferrous metal.

# Continuous casting machine (CCM)

- Converts liquid steel into cast semis of the desired size such as billets, blooms, slabs or strips.
- The liquid steel is poured into molds, where it solidifies into a shell. The shell is then pulled out by rollers and cooled further.





# Rail hardening machine

Used for heat treatment & hardening of rails with a power range is 200 kw - 300 kw.

# **Fume extraction system**

• Used to extract fumes emanating from melting furnaces due to burning of Silica / Slag / Impurities during the metal melting process.





# Message from the Director & CFO



## **DEAR SHAREHOLDERS,**

FY25 was a defining year for us at MIL, a year where transformation took deeper root across every aspect of our business. Our journey continues to be guided by a clear philosophy: invest today for a better tomorrow, to create a winwin proposition for all our stakeholders.

Throughout FY25, we focused on investing for future profitable growth, enhancing operational excellence, and streamlining our operations. These strategic initiatives have now been mostly completed and are expected to deliver strong, sustained growth

across all key performance indicators in the coming years. Despite facing a volatile demand landscape, we have managed to steer the company towards stability and growth. Our commitment to maintaining operational efficiency and implementing rigorous cost control measures has been a cornerstone of our strategy, allowing us to achieve our objectives and position ourselves for future success. Accelerating actions to lay the foundations for the future was primary milestone achievement for MIL in FY25.

At its core are four key pillars: an expanding and innovation-led product portfolio; strong brand equity built on trust and performance; robust infrastructure with in-house R&D, testing, & engineering capabilities and global collaborations; and a deep-rooted client network shaped over decades. This integrated foundation enabled us to stay closely connected with customers, deliver high-performance solutions at competitive prices, and deepen long-standing relationships. Each pillar advanced meaningfully during the year, reinforcing our commitment to creating lasting value for shareholders. In FY25, we took significant steps toward marking our presence in the solar transformer industry, strengthening our commitment to delivering greater value to our customers. By expanding our portfolio of value-added offerings and focusing on several new products, we elevated the quality and diversity of our solutions. Adapting to evolving customer needs, identifying niche opportunities, and driving growth have always been at the heart of our business philosophy. Today, our product portfolio has grown across diverse industries, each designed to meet the evolving needs of a wide range of industries.

In FY25, we took a significant step forward by successfully executing a key new international tie-up. We successfully executed a joint venture with Cyprium Induction LLC of USA. This strategic tie-up is important on multiple fronts. Firstly, it helps us facilitate the export of induction heating & melting equipment for the US market, ensuring our long-term revenue growth. Secondly, the tie-up enhances the brand value of MIL in the North American market and help us grow our presence. Lastly, its helps augment our growth strategy and build on our global presence.

Additionally, we have invested significantly in building core strengths across R&D, manufacturing, and sales & marketing. We strengthened our backward integration capabilities and expanded hyper-local spares support to improve efficiency and customer service. At the same time, we established sales

agencies in key international markets and actively participated in trade fairs and industry events, reinforcing our global presence and deepening engagement with customers worldwide.

# Focusing on our performance during FY25

We recorded a revenue of ₹3,205.10 million in FY25 as against ₹3,062.50 million in the previous year. In terms of profitability, we recorded a net profit of ₹213.10 million in FY25 as against ₹207.20 million in the previous year. Our EBIDTA witnessed a marginal dip of 0.89% in FY25 to stand at ₹357.20 million compared to ₹360.40 million in FY24. In FY25, our EBITDA and PAT margins saw a slight dip to 11.1% and 6.7% respectively, compared to 11.8% and 6.8% in FY24, primarily due to senior level recruitments for business growth and increased investment in marketing initiatives. Return on Capital Employed (ROCE) stood at 17.64% versus 23.27% in FY24, while Return on Equity (ROE) remained steady at 15%, reflecting our continued emphasis on capital efficiency and sustainable value creation. We also strengthened our capital structure by reducing our long-term debts by more than 45%, thereby optimised the debt-to-equity ratio from 0.30 to 0.23, reinforcing our financial resilience.

On the operational front, we made a significant stride by entering the renewable energy sector with the commissioning of our new facility at the Kharagpur site. This marks a strategic move into a high-growth segment and is expected to yield positive outcomes in the years ahead.

Our spirit of innovation remained strong in FY25, marked by key strides in high-frequency power sources and a new hybrid topology for induction melting. We successfully set up a dedicated mechanical integration facility at our manufacturing site and initiated the installation of a Copper and CRGO (Silicon Steel) processing unit, geared to meet 60% of our internal copper and core requirements. Following successful trial runs in FY25, this unit is set to go live in FY26. We also began establishing a Static Frequency Converter Cabinet

manufacturing unit, which is expected to be operational next year. These initiatives are designed to enhance process control, reduce reliance on outsourcing, improve cost efficiency, and maintain high product quality. As part of our ongoing cost optimisation efforts, we partnered with CANDI Solar in FY25 to source solar energy, an initiative aimed at significantly reducing our energy expenses. This step not only enhances our cost-efficiency framework but also aligns with our commitment to sustainable operations.

A key milestone during the year was the successful establishment of hyperlocal spares stocking points in strategic locations like Durgapur, Raipur, and Mandi Gobindgarh (Punjab). initiative not only improved supply chain control but also boosted spares sales and elevated customer service. More importantly, it laid a strong foundation for long-term growth and sustainability in this segment. In FY25, we began expanding this network to Chennai and Patna, with plans to extend our reach further to key markets such as Bangalore, Jamshedpur, Dubai, and Africa.

Looking ahead, we are actively building a robust product pipeline, with several innovative solutions planned for rollout over the next 2 − 3 years, reinforcing our commitment to cross the ₹500 crore topline mark with 9% − 10% PAT margin in the next couple of years. Today, our portfolio enables us to deliver a complete solution across several end-user industries, thereby ensuring precision, performance, and purpose in every application.

# Focus on sustainability

At MIL, sustainability is deeply embedded in how we operate and grow. This year, we've made significant progress in integrating ESG principles across our business. By regularly sharing data and updates on our ESG performance, we ensure transparency and accountability, empowering stakeholders to track our journey. Our commitment reflects a broader belief, that real change comes through shared responsibility and collective action. Our R&D efforts are also centred on

developing technologies that reduce emissions, and cut down water and energy consumption.

### Preparing for tomorrow

At MIL, we are future-focused and ready to seize the emerging opportunities. With increasing consumer preference for eco-friendly solutions and the government's push for sustainable practices, we are well-positioned to lead. Upcoming regulatory reforms further highlight the importance of quality and compliance, areas where MIL continues to set benchmarks.

Looking ahead, we are optimistic about building on our momentum by capitalising on favourable market conditions. At MIL, we are fully prepared to harness this momentum. Our focus will remain on driving overall revenue growth while maintaining healthy gross profit margins. Strategic initiatives like expanding our international sales with new product lines and partners, enhancing capacity utilisation, and strengthening backward integration will further reinforce our cost efficiency. With a leaner balance sheet, improved working capital management, and an end-to-end manufacturing setup powered by sustainable practices, we are well-positioned for long-term, profitable growth.

Our commitment to the 'Make in India' movement remains unwavering. Driven by manufacturing excellence, we continue to strengthen self-reliance while delivering high-quality, costeffective solutions.

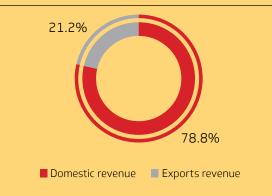
As we prepare for a promising year ahead, I would also like to thank our shareholders and partners for their trust and support. As we embark on this exciting journey, I am optimistic about the future and are committed to building a stronger, more resilient company that is well-positioned to capitalise on emerging opportunities and deliver sustained growth. Thank you for your continued support and confidence in our company.



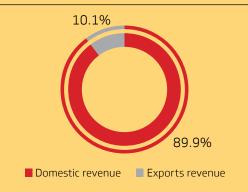
# Creating sustainable value

Through integrated excellence. Demonstrated by our growing numbers

Region-wise revenue breakup in FY24



Region-wise revenue breakup in FY25



Our focused strategy of expanding capacity and broadening our product portfolio has been instrumental in driving strong financial growth. By introducing a range of value-added products, we not only enhanced our market presence but also achieved meaningful gains in orderbook, revenue, and overall profitability

# **FINANCIAL METRICS**

₹32,050.84 lac

Revenue in FY25

₹3,571.70 lac

EBIDTA in FY25

₹2,130.55 lac

PAT in FY25

31.08%

CAGR growth in revenue over the last 5 years

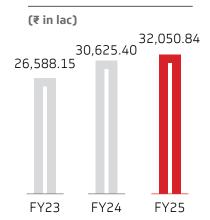
30.87%

CAGR growth in EBIDTA over the last 5 years

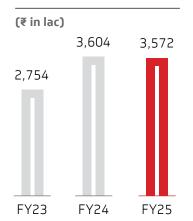
77.87%

CAGR growth in PAT over the last 5 years

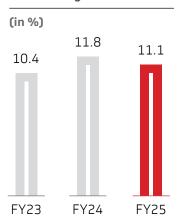
# **Total revenue**



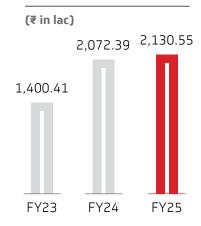
# **EBIDTA**



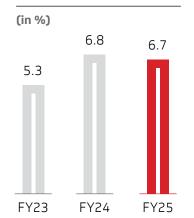
# **EBIDTA Margin**



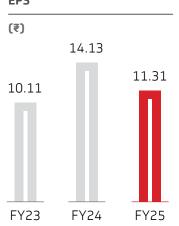
# **PAT**



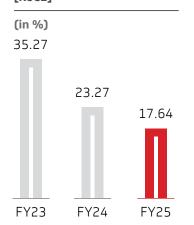
# PAT Margin



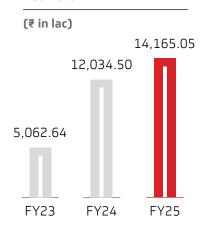
EPS



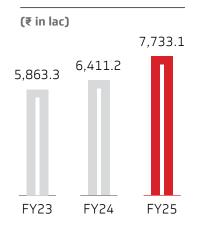
# Return on Capital Employed [RoCE]

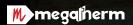


Net worth



# **Net fixed-assets**

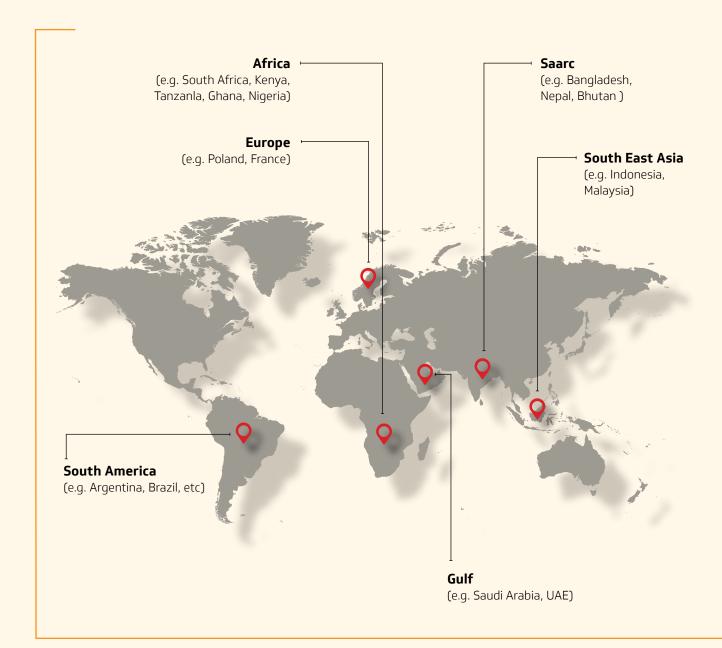




# Accelerating growth.

By our growing presence.

Headquartered in Kolkata, India, Megatherm Induction Limited operates a world-class manufacturing facility in Kharagpur, spanning an impressive 3,92,040 sq. ft. With a growing global footprint, we remain dedicated to strengthening our brand presence through a diverse range of high-quality products. As we look ahead, our focus is on expanding our portfolio with innovative solutions and value-added components to drive export growth and meet evolving customer needs worldwide.







# DISTINGUISHED CLIENTELE.

# Addressing the needs of diverse industries.

We have strengthened our position as a trusted partner by consistently delivering innovation, maintaining the highest quality standards, and upholding unwavering regulatory compliance.

At MIL, we proactively align our capabilities to meet the evolving needs of our customers. Our diverse manufacturing portfolio includes electrical induction melting furnaces, billet heaters, power sources, and heat treatment systems, along with transformers, ladle refining furnaces, electric arc furnaces, continuous casting machines, rail hardening equipment, and advanced fume extraction systems. Designed to serve a wide array of applications, these solutions help us cater to leading players across power, automotive, and manufacturing sectors, reflecting our commitment to excellence across industries.



# **OUR ESTEEMED CLIENTELE**













Annual Report 2024-25























































**Creating New Opportunities.** 

# By forging new partnerships.

Driven by a powerful vision to become a globally recognised name in the realm induction industry and its related products, we embarked on an exciting new chapter in FY25. We proudly joined forces through a Joint Venture with Cyprium Induction of USA, a partnership that we believe will significantly propel us towards realizing this ambition.

This strategic partnership brings together Cyprium's decades of industry expertise in custom coil design and repair, with MIL's globally trusted legacy in high-efficiency induction heating systems. By joining forces, the two companies are poised to raise the bar for performance, reliability, and delivering customer-centric solutions across the North & South American industrial landscape.

This strategic alliance isn't just about expansion; it's about laying a robust groundwork for enduring business success and opening up exciting new avenues for revenue growth.

In this collaboration, MIL will take the lead on manufacturing and providing technical expertise, while Cyprium will be responsible for marketing, installation, and after-sales service, ensuring a seamless and value-driven experience for customers at every stage.

Bound by innovation, the JV is well-positioned to capture market opportunity.

Cyprium brings in their technology knowhow, on-ground expertise and service support

MIL brings in cost competitiveness, domestic market knowledge and strong business relations This collaboration enables us to offer end-to-end support, right from providing advanced equipment to managing the entire lifecycle of coils, ensuring seamless performance, greater efficiency, and long-term value for our customers

This JV is expected to provide us a perfect launch pad to further strengthen our presence as one of the leading global suppliers of induction power supplies and heating systems.

Financial Statements



# Growing global presence

We are focused on expanding our global footprint through a focused export growth strategy. By actively participating in international exhibitions, trade fairs, and featuring in global industry publications, the Company is enhancing brand visibility across key markets. Strategic partnerships and tie-ups with sales agencies are being established in regions such as Turkey, the USA, Mexico, South America, South Africa, and Southeast Asia. With product presence already established in the UK and increasing interest from the USA and Europe, these efforts are expected to significantly accelerate export sales in the near future.



# POISED FOR GROWTH

# MIL's investment value proposition

Our diversified product portfolio, commitment to innovation, financial strength and consistent shareholder returns make MIL a compelling investment opportunity.

Our Company's resilience and adaptability in a dynamic market environment position us well for sustained growth and value creation.

# DIVERSIFIED AND STRONG BUSINESS PROFILE

At MIL, we serve the requirement of a wide range of customers across industries such as power, automobiles, steel, ordnance, railways, pipe and manufacturing, among others. Today, we are a trusted supplier of high-quality upstream and downstream equipment and machinery for steel plants. Over the years, we have built strong capabilities in managing complex manufacturing processes and delivering precision-engineered products. Our comprehensive service offerings include turnkey solutions for steel plants, right from design and engineering to supply, erection, and commissioning of steel melt shops. We also provide reliable after-sales support for maintenance contracts and a timely supply of spare parts, ensuring smooth and uninterrupted operations for our customers. This balanced portfolio allows us to navigate market fluctuations more effectively, reducing dependence on any single category.

# **RESEARCH & DEVELOPMENT**

# Innovation is at the heart of everything we do

Our commitment to innovation is evident in the continuous development of advanced materials and sustainable technologies. Our Company invests significantly in research and development to enhance product performance and environmental sustainability, ensuring a competitive edge in the market.

We remain at the forefront, with innovations tailored to evolving industrial and customer requirements. Our offerings include induction melting furnaces, induction heating & hardening equipment, transformers, ladle refining furnaces, continuous casting machines, and fume extraction systems, among others. This momentum is powered by deep technical expertise and our experienced workforce.

Some upcoming technology adoption

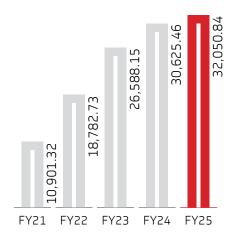
- Dual Mode Inverter
- Hybrid Panel
- Al Panel
- Zero Voltage Drop Design

# PROTECTING BUSINESS AND BUILDING RESILIENCE

MIL has consistently shown remarkable resilience, navigating market ups and downs with confidence and foresight. By strategically diversifying across sectors, products and geographies, we've built the agility to respond swiftly to shifting market dynamics, ensuring not just stability, but sustained growth.

# Revenue growth

(in ₹ lac)



MIL's diverse presence across geographies, products, and sectors empowers it to effectively navigate market fluctuations. This strategic breadth not only cushions against uncertainty but also lays a strong foundation for sustained growth and long-term stability in the everevolving industry space.

# CREATING LONG-TERM STAKEHOLDER VALUE

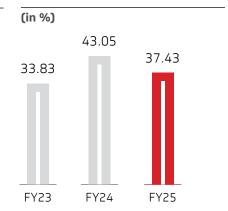
At MIL, we take pride in our legacy of delivering consistent value to our shareholders, a testament to our strong financial performance and unwavering focus on long-term growth. In FY25, we continued to strengthen our financial foundation through disciplined capital allocation and steady performance. Our growing net worth and fixed-assets underscore the company's resilience and focus on long-term value creation. These outcomes reflect our commitment to sound financial management and sustained value delivery to our shareholders.

# **Debt-equity ratio**

Statutory Reports



# Return on Assets (RoA)



# FINANCIAL STRENGTH AND STABILITY

MIL maintains a robust financial position with an optimal capital structure. We balance debt and equity to support growth initiatives while managing financial risks. Our Company's debt-to-equity ratio has improved, indicating prudent financial management.

MIL's well-balanced capital structure and strengthened debt-to-equity ratio reflect our prudent financial management and strong foundation for sustained future growth. These improvements not only underscore our fiscal responsibility but also reaffirm our readiness to seize new opportunities with confidence.







# POISED FOR GROWTH

# Propelled by our manufacturing excellence

We have remained deeply committed to delivering quality and reliability as we develop advanced technology products tailored to diverse end-user industries. Aligned with the spirit of 'Make in India,' our efforts are focused on building a strong and future-ready manufacturing facility that not only meets the evolving needs of the domestic and international market but also reinforces our presence on the global stage of the induction industry.

# **KEY FOCUS AREAS**

Product innovation and quality | Resilient supply chain | Safetyfirst manufacturing | Global expansion and collaboration

₹**35,000 lac** 

**40**tonne induction furnace &

**60**tonne ladle refining furnace deliver in India, largest ever supplied in India.

With a strategically located facility, we are well-positioned to handle high-volume, long-term deliveries for our domestic and global customers. Backed by robust infrastructure, we remain agile and responsive to changing order dynamics, ensuring seamless throughput, regulatory

compliance, and on-time delivery. As demand continues to rise, our plant is finely tuned to sustain consistent output while upholding the highest standards of quality, efficiency, and reliability.

# ENHANCING SUPPLY CHAIN RESILIENCE

A steady and reliable supply of raw materials is vital to keeping our operations running smoothly. To ensure this, we closely monitor inventory levels and maintain essential stock thresholds that safeguard against potential disruptions. Our approach is proactive and forward-thinking, allowing us to effectively manage risks arising from logistical challenges or global uncertainties, ensuring business continuity and consistent performance.

# **BOLSTERING BACKWARD** INTEGRATION

As part of our backward integration strategy, we have successfully completed the mechanical integration setup, equipped with advanced machinery including plasma cutters, heavy-duty cranes, lathes, drills, shapers, and milling equipment. We have also begun in-house processing of copper and CRGO (silicon steel) after successful trials, with the aim of meeting up to 60% of our internal requirements. Additionally, the development of a dedicated facility for Static Frequency Converter Cabinet manufacturing is underway, further enhancing our self-reliance and operational efficiency.

# **BUILDING ON OUR IN-HOUSE TESTING**

We continue to strengthen our inhouse testing capabilities to ensure the highest standards of quality, reliability, and compliance across our product range. By investing in advanced testing infrastructure and processes, we are enhancing our ability to validate performance, accelerate product development, and meet stringent customer and regulatory requirements. This focus on robust internal validation not only supports innovation but also reinforces our commitment to delivering trusted, high-performance solutions.

# **EXPANDING CAPACITIES. GROWING FROM STRENGTH TO** STRENGTH

We are taking thoughtful and strategic steps to bolster our manufacturing capabilities for the future. With the successful expansion of our existing facilities and the upcoming expansion of new ancillary & storage units, we are poised to significantly enhance our production capacity. This progress has also enabled us to make a meaningful entry into the renewables sector by developing the capability to manufacture inverter duty transformers. On the quality and compliance front, we are actively pursuing key certifications, including Central Power Research Institute\* (CPRI) for the transformer industry, Conformité Européenne (CE) certification for Europe, and Underwriters Laboratories (UL) certification for the US, to ensure our products meet global standards and open doors to high-potential international markets, especially in Europe and North America.

In today's technology-led era, we are embracing smart automation and real-time intelligence to drive greater efficiency and responsiveness across our operations. By leveraging technologies like advanced scheduling tools and real-time data monitoring, we are enhancing inventory management and streamlining logistics with precision. Further, our process automation initiatives are helping us to simplify routine tasks, while date driven analytics are enabling proactive and data-driven decisions, ensuring we remain agile, resilient, and ready for the future.

We focused on expanding our transformer manufacturing capacity with Eastern India's largest facility, set to commission in Q1 FY26. With an initial capacity of ₹150 crore, scalable to ₹200+ crore, it will produce advanced transformers up to 50MVA, 132kV. We are currently pursuing CPRI certification and expect to receive within FY26.

Driven by the success of our energy-efficient Green Furnace, we're expanding induction melting capacities in West and South India. With advanced systems commissioned and major orders from top steelmakers, including India's largest-ever 40T Induction and 60T Ladle Refining Furnaces, we continue to lead in product innovation and market reach.

# **QUALITY ASSURANCE AND COMPLIANCE**

Our manufacturing processes adhere to stringent quality management standards, ensuring product reliability and safety. With a certified Quality Management System (QMS), we hold accreditations like ISO 9001:2015 (Quality Management System), ISO 14001:2015 (Environmental Management System), and ISO 45001:2018 (Occupational Health & Safety Management System) to grow our presence in the export markets. Through rigorous testing conducted by our in-house testing laboratories, we uphold our commitment to delivering products that make a difference.

# CREATING LOCAL SUPPORT SYSTEM

To strengthen customer service and boost spares sales, we have established hyperlocal stocking points in Durgapur, Raipur, and Mandi Gobindgarh, with Chennai and Patna underway. Looking ahead, we plan to expand this network to Bangalore, Jamshedpur, Dubai, and Africa, ensuring faster access to critical spares and improved service responsiveness across key markets.



# **OUR BUSINESS MODEL**

# Fostering growth with enduring value creation

### **INPUTS**



# Financial capital

Equity share capital: ₹1,884.07 lac | Net worth: ₹14,165 lac



# Manufacturing capital

1 manufacturing unit spread across 8 acres

Capital expenditure: ₹ 1,633.50 lac | Gross block of fixed assets: ₹9.400.86 lac



# Intellectual capital

R&D knowledge, intangible, knowledge-based assets

- 1 state-of-the-art in-house testing lab
- 10 members testing team
- 1 certification



# **Human capital**

305 employees on payroll



# Social and relationship capital

₹ 36.40 lac CSR spends



### Natural capital

Natural resources used in our manufacturing and day-to-day operations.



# **Primary inputs**

















The journey from raw inputs to valuable outputs is guided by a carefully designed and thoughtfully executed process, ensuring precision, quality, and efficiency at every step

# **Products portfolio**

Induction melting furnace, induction billet heaters, induction hardening & heat-treating equipment, induction power source, transformers, ladle refining furnace, electric arc furnace, continuous casting machine (CCM), rail hardening machine, fume extraction system



# **Products portfolio**



**Primary Steel producers** (involved in conversion of iron ore into sponge iron & amp; subsequent conversion into steel)



Secondary Steel producers (involved in scrap recycling)

Refractory-lined vessel is used as the furnace



**Auto ancillaries** 



DI pipe producers and diverse engineering industries



📸 Ordnance factories & Railways

# Key enablers of our business growth

Research & development: A robust culture of innovation and a dedication to product differentiation fuel the development of groundbreaking new products.

**Quality management:** Sustained growth necessitates rigorous quality management to maintain desired product quality from inception to completion.

Relationship management: Foster strong client relationships through consistent attention to their needs.

After sales service: We provide comprehensive after sale support, encompassing maintenance contracts and spare parts supply, to ensure enduring customer service.

### **OUTPUT**

## Financial capital

₹32,050.84 lac Revenue

**₹2,130.55 lac** 

# Manufacturing

Order book size ₹35,000 lac in FY25

### Intellectual

Expanded our presence in the Green furnace manufacturing and transformers

### Human

# Zero

injury incident reported in FY25

### Zero

complaints of sexual harassment

# Social and relationship

₹11.31

earnings per share

### **OUTCOMES**

### **Financial**

- Improved financial stability and resilience
- Sustained shareholder value creation to maximise returns
- Investment for future growth
- Expansion in new segments

## Manufacturing

- State-of-the-art facilities for efficient production & quality control
- Expansion in new segments for efficiently addressing customer needs
- Flexibility & reduced reliance on outsourcing
- Improved safety & operational efficiency

### Intellectual

- Expanded our presence in the green furnace manufacturing and transformers
- Diversified product portfolio
- New opportunities through technological developments
- Partnerships for growing presence
- Development of in-house processes to reduce external dependency

### Human

- Creating a safe working environment
- Building a high-performing workforce
- Empowering & supporting employees
- Recruiting & retaining top talent
- Fostering a collaborative & engaging workforce
- Workplace safe work environment for all employees

# Social and relationship

- Enhanced communication and transparency
- Improved quality of life
- Increased community engagement
- Enhanced skills and employability
- Increased customer retention rate

### **Natural**

- Focused on minimising environmental footprint
- Focused on reducing emission
- Improved water management
- Focused on protecting biodiversity and environment



# TRANSFORMING OUR FUTURE

# Backed by an agile and empowered workforce

The development and retention of high-quality people with the curiosity and ability to challenge conventional thinking and to further innovation ultimately determines the success of our business. Central to our philosophy is self-led development with extensive learning resources made available to our people.

We firmly believe that our people are the cornerstone of our success. By prioritising their growth and development, we strive to foster a supportive and inclusive work environment, one that nurtures a strong sense of belonging and inspires every individual to contribute meaningfully towards our shared goals.



# **TALENT MANAGEMENT**

We are committed to harnessing the combined strength of our brand and our people. With a focus on strategic talent acquisition, we actively encourage employee referrals, an approach that not only strengthens our recruitment pipeline but also reinforces our reputation as an employer of choice. We also tap into young talent through campus

hiring, infusing our teams with fresh perspectives and agility that enrich our organisational culture.

To retain top talent, we offer competitive compensation packages that go beyond salaries to include health insurance, performance bonuses, and work-life balance. Our robust internal career development framework empowers individuals to

grow within the organisation. Backed by a diverse product portfolio and a dynamic business environment, we ensure our employees have meaningful opportunities to advance their careers across various verticals.

During FY25, we hired 18 new people to boost our sales and marketing team.

# **WELLBEING AND SAFETY**

Our senior management worked on embedding safety as a value in FY25, recognising that while priorities change, our values endure and guide how we behave. Through tailored programmes, more than 78 employees (including the leadership team) have collectively undertaken over 18 hours of safety training aimed at building confidence around safety leadership and driving debate on safety.

We ensure environmentally compliant, safe and healthy working conditions.





# A COLLABORATIVE AND SUPPORTIVE WORKPLACE

We embrace our differences, nurturing an inclusive and supportive culture where everyone feels valued, respected and empowered to contribute. Employee-led diversity and inclusion programs support us in raising awareness, creating connections, and ensuring that all aspects of diversity are considered in decision-making.

We firmly believe that diversity and inclusivity are not just values, they are the very foundations of our strength. Guided by this conviction, we strive to attract exceptional talent and foster a workplace culture that thrives on innovation and mutual respect. In line with this vision, we recently introduced two key initiatives designed to deepen inclusivity across our organisation.



# **KEY EMPLOYEE INITIATIVES AND ACHIEVEMENTS - FY 2024-25**

During the financial year 2024–25, the Company undertook several strategic initiatives focused on building organizational capability, driving operational excellence, and fostering a performance-driven and inclusive culture. Key highlights are as follows:

# CAPABILITY DEVELOPMENT AND TALENT MANAGEMENT

In FY25, we aligned performance with business goals through structured KRA/KPI frameworks and trained over 40% of employees across key skill areas. Assessment-based promotions were introduced to support internal growth. We strengthened our workforce with 35 new hires, onboarded GETs through campus drives, engaged 30 ITI apprentices under NAPS, and standardized onboarding for smoother integration.

# EMPLOYEE ENGAGEMENT AND RECOGNITION

In FY25, we enhanced employee engagement through initiatives like the "Buddy System" for smooth onboarding, "High 5" for peer recognition, and ongoing programs such as "Employee of the Month" and "Best Workplace". We also organized quarterly engagement events and leadership forums to foster team spirit, transparency, and open communication.







# **DIVERSITY AND INCLUSION**

In FY25, we laid the groundwork for several key diversity and inclusion initiatives. This included developing the roadmap for "ForgeHer," a strategic effort to onboard women engineers at our Kharagpur facility, with a formal launch set for FY 2025–26. We also strengthened our commitment to age diversity, fostering a vibrant multigenerational workforce. To support crossgenerational learning and leadership development, we prepared a structured mentoring and reverse mentoring framework for rollout in the coming year.

# DIGITALIZATION AND PROCESS AUTOMATION

We collaborated with IT and Finance teams to enhance SAP B1 adoption across functions, improving data flow and efficiency. The HRIS platform was upgraded with an Employee Self-Service (ESS) system, simplifying processes like attendance, payroll, and leave management. Additionally, an internal IT Infrastructure and ERP Utilization Committee was formed to bolster system security, data integrity, and digital governance.

## **COMPLIANCE AND GOVERNANCE**

We revised and published an updated HR Policy Handbook aligned with evolving statutory norms, including POSH and the Code of Conduct. Multiple awareness sessions were conducted across units on EHS, POSH, and workplace ethics. Additionally, we supported Board Committees with workforce analytics and compliance data, aiding Audit, CSR, and Nomination & Remuneration Committees.









# EMPLOYEE WELFARE AND INDUSTRIAL RELATIONS

We fostered a harmonious and collaborative workplace by encouraging regular dialogue between factory workers and management, building trust, and addressing concerns proactively. Complementing this, we introduced welfare initiatives such as preventive health check-ups, PF & ESIC helpdesks, enhanced canteen hygiene, and safety training, reinforcing our commitment to employee well-being and a safe, inclusive work environment.

# PROJECT EXECUTION SUPPORT AND SERVICE EXCELLENCE

We introduced structured training modules with deployment tracking for newly inducted Service GETs to ensure consistent technical preparedness. Additionally, we enhanced performance monitoring of service engineers through well-defined metrics aligned with AMC revenue and customer satisfaction.



#### POISED FOR A CUMULATIVE GROWTH

# Our Sustainability Approach and Strategy

As the benchmark for excellence continues to rise, sustainability has become a key measure of our success. We are committed to advancing our performance across Environmental, Social, and Governance (ESG) pillars as we work towards becoming a respected global leader in the induction industry.

Guided by our vision to be a forward-thinking solution provider, we place unwavering emphasis on safety, quality, and reliability. Our efforts are focused not only on creating innovative technologies but also on making a meaningful difference, protecting the environment, uplifting communities, and upholding the highest ethical standards in everything we do.





#### **CORNERSTONES OF OUR ESG STRATEGY**

The four strategic pillars of our ESG strategy guide us to create a positive impact on the environment and society, where stakeholders can find value and the business can create growth.

### Innovating sustainable operations

We focus on reducing climate risks by cutting emissions, improving energy efficiency, and using renewable energy.

### Reinforcing safety and well-being

We prioritise workforce safety through strict standards while continuously enhancing the safety and reliability of our products.

### Enhancing employee growth

We are committed to growing our workforce by nurturing a culture that values employee engagement, upholds human rights, and embraces diversity and inclusion at every level.

### Sustaining long-term relationship

We are committed to growing our workforce by nurturing a culture that values employee engagement, upholds human rights, and embraces diversity and inclusion at every level.

#### **OUR FOCUS AREAS**

Our ESG strategy is built on four strategic pillars, each further refined into 12 focused areas that deepen our commitment to sustainable growth and community well-being. These focus areas reflect a broad range of stakeholder priorities, enabling us to channel our efforts more effectively and create a meaningful, positive impact.







### Awards & accolades



Manufacturing and MSME Conclave 2022 **Green Manufacturing** of the year



40 Under 40 Achievers of the Year 2023

Award for among the most innovative and influencial leader under the age of 40 by Times Group



Manufacturing and MSME Conclave 2022 **Business Excellence Award** 



Star Performer of the Year 2012-2013 Award for Export Excellence 2012-13 EEPC India, Eastern Region



Star Performer of the Year 2007-2008 Award for Miscellaneous General Purpose Machinery, EEPC India, Eastern Region

#### **OUR CSR COMMITMENT**

## **Caring for Communities**

Our CSR efforts in FY25 focused on creating meaningful and lasting impact across key areas. We promoted quality education and healthcare access, supported animal welfare initiatives, and empowered underprivileged children through sports-based development programs. These initiatives reflect our commitment to building a more inclusive, compassionate, and healthier society.









Annual Report 2024-25



#### **WE ARE GUIDED BY**

### **Our Board of Directors**



**Mr. Shesadri Bhusan Chanda** Chairman & Managing Director

Mr. Shesadri Bhusan Chanda has been with the company since its inception. He earned his Bachelor of Electrical Engineering from Jadavpur University in 1977, graduating as a gold medalist and top of his class, while also receiving numerous awards. Mr. Chanda has gained extensive experience working in multinational companies and has been a pioneer in introducing Induction Heating & Melting

technology in India. He has trained many professionals in this field and played a key role in the growth of this industry in the country. With around 45 years of experience in the Induction, Electrical, and Metallurgical industries, he oversees the overall business operations of the company, including strategic planning, operations, finance, and policy formulation for business development.



**Mr. Satadri Chanda**Chief Financial Officer (CFO) &
Director

Mr. Satadri Chanda serves as a promoter, whole-time director, and CFO of our company. He earned his Bachelor of Technology in Electronics and Communication Engineering from West Bengal University of Technology in 2012 and his Master of Science in Industrial and Systems Engineering from Virginia Polytechnic Institute and State University, USA, in 2014. Mr. Chanda has two years of

experience in KPMG's Management Consulting (Strategy & Operations) division and over seven years of experience in the induction, electrical, and metallurgical equipment industry. He has been instrumental in formulating and implementing strategies and plays a pivotal role in business development, diversification, sales, administration, and finance functions of the Company.



**Ms. Christina Paul Chowdhury**Non-Executive Director

Ms. Christina Paul Chowdhury earned her Master of Business Administration with a specialization in Marketing from Christ University, Bangalore, India, in 2015. Additionally, she holds a Master of Science in Business with a focus on Marketing from Virginia Commonwealth University, USA. With over seven years of experience in marketing and business promotion, Christina oversees the marketing and digital presence of the Company.



**Mr. Shravan Manjaya Shetty** Independent Director

Mr. Shravan Manjaya Shetty joined the Board on 20th December, 2024 as an Additional Independent Director for a term of 5 years. He is an MBA – Finance & Operations and Bachelor of Electronics & Telecommunication Engineering. He has about 20 years of diversified experience, 3 years of experience of heading a company. He has worked with more than 30 clients across 6 countries. He has experience in developing and implementing customer-centric strategy for revenue enhancement and cost reduction (including digital) for companies across sectors especially in BFSI Space. He has experience in handling complete P&L of a company while driving growth both organically and

through local and global partnerships. He has experience in designing platforms leveraging emerging digital technologies to enhance customer experience and target exponential growth. He was trained in global customer experience methodologies and the emerging field of Al i.e. Deep learning. He was the winner of Aditya Birla Scholarship (2005), for academic & leadership excellence (Awarded to only 10 students across top 4 IIMs). He has exposure to new concepts & approaches e.g. Fin-tech, Digital platforms, Design thinking, Blockchain etc. He has exposure to multiple prototyping and software technologies like Marvel, Sketch, SAP, SFDC, Oracle, Solidworks etc. Presently he is associated with Primus Partners Private Limited as a Managing Director for providing Financial Services.



**Mr. Ankit Rathi** Independent Director

Mr. Ankit Rathi joined the Board on September 16, 2023, following an Extraordinary General Meeting, for a term of two years. He is a certified member of the Institute of Chartered Accountants of India and has approximately eight years of post-qualification experience in auditing. Currently, he serves as a partner at A D V & Associates, a chartered accountancy firm based in Mumbai.



## **Corporate Information**

#### **BOARD OF DIRECTORS**

Mr. Shesadri Bhusan Chanda,

Chairman & Managing Director

Mr. Satadri Chanda,

Whole-Time Director and CFO

Ms. Christina Paul Chowdhury,

Non-Executive Woman Director

Mr. Ankit Rathi,

Independent Director

Mr. Siddhartha Sen,

(tenure completed on 5th January, 2025)

Mr. Shravan Manjaya Shetty

Independent Director (w.e.f. 20th December, 2024)

#### **AUDIT COMMITTEE**

Mr. Shravan Manjaya Shetty, Chairman

Mr. Ankit Rathi, Member

Mr. Shesadri Bhusan Chanda, Member

#### STAKEHOLDER RELATIONSHIP COMMITTEE

Mr. Shravan Manjaya Shetty, Chairman

Mr. Shesadri Bhusan Chanda, Member

Ms. Christina Paul Chowdhury, Member

#### **NOMINATION & REMUNERATION COMMITTEE**

Mr. Shravan Manjaya Shetty, Chairman

Mr. Ankit Rathi, Member

Ms. Christina Paul Chowdhury, Member

### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Shesadri Bhusan Chanda, Chairman

Mr. Shravan Manjaya Shetty, Member

Mr. Satadri Chanda, Member

#### **INTERNAL COMPLAINTS COMMITTEE**

Ms. Shaswati Datta, Presiding Officer

Mr. Suman Panja, Member

Ms. Abanti Saha Basu, Member

Mr. Kallol Dutta, External Member

#### **CHIEF FINANCIAL OFFICER**

Mr. Satadri Chanda

#### **COMPANY SECRETARY**

Ms. Abanti Saha Basu

#### **STATUTORY AUDITORS**

#### MSKA & Associates

Chartered Accountants

Floor 4, Duckback House, 41, Shakespeare Sarani, Kolkata 700017

#### **INTERNAL AUDITORS**

#### MATR & Associates

Room No 501, 5<sup>th</sup> Floor, Karnani Mansion, 25A, Park Street, Kolkata – 700 016

#### SECRETARIAL AUDITORS

M/S. Anjan Kumar Roy & Co.,

**Company Secretaries**, GR 1, Gouri Bhaban,

28A, Gurupada Halder Road, Kolkata – 700026

#### **COST AUDITORS**

#### Amit Khetan & Co.

Cost Accountants

16/1A Abdul Hamid Street,

(Formerly Known as British India Street)

Unit:- 6D, 6th Floor, Kolkata:- 700 069

#### **REGISTERED AND CORPORATE OFFICE**

#### Megatherm Induction Limited

Plot- L1 Block GP, Sector V, Electronics Complex

Salt Lake City Kolkata-700091

#### **MANUFACTURING UNIT**

Plot H 1, Vidyasagar Industrial Park,

Village: Rupnarayanpur, Post: Jakpur, Kharagpur – 721301

#### **REGISTRAR AND SHARE TRANSFER AGENT**

#### **Bigshare Services Private Limited**

S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre,

Mahakali Caves Road, Andheri (East), Mumbai – 400 093. Maharashtra

Website of the Company: <a href="https://megatherm.com">https://megatherm.com</a>

Investor E-mail: cs@megatherm.com /

investor@bigshareonline.com

CIN: L31900WB2010PLC154236

Financial Year: 1st April, 2024 to 31st March, 2025

**NSE Symbol:** MEGATHERM

**ISIN:** INE531R01010

#### **LISTING OF EQUITY SHARES**

#### National Stock Exchange of India Ltd.

Exchange Plaza, Plot no. C/1, G Block,

Bandra-Kurla Complex, Bandra (E) Mumbai - 400 051.

#### **BANKERS**

Indian Bank

Yes Bank

#### **LEGAL ADVISORS**

#### JSG Legal, Advocates and Solicitors

Unit 917, 9th Floor, Delta House,

4. Government Place (N), Kolkata-700001

#### **DIRECT TAX CONSULTANTS**

Khaitan & Co. LLP

Emerald House, 1B Old Post Office Street, Kolkata 700001

#### **INDIRECT TAX CONSULTANTS**

#### **Deloitte Haskins & Sells Chartered Accountants LLP**

13 & 14th Floor, Building - Omega

Bengal Intelligent Park, Block EP & GP Sector - V, Salt lake Electronics Complex, Kolkata - 700 091

### Notice of Annual General Meeting

#### Dear Member(s),

Notice is hereby given that the 15th Annual General Meeting of the Members of **Megatherm Induction Limited (CIN:** L31900WB2010PLC154236) will be held at 11:30 A.M. on Friday, 29th August, 2025 through Video Conferencing/ Other Audio Visual Means (VC/OAVM) facility at the deemed venue i.e. at Registered Office of the Company at Plot- L1 Block GP, Sector V, Electronics Complex, Saltlake City, **Kolkata-700091** to transact the following business:

#### **ORDINARY BUSINESS**

Item No. 1

#### Review and Adoption of Audited Financial Statements for the financial year ended 31st March, 2025

To receive, consider and adopt the audited Financial Statements of the Company comprising the Balance Sheet for the year ended 31st March, 2025, Statement of Profit and Loss for the financial year ended 31st March, 2025 together with the Directors' Report and Auditors' Report thereon.

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

"RESOLVED THAT the Audited Financial Statements of the Company comprising the Balance Sheet as at 31st March 2025, Statement of Profit & Loss Account and Cash Flow Statement for the year ended on that date, together with the Report of the Board of Directors and Auditors thereon as placed before the meeting, be and are hereby received, considered and adopted."

#### Item No. 2

#### Appointment of Director in the place of retiring Director

To appoint a Director in place of Mr. Shesadri Bhusan Chanda, who retires by rotation and being eligible, offers himself for re-appointment.

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

"RESOLVED THAT pursuant to the provisions of section 152 of the Companies Act, 2013 and rules made thereunder (including any statutory modification and re-enactment thereof) and other applicable provisions, if any of the Companies Act, 2013, Mr. Shesadri Bhusan Chanda (DIN 00961593) who is liable to retire by rotation and being eligible has offered himself for appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

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#### **SPECIAL BUSINESS**

Item No. 3

To ratify the remuneration of the Cost Auditor for the financial year 2025-26.

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

"RESOLVED THAT pursuant to Section 148 of the Companies Act, 2013 and all other applicable provisions of the Act read with Companies (Audit and Auditors) Rules, 2014, the remuneration of M/s. Amit Khetan & Co., Cost Accountants, (Firm Registration Number 102559), Cost Auditor of the Company for the financial year 2025-26 as appointed by the Board of Directors at a remuneration of ₹55,000/- (Rupees Fifty-five Thousand only) plus taxes & re-imbursement of out-of-pocket expenses, to be paid to M/s. Amit Khetan & Co., Cost Accountants, (Firm Registration Number 102559), be and is hereby confirmed and ratified."

#### Item No. 4

To reappoint and re-designate Mr. Shesadri Bhusan Chanda (DIN: 00961593) as Chairman and Managing Director of the Company.

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

"RESOLVED THAT subject to provisions of Section 2(54), 117(3)(c), 179, 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and rules made thereunder (including any statutory modifications or re-enactment(s) thereof for the time being) read with Schedule V of the Companies Act, 2013 and Articles of Association of the Company, upon recommendation of Nomination & Remuneration Committee and on approval of the Board of Directors of the Company, the consent of the Shareholders of the



Company be and is hereby accorded to reappoint Mr. Shesadri Bhusan Chanda (DIN 00961593) as Chairman & Managing Director of the Company, whose period of office shall be liable to retire by rotation, for a period of 3 (three) Years with effect from January 05, 2026 during which he will attain the age of seventy years as well as the payment of salary and perquisites (hereinafter referred to as "remuneration"), upon the terms and conditions as detailed by the Nomination & Remuneration Committee and Board of Directors, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said reappointment and/ or agreement in such manner as may be agreed to between the Board of Directors and Mr. Shesadri Bhusan Chanda.

**RESOLVED FURTHER THAT** subject to the limits contained in Section 197 read with Schedule V of the Companies Act, 2013, Mr. Shesadri Bhusan Chanda, Chairman & Managing Director, be paid remuneration on terms recommended by the Nomination & Remuneration Committee with the approval of the Board detailed in agreement to be entered into with him and also mentioned below:

Remuneration: upto ₹5,20,000/- (Rupees Five Lac Twenty Thousand only) per month + Performance based incentive upto 200% of the remuneration.

**RESOLVED FURTHER THAT** wherein any financial year during the tenure of Managing Director, the Company has no profits or its profits are inadequate, the Company shall pay to Mr. Shesadri Bhusan Chanda, Chairman & Managing Director, remuneration as prescribed in Schedule V of the Companies Act, 2013, subject to approvals, if any as may be required;

**RESOLVED FURTHER THAT** the remuneration including all benefits, amenities and perquisites as set out in the appointment letter shall nevertheless be paid and allowed Mr. Shesadri Bhusan Chanda as minimum remuneration for any financial year in case of absence or inadequacy of profits for such year, subject to the provisions prescribed under Section 197 read with Schedule V to the Companies Act, 2013 and rules framed there under and any other applicable provisions of the Act or any statutory modification or re-enactment thereof;

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

Item No. 5

To reappoint and re-designate Mr. Satadri Chanda (DIN: 02302312) as Whole-time Director of the Company.

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

"RESOLVED THAT subject to provisions of Section 2(54), 117(3)(c), 179, 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and rules made thereunder (including any statutory modifications or re-enactment(s) thereof for the time being) read with Schedule V of the Companies Act, 2013 and Articles of Association of the Company, upon recommendation of Nomination & Remuneration Committee and on approval of the Board of Directors of the Company, the consent of the Shareholders of the Company be and is hereby accorded to reappoint Mr. Satadri Chanda (DIN 02302312) as Whole-time Director of the Company, whose period of office shall be liable to retire by rotation, for a period of 3 (three) Years with effect from January 05, 2026 as well as the payment of salary and perguisites (hereinafter referred to as "remuneration"), upon the terms and conditions as detailed by the Nomination & Remuneration Committee and Board of Directors, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said reappointment and/ or agreement in such manner as may be agreed to between the Board of Directors and Mr. Satadri Chanda.

**RESOLVED FURTHER THAT** subject to the limits contained in Section 197 read with Schedule V of the Companies Act, 2013, Mr. Satadri Chanda, Whole-time Director, be paid remuneration on terms recommended by the Nomination & Remuneration Committee with the approval of the Board detailed in agreement to be entered into with him and also mentioned below:

Remuneration: upto ₹7,25,000/- (Rupees Seven Lac Twenty Five Thousand only) per month + Performance based incentive upto 200% of the remuneration.

**RESOLVED FURTHER THAT** wherein any financial year during the tenure of Whole-time Director, the Company has no profits or its profits are inadequate, the Company shall pay to Mr. Satadri Chanda, Whole-time Director, remuneration as prescribed in Schedule V of the Companies Act, 2013, subject to approvals, if any as may be required;

**RESOLVED FURTHER THAT** the remuneration including all benefits, amenities and perquisites as set out in the appointment letter shall nevertheless be paid and allowed Mr. Satadri Chanda as minimum remuneration for any financial year in case of absence or inadequacy of profits for such year, subject to the provisions prescribed under Section 197 read with Schedule V to the Companies Act, 2013 and rules framed there under and any other applicable provisions of the Act or any statutory modification or reenactment thereof:

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

#### Item No. 6

To approve the material related party transaction with Megatherm Electronics Private Limited.

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

"RESOLVED THAT pursuant to the provisions of Section 2(76) and Section 188 of the Companies Act, 2013, read with rules made thereunder and any other provisions, if applicable, and on approval of the Audit Committee and Board of Directors of the Company, the approval of the Members of the Company be and is hereby accorded to enter into a transaction with Megatherm Electronics Private Limited relating to purchase of property of sublease hold right of Super built up space admeasuring 2200 sq.ft. being Unit No. 5F/5 on the 5th floor of Plot No. L1, Block- EP & GP, Salt Lake, Sector – V, Bidhannagar, Kolkata – 700091 for an aggregate value not exceeding ₹ 1.78 Crore to be entered during Financial Year 2025-26 provided such transaction shall be at arm's length basis and based on external independent Valuation Report.

**RESOLVED FURTHER THAT** the Board, be and is hereby authorised to do and perform all such acts, deeds, matters and things as may be necessary, including finalising the terms and conditions, methods and modes in respect thereof and finalising and executing necessary documents and take necessary steps as the Board may, in its absolute discretion deem necessary, desirable or expedient to give effect to this resolution.

**RESOLVED FURTHER THAT** the Board, be and is hereby authorised to delegate all or any of the powers herein conferred, to any Director(s) or Company Secretary or any other Officer(s) / Authorised Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution(s).

By Order of the Board

For Megatherm Induction Limited (CIN:L31900WB2010PLC154236)

Sd/-

(Abanti Saha Basu)

Company Secretary & Compliance Officer

Place: Kolkata Membership No. A69276

Date: 6th August, 2025



#### **NOTES:**

- In compliance with the applicable provisions of the Companies Act, 2013 ("Act") and Listing Regulations, General Circular No. 09/2024 dated September 19, 2024, issued by the Ministry of Corporate Affairs (MCA) and circular issued by SEBI vide circular no. SEBI/ HO/ CFD/ CFDPoD-2/ P/ CIR/ 2024/ 133 dated October 3, 2024 ("SEBI Circular") and other applicable circulars and notifications issued (including any statutory modifications or re-enactment thereof for the time being in force and as amended from time to time, issued by the Securities and Exchange Board of India (collectively referred to as "SEBI Circulars") and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the AGM of the Company is being conducted through VC/OAVM facility, which does not require physical presence of members at a common venue in accordance with the MCA Circulars, the SEBI Circulars, the Act and the Listing Regulations. The deemed venue for the AGM shall be the Registered Office of the Company.
- 2. The Notice of the AGM along with its annexures is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depository Participants as on 1st August, 2025. In case you wish to have a physical copy of the notice of AGM along with its annexures, you are kindly requested to send a request for the same at cs@megatherm.com.
- 3. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at https://megatherm.com. The Notice can also be accessed from the website of the Stock Exchange i.e. National Stock Exchange of India Limited at www.nseindia.com and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
- 4. The Members can attend and participate in the AGM through the VC / OAVM facility ONLY, the details of which are provided by the Company in the Notice of the AGM. Accordingly, please note that no provision has been made to attend and participate in the AGM of the Company in person. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to

- this Notice. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
- The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- The Explanatory Statement setting out material facts, pursuant to Section 102 of the Companies Act, 2013 ("the Act") and as required under Secretarial Standard 2 on General Meetings issued by The Institute of Company Secretaries of India and Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") in respect of Special Business under Item No. 3 to Item No. 6 of the accompanying Notice is annexed hereto.
- Statement giving details of the Director seeking reappointment is also annexed with this Notice pursuant to the requirement of Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meeting ("SS-2").
- All documents referred to in the AGM Notice will be available for electronic inspection without any fee by the members from the date of circulation of this AGM Notice up to the date of AGM. Members seeking to inspect such documents can send an email to cs@megatherm.com.

- In case shareholders/ investor have any queries regarding E-voting, the Members may write an e-mail to the Company at <u>cs@megatherm.com</u> for any queries/ information.
- 11. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
- 12. The facility for e-voting shall be made available at the AGM to the Members attending the meeting, who have not cast their votes through remote e-voting facility.
- 13. The Members, who will cast their votes by remote e-voting prior to the AGM and attending the AGM, shall not be entitled to cast their votes again at the AGM.
- 14. The voting rights of the Members (for voting through remote e-Voting before the AGM and e-Voting during the AGM) shall be in proportion to their share of the paid-up equity share capital of the Company as on the 'cut-off date' i.e. Friday, 22nd August, 2025.
- 15. The Board of Directors has appointed M/s. Anjan Kumar Roy & Co., Company Secretary in Practice having Membership No.: FCS 5684 and Certificate of Practice No.: 4557, as a Scrutinizer to scrutinize the voting process in a fair and transparent manner.
- 16. The Scrutinizer will, after the conclusion of e-voting at the AGM, scrutinize the votes cast at the AGM and votes cast through remote e-voting, make a consolidated Scrutinizer's Report and submit the same to the Chairperson or a person authorized by him in writing, who shall countersign the same and declare voting results (consolidated) within two working days from the conclusion of the AGM. The voting results along with the consolidated Scrutinizer'

Report, will be placed on the website of the Company (https://megatherm.com), on the website of Stock Exchange (www.nseindia.com) and on the website of NSDL (www.evoting.nsdl.com) immediately after the declaration of result by the Chairman and in his absence, any Director/officer of the Company authorized by the Chairman.

- 17. For the smooth conduct of proceedings of the AGM, Members can submit questions/queries in advance with regard to the resolution to be placed at the AGM, from their registered email address, mentioning their name, DP ID and Client ID number/ folio number and mobile number, to reach the Company's email address <a href="mailto:cs@megatherm.com">cs@megatherm.com</a> at least seven (7) days in advance before the start of the meeting i.e. by 22nd August, 2025 by 02.00 p.m. IST. Such questions by the Members shall be taken up during the meeting and replied by the Company suitably.
- 18. Members, who would like to ask questions during the AGM with regard to the resolution to be placed at the AGM, need to register themselves as speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID number/folio number, PAN and mobile number, along with their questions/queries to reach the Company's email address <a href="mailto:cs@megatherm.com">cs@megatherm.com</a> at least seven (7) days in advance before the start of the meeting i.e. by 22nd August, 2025 by 02.00 p.m. Those Members who have registered themselves as speakers shall only be allowed to ask questions during the AGM, on first-come-first-serve basis and subject to availability of time.
- 19. We thank you for registering your email address and contributing to the cause of Green Initiative.

### 20. THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

The remote e-voting period begins on Tuesday, 26th August, 2025 (9:00 am IST) and ends on Thursday, 28th August, 2025 (5:00 pm IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Friday, 22nd August, 2025, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 22nd August, 2025.



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

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

#### Step 1: Access to NSDL e-Voting system

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

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

#### Type of shareholders

#### Login Method

Individual Shareholders holding securities in demat mode with NSDL.

- 1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
- If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS Portal" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>
- 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
- Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.

#### **NSDL** Mobile App is available on









Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="www.cdslindia.com">www.cdslindia.com</a> and click on login icon & New System Myeasi Tab and then user your existing my easi username & password.
	2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.
	3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="https://www.cdslindia.com">www.cdslindia.com</a> and click on login & New System Myeasi Tab and then click on registration option.
	4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

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

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

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1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile.



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

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

4. Your User ID details are given below:

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

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

- If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
- After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- Now, you will have to click on "Login" button.
- 9. After you click on the "Login" button, Home page of e-Voting will open.

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

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

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

#### General Guidelines for shareholders

Institutional shareholders (i.e. other than individuals. HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature

- of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to akroyco@yahoo.co.in with a copy marked to evoting@ <u>nsdl.com</u>. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User **Reset Password?**" option available on www.evoting. nsdl.com to reset the password.
- In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of <a href="www.evoting.nsdl.com">www.evoting.nsdl.com</a> or call on.: 022 - 4886 7000 or send a request to Ms. Pallavi Mhatre, Senior Manager at evoting@nsdl.com

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

- In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to cs@megatherm.com.
- In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary



- ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to <a href="mailto:cs@megatherm.com">cs@megatherm.com</a>. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
- Alternatively shareholder/members may send a request to <u>evoting@nsdl.com</u> for procuring user id and password for e-voting by providing above mentioned documents.
- 4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

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

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

 Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

- 2. Members are encouraged to join the Meeting through Laptops for better experience.
- 3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- 4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- 5. Shareholders who would like to express their views/ have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at <a href="mailto:cs@megatherm.com">cs@megatherm.com</a>. The same will be replied by the company suitably.

#### **Annexure to the Notice**

### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102** (1) OF THE COMPANIES ACT, 2013

#### Item No. 3:

Based on the recommendations of the Audit Committee, the Board of Directors at their meeting held on 24th April, 2025, had approved the re-appointment and remuneration of M/s. Amit Khetan & Co., Cost Accountants, as the Cost Auditor for audit of the cost accounting records of the Company for the financial year ending 31st March, 2026, at a remuneration of ₹55,000/- (Rupees Fifty Five Thousand only) plus taxes & re-imbursement of out-of-pocket expenses in connection with the audit. M/s. Amit Khetan & Co., Cost Accountants have confirmed that they hold a valid certificate of practice under Sub-section (1) of Section 6 of the Cost and Works Accountants Act, 1959. In accordance with the provisions of Section 148(3) of the Act read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) and/ or re-enactment(s) for the time being in force), the remuneration payable to Cost Auditor has to be ratified by the members of the Company. Accordingly, ratification by the members is sought to the remuneration payable to the Cost Auditor for conducting the audit of the cost records of the Company for the financial year ending on 31st March, 2026.

The Board recommends the Resolution as set out at Item No. 3 of the Notice for approval by the members.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise in the resolution set out at Item No.3 accompanying Notice.

#### Item No. 4:

Mr. Shesadri Bhusan Chanda has been acting as Director of the Company since 22nd October, 2010. He was reappointed as the Chairman & Managing Director of the Company w.e.f. 5th January, 2023 for a period of 3 years i.e. upto 4th January, 2026 pursuant to the resolution passed by the Members at the Extra-ordinary General Meeting of the Company held on 5th January, 2023. Based on the strong performance of the Company under the leadership of Mr. Shesadri Bhusan Chanda and other key factors as elaborated below, the Nomination & Remuneration Committee ("NRC") recommended the reappointment of Mr. Shesadri Bhusan Chanda as Chairman & Managing Director of the Company for a further period of 3 years i.e. from 5th January, 2026 to 4th January, 2029 on the terms and conditions including remuneration, as contained in this explanatory statement.

Accordingly, the Board of Directors, at its meeting held on 6th August, 2025, based on the recommendation of Nomination & Remuneration Committee ("NRC") and subject to approval of members, approved the re-appointment of Mr. Shesadri Bhusan Chanda as Chairman & Managing Director of the Company for a further period of 3 years i.e. from 5th January, 2026 to 4th January, 2029, on the terms and conditions, including the remuneration payable to Mr. Shesadri Bhusan Chanda, as contained in this explanatory statement.

The key factors that were considered by the Committee while recommending the re-appointment of Mr. Shesadri Bhusan Chanda and the relevant disclosures in terms of Schedule V to the Companies Act, 2013 are given below:

Mr. Shesadri Bhusan Chanda is currently responsible for providing overall leadership. He has a work experience of around 45 years in the manufacturing of Induction melting and heating equipment and allied power electronics converters. He primarily looks after the overall business operations of the Company including strategic, operational, finance and formulation of policies for the business

development. He has attained the age of 69 years. During his tenure for a period of further 3 years, he will attain the age of 70 years. Considering the above and having regard to his age, ability, and qualification and looking to the business requirement, he is a fit and proper person as the executive Director of the Company. Due to his deep knowledge and expertise in this field, the shareholders are requested to approve the continuation of his reappointment after attaining the age of 70 years by way of Special Resolution.

**Nature of Industry:** The Company is engaged in the business of manufacturing of induction heating and melting products by means of electric induction like induction melting furnace and induction heating equipment and transformers.

**Date or expected date of commencement of commercial production:** Not Applicable.

In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not Applicable.

Financial performance based on given indicators: Financial Year 2024-25 (₹ in Lacs)	Financial Year 2024- 25 (₹ in Lacs)	
Total Income	32370.95	
Profit/ (Loss) before tax	2894.39	
Net profit after Taxation	2130.55	

#### Foreign investments or collaborations, if any:

Not Applicable except minor shareholding of Non Resident Indians.

**Past remuneration**: ₹5, 20, 000/- (Rupees Five Lac Twenty Thousand only) per month

**Remuneration proposed:** No revision has been made in past remuneration.

#### Perquisites in addition to salary:

**Housing**: The expenditure incurred by the Company on hiring unfurnished accommodation subject to a Ceiling of sixty percent of the salary. In case the accommodation is owned or taken on lease by the Company, the company shall deduct ten percent of the salary of the appointee. Expenditure incurred by the company on Gas, Electricity, Water etc. will be valued as per Income Tax Rules, 1962.

Medical/ Hospitalization Expenses Reimbursement of Expenses incurred for the appointee and the family in accordance with the rules of the company.



**Leave Travel Concession:** Leave Travel Concession for self and family in accordance with the rules of the company.

**Club Fees:** Fees of Clubs subject to maximum of two clubs, admission and life membership fees to be paid as per rules of the Company.

**Personal Medical/ Accident Insurance etc.:** Coverage for Personal Medical/Accident Insurance/ Key man Insurance or any other coverage as per rules of the Company and annual premium for the same to be paid by the Company.

Any other benefits, facilities, allowance and expenses as may be allowed under Company rules/schemes.

Notes: For the purpose of perquisites stated herein above, family means spouse, dependent children and dependent parents of the appointee.

Perquisites shall be evaluated as per Income Tax Rule wherever applicable and in the absence of any such rule. Perquisites shall be evaluated at actual cost.

#### **Retirement Benefits**

Company's Contribution towards Provident Fund, Superannuation fund or Annuity Fund shall be as per the Rules of the Company and this amount shall not be included in the computation of the ceiling on perquisites to the extent these, either singly or put together, are not taxable under the Income Tax Act 1961.

Gratuity payable shall be in accordance with the rule of the company.

Earned Leave on full pay and allowances as per the rules of the Company, leave accumulated shall be encashable of Leave at the end of the tenure, if any, will not be included in the computation of the ceiling on perquisites.

#### Other benefits

Provision of car with Driver for use in Company's business and telephone at residence will not be considered as perquisites.

The appointee shall be entitled to reimbursement of entertainment expenses actually and properly incurred during the course of legitimate business of the company.

The appointee shall be eligible for Housing, Education and Medical Loan and other Loans or facilities as applicable in accordance with the rules of the company.

**Minimum Remuneration**: Where in any financial year during the currency of tenure of the managing director,

the company has no profits or its profits are inadequate, the company will pay remuneration by way of salary and perquisites not exceeding the limits as specified above.

Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person: Taking into account the turnover of the Company and responsibilities of the directors, the remuneration being proposed to be paid to them is reasonable and in line with the remuneration levels in the industry across the country.

### Pecuniary relationship directly or indirectly with the company or relationship with managerial personnel:

Mr. Shesadri Bhusan Chanda (DIN 00961593) has pecuniary relationship to the extent he is Promoter – Director - Shareholder of the Company.

He is also father of Mr. Satadri Chanda (DIN: 02302312), Whole-time Director & CFO of the Company and father-in-law of Ms. Christina Paul Chowdhury (DIN: 09257875), Non-executive Director of the Company.

The statement of additional information required to be disclosed as per Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard II issued by ICSI is attached at the end of this Explanatory Statement and must be read as the part of this Notice.

The Board recommends the Resolution as set out at Item No. 4 of the Notice for approval by the members by way of Special Resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise except Mr. Shesadri Bhusan Chanda himself, Mr. Satadri Chanda and Ms. Christina Paul Chowdhury and their relatives to the extent of their respective shareholding, if any, in the resolution set out at Item No.4 accompanying Notice.

#### Item No. 5:

Mr. Satadri Chanda has been acting as Director of the Company since 22nd October, 2010. He was re-appointed as the Whole-time Director of the Company w.e.f. 5th January, 2023 for a period of 3 years i.e. upto 4th January, 2026 pursuant to the resolution passed by the Members at the Extra-ordinary General Meeting of the Company held on 5th January, 2023. Looking to the contributions which helped the Company to grow at faster rate than past and other key factors as elaborated below, the Nomination & Remuneration Committee ("NRC") recommended the reappointment of Mr. Satadri Chanda as Whole-time

Director of the Company for a further period of 3 years i.e. from 5th January, 2026 to 4th January, 2029 on the terms and conditions including remuneration, as contained in this explanatory statement.

Accordingly, the Board of Directors, at its meeting held on 6th August, 2025, based on the recommendation of Nomination & Remuneration Committee ("NRC") and subject to approval of members, approved the re-appointment of Mr. Satadri Chanda as Whole-time Director of the Company for a further period of 3 years i.e. from 5th January, 2026 to 4th January, 2029, on the terms and conditions, including the remuneration payable to Mr. Satadri Chanda, as contained in this explanatory statement.

The key factors that were considered by the Committee while recommending the re-appointment of Mr. Satadri Chanda and the relevant disclosures in terms of Schedule V to the Companies Act, 2013 are given below:

Mr. Satadri Chanda is currently responsible for providing, formulating and implementing strategies and plays a pivotal role in business development, diversification, sales, administration, and finance functions of the Company. He has a work experience in KPMG's Management Consulting (Strategy & Operations) division and over seven years of experience in the induction, electrical and metallurgical equipment industry.

**Nature of Industry:** The Company is engaged in the business of manufacturing of induction heating and melting products by means of electric induction like induction melting furnace and induction heating equipment and transformers.

**Date or expected date of commencement of commercial production:** The company is already in production from many years.

In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable.

Financial pe	rformance	Financial	Year	2024-25
based on given ir	ndicators:	(₹ in Lac)		
Total Income		32370.95		
Profit/ (Loss) befo	re tax	2894.39		
Net profit after Ta	xation	2130.55		

**Foreign investments or collaborations, if any:**Not Applicable except minor shareholding of Non Resident Indians.

**Past remuneration:** ₹7,25,000/- (Rupees Seven Lac Twenty-five Thousand only) per month.

**Remuneration proposed**: No revision has been made in past remuneration.

#### Perquisites in addition to salary:

**Housing:** The expenditure incurred by the Company on hiring unfurnished accommodation subject to a Ceiling of sixty percent of the salary. In case the accommodation is owned or taken on lease by the Company, the company shall deduct ten percent of the salary of the appointee. Expenditure incurred by the company on Gas, Electricity, Water etc. will be valued as per Income Tax Rules, 1962.

Medical/ Hospitalization Expenses Reimbursement of Expenses incurred for the appointee and the family in accordance with the rules of the company.

**Leave Travel Concession:** Leave Travel Concession for self and family in accordance with the rules of the company.

**Club Fees:** Fees of Clubs subject to maximum of two clubs, admission and life membership fees to be paid as per rules of the Company.

**Personal Medical/ Accident Insurance etc.:** Coverage for Personal Medical/Accident Insurance/ Key man Insurance or any other coverage as per rules of the Company and annual premium for the same to be paid by the Company.

Any other benefits, facilities, allowance and expenses as may be allowed under Company rules/schemes.

Notes: For the purpose of perquisites stated herein above, family means spouse, dependent children and dependent parents of the appointee.

Perquisites shall be evaluated as per Income Tax Rule wherever applicable and in the absence of any such rule. Perquisites shall be evaluated at actual cost.

#### **Retirement Benefits**

Company's Contribution towards Provident Fund, Superannuation fund or Annuity Fund shall be as per the Rules of the Company and this amount shall not be included in the computation of the ceiling on perquisites to the extent these, either singly or put together, are not taxable under the Income Tax Act 1961.

Gratuity payable shall be in accordance with the rule of the company.



Earned Leave on full pay and allowances as per the rules of the Company, leave accumulated shall be encashable of Leave at the end of the tenure, if any, will not be included in the computation of the ceiling on perguisites.

#### Other benefits

Provision of car with Driver for use in Company's business and telephone at residence will not be considered as perquisites.

The appointee shall be entitled to reimbursement of entertainment expenses actually and properly incurred during the course of legitimate business of the company.

The appointee shall be eligible for Housing, Education and Medical Loan and other Loans or facilities as applicable in accordance with the rules of the company.

**Minimum Remuneration:** Where in any financial year during the currency of tenure of the managing director, the company has no profits or its profits are inadequate, the company will pay remuneration by way of salary and perquisites not exceeding the limits as specified above.

Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person: Taking into account the turnover of the Company and responsibilities of the directors, the remuneration being proposed to be paid to them is reasonable and in line with the remuneration levels in the industry across the country.

### Pecuniary relationship directly or indirectly with the company or relationship with managerial personnel:

Mr. Satadri Chanda (DIN 02302312) has pecuniary relationship to the extent he is Promoter – Director - Shareholder of the Company.

He is also son of Mr. Shesadri Bhusan Chanda (DIN: 00961593), Managing Director of the Company and spouse of Ms. Christina Paul Chowdhury (DIN: 09257875), Non-executive Director of the Company.

The statement of additional information required to be disclosed as per Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard II issued by ICSI is attached at the end of this Explanatory Statement and must be read as the part of this Notice.

The Board recommends the Resolution as set out at Item No. 5 of the Notice for approval by the members by way of Special Resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise except Mr. Satadri Chanda himself, Mr. Shesadri Bhusan Chanda and Ms. Christina Paul Chowdhury and their relatives to the extent of their respective shareholding, if any, in the resolution set out at Item No.5 accompanying Notice.

#### Item No. 6:

Pursuant to Section 188 and all other applicable provisions, if any, of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force, the Company seeks approval of the Members for entering into material related party transaction(s) with Megatherm Electronics Private Limited, the Holding Company.

The Company proposes to enter into transaction(s) with Megatherm Electronics Private Limited, the Holding Company, for the purchase of property of sub-lease hold right of Super built up space admeasuring 2200 sq.ft. being Unit No. 5F/5 on the 5th floor of Plot No. L1, Block- EP & GP, Salt Lake, Sector − V, Bidhannagar, Kolkata − 700091, for an aggregate value not exceeding ₹ 1.78 Crore, to be entered during Financial Year 2025-26, provided such transaction shall be at arm's length basis and based on external independent Valuation Report.

The proposed transaction(s) are intended to improve operational efficiency and reduce costs.

#### **PARTICULARS OF TRANSACTION**

- Name of Related Party: Megatherm Electronics Private Limited
- Nature of Relationship: Holding Company
- Nature of Transaction: Purchase of property of sublease hold right of Super built up space admeasuring 2200 sq.ft. being Unit No. 5F/5 on the 5th floor of Plot No. L1, Block- EP & GP, Salt Lake, Sector – V, Bidhannagar, Kolkata – 700091
- Value of Transaction: Value not exceeding ₹ 1.78 Crore

The proposed transaction(s) are in compliance with the applicable provisions of the Companies Act, 2013.

The related party transaction(s)/contract(s)/arrangement(s) mentioned in this proposal has been evaluated by a reputed external independent consulting firm and the firm has confirmed that the proposed terms of the contract/agreement meet the arm's length testing criteria.

The Members may note that the related parties shall not vote to approve resolution under Item No. 6.

Except as mentioned above, none of the Directors and/ or Key Managerial Personnel of the Company and/or their respective relatives is, in any way, concerned or interested either directly or indirectly, financially or otherwise in the Resolution mentioned at Item No. 6 of the Notice.

By Order of the Board

For Megatherm Induction Limited (CIN:L31900WB2010PLC154236)

Sd/-

(Abanti Saha Basu)

Company Secretary & Compliance Officer

Place: Kolkata Date: 6th August, 2025 Membership No. A69276



#### **ANNEXURE TO THE NOTICE**

DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING DISCLOSURE UNDER REGULATION 36 (3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARDS-II ISSUED BY ICSI FOR ITEM NO. 2, 4 & 5

Name of Director	Mr. Shesadri Bhusan Chanda	Mr. Satadri Chanda
DIN	00961593	02302312
Date of Birth	21-08-1956	01-09-1989
Nationality	Indian	Indian
Date of Appointment	22-10-2010	22-10-2010
Qualifications	Electrical Engineer, Jadavpur University.	MS Industrial & System Engineering, Virginia Tech, USA.
Experience	He has a work experience of around 45 years in the manufacturing of Induction melting and heating equipment and allied power electronics converters.	He has 2 years' work experience in KPMG's Management Consulting (Strategy & Operations) division and over 7 years work experience in Induction, Electrical and Metallurgical equipment industry.
Expertise in specific functional areas	He primarily looks after the overall business operations of the Company including strategic, operational, finance and formulation of policies for the business development.	He is instrumental in formulating and implementing strategy and plays pivotal role in business development, diversification, sales and administration and finance functions of our company.
Directorships held in other Listed companies	None	None
Memberships / Chairmanships of committees of other listed companies	NA	NA
Names of the listed entities from which Director resigned in the past three years	NA	NA
Number of shares held in the Company	7500	3600
Inter-se Relationship between Directors	Father of Mr. Satadri Chanda, Whole-time Director and CFO and father-in-law of Ms. Christina Paul Chowdhury, Non-executive Director.	Son of Mr. Shesadri Bhusan Chanda, Managing Director and spouse of Ms. Christina Paul Chowdhury, Non-executive Director.
No. of Board meetings attended during last Financial Year	4	4
Terms and conditions of appointment	Executive Director (Managing Director), liable to retire by rotation	Executive Director (Whole-time Director), liable to retire by rotation

Annual Report 2024-25

### Directors' Report

#### To

#### The Members of

#### **MEGATHERM INDUCTION LIMITED**

The Directors of your Company have pleasure in presenting the 15th Annual Report on the business and operations of the Company together with Audited Statement of Accounts for the year ended on 31st March 2025 with Auditor's Report thereon.

**Statutory Reports** 

#### **FINANCIAL HIGHLIGHTS**

The Company's financial performance for the year under review along with previous year's figures is summarized under: (₹ in lac)

Fina	ncial Results	For the Financial Year ended 31st March 2025	For the Financial Year ended 31st March 2024
(a)	Revenue from operations	32,050.84	30,625.46
(b)	Other Income	320.11	112.22
(c)	Total Revenue [(a) + (b)]	32,370.95	30,737.68
(d)	Net Profit/Loss (before depreciation and tax)	3,291.26	3,098.55
Less	s: Depreciation	396.87	338.53
(e)	Net Profit/Loss before tax	2,894.39	2,760.02
Less	s: Provision for Tax (including for deferred tax)	763.84	687.63
(f)	Net Profit/Loss after tax	2,130.54	2,072.39
(g)	Proposed Dividend	-	-
(h)	Dividend Tax	-	_
(i)	Transfer to General Reserve	-	_
(j)	Surplus Carried Forward	2,130.54	2,072.39
(k)	Earning per Share- Basic and Diluted (in ₹)	11.31	14.13

The above performance is based on standalone basis. Consolidated figures are not applicable. The financial statements have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP) under the historical cost convention on an accrual basis in compliance with all material aspects of the Accounting Standards (AS) notified under Section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014.

#### **HIGHLIGHTS OF COMPANY'S AFFAIRS / OPERATIONS:**

Your Company is engaged in the business of manufacturing and selling of Capital Equipment like Induction Melting and Heating Equipment, Arc Melting Furnace products, Ladle Refining Furnace etc. It is imperative that affair of your Company is managed in a fair and transparent manner. The total revenue for FY 2024-25 was ₹ 32,370.95 Lac (₹ 30737.68 Lac in FY 2023-24). Your Company has earned profit before tax of ₹ 2,894.39 Lac as against ₹ 2,760.02 Lac in the Previous Year. Your Company has earned profit after tax of ₹ 2,130.54 Lac as against ₹ 2,072.39 Lac in the Previous Year. Your Company expects with the growing emphasis and importance of health in the Country, the Company expects to receive more orders in the years to come and may eventually lead to increase in value of the Company.

#### **DIVIDEND:**

The Directors of your Company, with a view to conserve the resources, has decided that it would be prudent not to recommend any Dividend for the year ended 31st March, 2025.

#### **SHARE CAPITAL:**

The Authorised Share Capital of the Company as on 31st March, 2025 was ₹ 19,00,00,000/- (Rupees Nineteen Crore Only) divided into 1,90,00,000/- (One Crore Ninety Lacs)



Equity Shares of ₹ 10/- (Rupees Ten only). During the year under review, there has been no change in the authorized Share Capital of the Company.

The Issued and Paid-up Capital of the Company as on 31st March, 2025 was ₹ 18,84,07,290/- comprising of 1,88,40,729 number of equity shares of face value of ₹10/each. During the year under review, there has been no change in the Issued and Paid-up Capital of the Company.

M/s. Bigshare Services Private Limited, duly registered under the Securities and Exchange Board of India, has been appointed as the Registrar and Share Transfer Agent to an Issue of the Company in accordance to the Regulation 7 of the Securities Exchange Board of India (Listing and Obligations of Disclosure Requirements) Regulations, 2015.

#### **ALTERATION OF MEMORANDUM OF ASSOCIATION:**

During the year under review, your Company has with necessary approval of the Members by way of Postal Ballot completed on 13th February, 2025 inserted a Borrowing Clause in the Memorandum of Association. The Company has received approval of the Ministry of Corporate Affairs to the said amendment.

#### **ALTERATION OF ARTICLES OF ASSOCIATION:**

The Company has, with necessary approval of the Members by way of Postal Ballot completed on 13th February, 2025 inserted the clause of borrowing power in the Articles of Association. The Company has received approval of the Ministry of Corporate Affairs to the said alterations.

#### **SWEAT EQUITY SHARES:**

As per the provisions of Section 54(1)(d) of the Companies Act, 2013 and in terms of Rule 8(13) of Companies (Share Capital and Debentures) Rules, 2014, the Company has not issued any Sweat Equity Shares.

#### **DIFFERENTIAL VOTING RIGHTS:**

As per the provisions of Section 43(a)(ii) of the Companies Act, 2013 and in terms of Rule 4(4) of Companies (Share Capital and Debenture Rules, 2014), the Company has not issued any shares with Differential Voting Rights.

#### **EMPLOYEE STOCK OPTIONS:**

As per the provisions of Section 62(1)(b) of the Companies Act, 2013 and in terms of Rule 12(9) of Companies (Share Capital and Debenture Rules, 2014), the Company has not issued any Employee Stock Options.

#### DEBENTURES/BONDS/WARRANTS OR ANY NON-CONVERTIBLE SECURITIES:

During the year under review, the Company has not issued any debentures, bonds, warrants or any nonconvertible securities. As on date, the Company does not have any outstanding debentures, bonds, warrants or any non-convertible securities.

#### **LISTING & DEPOSITORY FEE:**

The Equity Shares of the Company are listed on SME Platform of National Stock Exchange of India Limited (NSE Emerge). The trading symbol of the Company is 'MEGATHERM'. The Company has paid Listing fees for the financial year 2024-25 according to the prescribed norms & regulations.

#### **DEMATERIALIZATION OF EQUITY SHARES:**

During the year under review the entire shareholding is in dematerialization mode.

#### **DEPOSITORY SYSTEM:**

As the Members are aware, the shares of your Company are trade-able compulsorily in electronic form and your Company has established connectivity with both the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL). The ISIN allotted to the Company's Equity shares is INE531R01010.

### DETAILS OF UTILISATION OF FUNDS & STATEMENT OF DEVIATION(S) OR VARIATION(S):

Pursuant to Regulation 32 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, there was no deviation/variation in the utilization of proceeds as mentioned in the objects stated in the Prospectus dated February 1, 2024, in respect of the Initial Public Offering of the Company.

#### **CREDIT RATING:**

During the year under review, CRISIL Ratings has reaffirmed its ratings to 'CRISIL BBB/Stable' for Long Term Rating and 'CRISIL A3+' for Short Term rating on the bank facilities of your Company.

#### **WEBSITE:**

https://megatherm.com is the website of the Company. All the requisite details, policies are placed on this website of the Company.

#### **TRANSFER TO RESERVES:**

During the year under review, no amount was transferred to the reserves, except total amount of Net Profit of ₹ 2130.54 Lac has been carried forward to the Reserves & Surplus as stood in the notes forming part to the Financial Statements.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO

### WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

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

#### **DIRECTORS' RESPONSIBILITY STATEMENT:**

In accordance with the provision of Section 134(5) of Companies Act, 2013 your director to the best of their knowledge and belief confirm and state that:-

- In preparation of the Balance Sheet and the Statement of Profit and Loss Account of the Company for the year ended on 31st March, 2025, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- 2. 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 profit of the Company for that period.
- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of the maintenance of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting any other irregularities.
- 4. Also the directors have prepared the annual accounts on a going concern basis.
- 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**

The Company is listed on the NSE Emerge SME platform of National Stock Exchange; the compliance with Corporate Governance provisions is not applicable to the Company as per Regulation 15 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

#### **COMPOSITION OF BOARD**

The Board comprises of two Executive Directors, two Non-executive Independent Directors and one Non-executive Woman Director as on 31st March, 2025. The details of the Board of Directors as on 31st March, 2025 are as under: -

Sr. No.	Name	Designation	DIN
1	Mr. Shesadri Bhusan Chanda	Chairman & Managing Director	00961593
2	Mr. Satadri Chanda	Whole-Time Director and CFO	02302312
3	Ms. Christina Paul Chowdhury	Non-Executive Director	09257875
4	Mr. Ankit Rathi	Independent Director	08456577
5	Mr. Shravan Manjaya Shetty	Independent Director	08965489

#### NUMBER OF BOARD MEETINGS DURING THE YEAR:

The Board of Directors and Members of various Committees met during the year on following dates:

### Details of Meeting of Board of Directors of the Company:

Sr. No.	Date of Meeting	Board Strength	No's of Directors Attended
1.	28th May, 2024	5	5
2.	19th July, 2024	5	5
3.	12th November, 2024	5	4
4.	4th January, 2025	6	6

The periodicity between two Board Meetings was within the maximum time gap as prescribed in the SEBI (LODR) Regulations, 2015 / Companies Act, 2013.

#### **Details of Meetings of members of Committees:**

Sr. No.	Date of Meeting	Committee Strength	No. of Members present
Audi	it Committee:		
1.	28th May, 2024	3	3
2.	11th September, 2024	3	3
3.	12th November, 2024	3	3
4.	4th January, 2025	3	3
Nomination and Remuneration Committee:			
1.	12th November, 2024	3	3
Corporate Social Responsibility Committee:			
1.	29th May, 2024	3	3
Stak	eholder Relationship Co	mmittee:	
1.	24th April, 2024	3	3



In respect of all above meetings, proper notices were given and the proceedings were properly recorded and the Minutes Book maintained for the purpose.

All the recommendations of the Committee meetings were duly accepted by the Board.

#### **GENERAL MEETING:**

Following are the Details of Annual General Meeting of Members of the Company:

Sr. No.	Date of Meeting	Type of Meeting
1.	30th August, 2024	Annual General Meeting

#### **POSTAL BALLOT:**

Following are the Details of Postal Ballot of the Company:

Sr. No.	Date of Passing the Resolutions	Type of Meeting
1.	13th February, 2025	Postal Ballot

All the Resolution(s) were passed with requisite majority.

#### **DEPOSITS:**

The Company has not accepted any deposit within the meaning of Section 73 of the Companies Act 2013 during the period under review.

### DECLARATION REGARDING INDEPENDENT DIRECTORS:

The Company has received a Declaration that the Independent Director meets the criteria of Independence laid down in sub-section (6) of section 149 of the Companies Act 2013.

### CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

In line with the requirements of the Act and the Listing Regulations, the Company has formulated a Policy on Related Party Transactions and the same can be accessed using the following link: https://megatherm.com. During the year under review, all transactions entered into with related parties were approved by the Audit Committee of the Company. Certain transactions, which were repetitive in nature, were approved through omnibus route. The Company sought and obtained necessary Members approval for the material Related Party Transactions for the year under review.

Particulars of Contracts entered into with Related Parties referred to in Section 188(1) of the Companies Act, 2013, in prescribed Form AOC-2 is attached as an 'Annexure-I' to this Report.

# DISCLOSURE OF PARTICULARS OF EMPLOYEES AS REQUIRED UNDER RULE 5 (2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES 2014:

Disclosure of particulars of Employees as required under Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in this Report as an 'Annexure – II' which forms part of this Report.

### PARTICULARS OF LOANS / GUARANTEES / INVESTMENT:

The details of loans and advances and investments, if any, are specified in the notes to the Balance Sheet. The Company has not provided any guarantee or provided any Security for the loans availed by others.

#### **EXPLANATION TO AUDITORS' REPORT:**

The Auditors' Report to the Members for the year, under review, does not contain any qualification(s) or observation(s). The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

Further, the Statutory Auditors have not reported any incident of fraud to the Board of Directors of your Company during the year under review.

#### **Statutory Auditors:**

M/s. M S K A & Associates, Chartered Accountants (FRN: 105047W) were appointed as Statutory auditors at the 11th Annual General meeting of the Company for a period of five years and accordingly they continue to hold office till the conclusion of the 16th Annual General Meeting.

There is no qualification or adverse remarks made by the auditors in their report.

No fraud has been reported by the auditors during the year under review.

#### **Cost Auditors:**

M/s. Amit Khetan & Co, Cost Accountants, (Registration No. 102559) have been reappointed as Cost Auditors to conduct cost audit of the accounts maintained by the Company in respect of the products manufactured by the Company, for the Financial Year 2024-25 subject to ratification of their remuneration by the shareholders in accordance with the provisions of Section 148 of the Act and the Companies (Cost Records and Audit) Rules, 2014. The Cost Audit Report for the financial year ended 31st March, 2025 would be filed as stipulated by the applicable provisions of law. The Company is making and maintaining

the accounts and cost records as specified by the Central Government under the provisions of Section 148(1) of the Act.

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#### **Internal Auditors:**

M/s MATR & Associates, Chartered Accountants (Registration No. 333104E) was appointed as Internal Auditors of the Company for conducting the Internal Audit for the financial year 2024-25. The audit conducted by the Internal Auditors is based on an internal audit plan. These audits are based on risk based methodology and inter-alia involves the review of internal controls processes, adherence to management policies and review of statutory compliances. The Internal Auditors share their findings on an ongoing basis during the year for corrective action. The Audit Committee considers and reviews the Internal Audit Report submitted by the Internal Auditor.

#### **Secretarial Auditors:**

The Company has appointed M/s. Anjan Kumar Roy & Co. Company Secretaries (CP No. 4557), a Peer Reviewed Firm, as Secretarial Auditors of the Company in accordance with the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the Financial Year 2024-25. The report of the Secretarial Auditor MR-3 for the financial year 2024-25 is enclosed as an 'Annexure - III' to this Board's Report, which is self-explanatory. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

#### DISCLOSURE UNDER RULE 8 (5) OF COMPANIES **ACCOUNTS RULES, 2014:**

- a) Disclosure of financial Summary / Highlights: As stated in Financial Results of the Directors Report.
- b) Disclosure of Change in Nature of Business: There is no change in nature of Company Business.
- c) Details of Directors / Key Managerial Personnel Appointed / Resigned:

During the year under the review, following Directors / Key Managerial Personnel were Appointed / resigned:

Name of Directors/KMP	Designation	DIN	Appointment Date	Date of Change in Designation	Resignation Date
Mr. Shravan Manjaya Shetty	Independent Director	08965489	20th December, 2024	13th February, 2025	-
Mr. Siddhartha Sen	Independent Director	09749054	-	-	5th January, 2025

#### d) Details of Subsidiary Companies / Joint **Ventures / Associate Companies:**

The Company has no Subsidiary/ joint venture / associate company.

#### e) Details regarding Deposit covered under Chapter V of the Companies Act, 2013.

The Company has not invited any deposit other than the exempted deposit as prescribed under the provision of the Companies Act, 2013 and the rules framed there under, as amended from time to time. Hence there are no particulars to report about the deposit falling under Rule 8 (5) (v) and (VI) of Companies (Accounts) Rules, 2014.

Details of Deposit which are not in compliance with requirements of Chapter V of the Act.

Not Applicable.

g) Details of Significant and Material Orders passed by Regulators or Courts or Tribunals.

There was no regulatory or Court or Tribunal Order passed against the Company.

#### h) Internal Financial Control System:

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.



#### Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016

There was no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year during the year, under review.

#### j) Disclosure with respect to Maintenance of Cost Records

As per Section 148 of the Companies Act, 2013, read with the Companies (Cost Records and Audit) Rules, 2014, your Company is required to maintain cost records and accordingly, such accounts and records are maintained.

#### **COMMITTEES OF BOARD:**

The Board of Directors has constituted the following Statutory Committees, viz.

#### (i) AUDIT COMMITTEE:

The Audit Committee was reconstituted on 4th January, 2025. The Constitution, composition and functioning of the Audit Committee meets with the requirements of Section 177 of the Companies Act, 2013. All the recommendations of Audit Committee have been accepted by the Board of Directors of the Company. The Audit Committee comprises of:

Name of Directors	Status in Audit Committee	Nature of Directorship
Mr. Shravan Manjaya Shetty	Chairman	Independent Director
Mr. Ankit Rathi	Member	Independent Director
Mr. Shesadri Bhusan Chanda	Member	Chairman & Managing Director

#### (ii) STAKEHOLDER RELATIONSHIP COMMITTEE

The Stakeholder Relationship Committee was reconstituted on 4th January, 2025. The Constitution, composition and functioning of the Stakeholder Relationship Committee also meets with the requirements of Section 178 of the Companies Act, 2013. All the recommendations of Stakeholder Relationship Committee have been accepted by the Board of Directors of the Company. The Stakeholder Relationship Committee comprises of:

Name of Directors	Status in Stakeholder Relationship Committee	Nature of Directorship
Mr. Shravan Manjaya Shetty	Chairman	Independent Director
Mr. Shesadri Bhusan Chanda	Member	Chairman & Managing Director
Mrs. Christina Paul Chowdhury	Member	Non-Executive Director

#### (iii) NOMINATION & REMUNERATION COMMITTEE

The Nomination & Remuneration Committee was reconstituted on 4th January, 2025. The Constitution, composition and functioning of the Nomination & Remuneration Committee also meets with the requirements of Section 178 of the Companies Act, 2013. All the recommendations of Nomination & Remuneration Committee have been accepted by the Board of Directors of the Company. The Nomination & Remuneration Committee comprises of:

Name of Directors	Status in Nomination & Remuneration Committee	Nature of Directorship
Mr. Shravan Manjaya Shetty	Chairman	Independent Director
Mr. Ankit Rathi	Member	Independent Director
Mrs. Christina Paul Chowdhury	Member	Non-Executive Director

#### (iv) CORPORATE SOCIAL RESPONSIBITY COMMITTEE

The Corporate Social Responsibility Committee was reconstituted on 4th January, 2025. The Constitution, composition and functioning of the Corporate Social Responsibility Committee also meets with the requirements of Section 135 of the Companies Act, 2013. All the recommendations of Corporate Social Responsibility Committee have been accepted by the

Board of Directors of the Company. The Corporate Social Responsibility Committee comprises of:

Name of Directors	Status in Corporate Social Responsibility Committee	Nature of Directorship
Mr. Shesadri Bhusan Chanda	Chairman	Chairman & Managing Director
Mr. Shravan Manjaya Shetty	Member	Independent Director
Mr. Satadri Chanda	Member	Whole Time Director & CFO

### FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS:

On appointment, the concerned Directors were issued a Letter of appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. Familiarization Program for Independent Directors includes regular industry trend updates, site visits, pertinent training programs, information access, and frequent interactions with senior management. Your Company is working to cultivate an enlightened and involved Board that supports efficient governance and value creation by actively engaging independent directors and providing them with the necessary resources.

#### **INDUSTRIAL RELATIONS:**

The Directors are pleased to report that the relations between the workmen and the management continued to remain cordial during the year under review.

### COMPLIANCE OF APPLICABLE SECRETARIAL STANDARDS:

During the year under review, your Company has complied with all the applicable Secretarial Standards issued by The Institute of Company Secretaries of India and approved by the Central Government pursuant to Section 118 of the Companies Act, 2013.

## DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

Your Company has always believed in providing a safe and harassment free workplace for every individual working. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

YourCompany has in place a Prevention of Sexual Harassment (POSH) policy in accordance with the requirements of the

Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 which is also available on our website, i.e. https://megatherm.com. Your Company has constituted an Internal Complaints Committee pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. POSH Committee has equal representation of men and women and is chaired by senior woman of the Company.

The composition of Internal Complaints Committee is as follows:

Name	Designation	Status in Committee
Mrs. Shaswati Datta	Head – HR & Administration	Presiding Officer
Mr. Suman Panja	Senior Manager – Design & Engineering	Member
Mrs. Abanti Saha Basu	Company Secretary	Member
Mr. Kallol Dutta	Ex-Additional Labour Commissioner	External Member

There was no complaints pertaining to sexual harrasement during the year.

#### **VIGIL MECHANISM/ WHISTLE BLOWER POLICY:**

The Company is committed to principles of professional integrity and ethical behavior in the conduct of its affairs. The Whistle-blower Policy provides for adequate safeguards against victimisation of director(s) / employee(s) who avail of the mechanism. It is affirmed that no person has been denied access to the Audit Committee. The Compliance officer is mandated to receive the complaints under this policy. Whistle Blower policy is available on the website of the Company at https://megatherm.com. The Policy ensures complete protection to the whistle-blower and follows a zero tolerance approach to retaliation or unfair treatment against the whistle-blower and all others who report any concern under this Policy. During the year under review, the Company did not receive any complaint of any fraud, misfeasance etc. The Company's Whistle Blower Policy (Vigil Mechanism) has also made employees aware of the existence of policies and procedures for inquiry in case of leakage of Unpublished Price Sensitive Information to enable them to report on leakages, if any.

#### **INSIDER TRADING POLICY**

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2015. The



Insider Trading Policy of the Company lays down guidelines and procedures to be followed, and disclosures to be made while dealing with shares of the Company, as well as the consequences of violation. The policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company securities.

The Insider Trading Policy of the Company covering code of practices and procedures for fair disclosure of unpublished price sensitive information and code of conduct for the prevention of insider trading will be available on the website of your Company, i.e. https://megatherm.com.

#### **RISK MANAGEMENT**

The Company is aware of the risks associated with the business. It regularly analyses and takes corrective actions for managing or mitigating the same. The Company periodically reviewed to ensure smooth operation and effective management control, the key risks associated with the business and measures and steps in place to minimize the same.

#### **PERFORMANCE EVALUATION:**

The Board of Directors has adopted a Nomination and Remuneration Policy in terms of the provisions of sub-section (3) of Section 178 of the Act dealing with appointment and remuneration of Directors, Key Managerial Personnel and Senior Management Personnel. The policy covers criteria for determining qualifications, positive attributes, independence and remuneration of Directors, Key Managerial Personnel and Senior Management Personnel. The Nomination and Remuneration Policy of the Company is hosted on the Company's website under the web link https://megatherm.com

#### **BOARD EVALUATION**

The Company has devised a Board Evaluation Framework for performance evaluation of Independent Directors, Board, Non-Independent Directors and Chairman of the Company. Pursuant to this framework, the Board has carried out the annual evaluation of its own performance as well as the evaluation of the working of its Committees and individual Directors, including Chairman of the Board.

The Board evaluation was done taking into consideration various aspects of the Board's functioning such as understanding of Board members of their roles and responsibilities, time devoted by the Board to Company's long-term strategic issues, quality and transparency of Board discussions, quality, quantity and timeliness of the information flow between Board members and

management, Board's effectiveness in disseminating information to shareholders and in representing shareholder interests, Board information on industry trends and regulatory developments and discharge of fiduciary duties by the Board.

The Board acknowledged certain key improvement areas emerging through this exercise and action plans to address these are in progress. The performance evaluation of the Non Independent Directors including Chairman was carried out by the Independent Directors at a separate meeting of the Independent Directors on March 24, 2025.

Further, the Board has expressed its satisfaction and has been thankful to all its Independent Directors for sharing their knowledge and expertise which has been proved beneficial towards the progress of the Company.

#### **EXTRACTS OF ANNUAL RETURN:**

The Annual Return of the Company is displayed on website of the Company i.e. https://megatherm.com.

#### MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Management Discussion and Analysis Report as required under Regulation 34(2)(e) read with Schedule V Part B of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed herewith as an 'Annexure - IV'.

# CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134(3) (m) of the Companies Act, 2013 is as under:

#### A) Conservation of Energy:

The information on conservation of energy stipulated under Section 134(3) (m) of the Companies Act, read along with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as 'Annexure – V'.

#### **B) Technology Absorption:**

The information on technology absorption stipulated under Section 134(3) (m) of the Act, read along with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as 'Annexure – V'.

#### C) Foreign Exchange Earnings and Outgo:

The detail regarding foreign exchange earnings and outgo is specified in the notes to the Financial Statements.

#### **CORPORATE SOCIAL RESPONSIBILITY:**

The Company has reconstituted a Corporate Social Responsibility (CSR) Committee comprising of all three existing directors out of which 1 is independent namely Mr. Shesadri Bhusan Chanda, Mr. Satadri Chanda and Mr. Shravan Manjaya Shetty. The Board of Directors of the Company has adopted a CSR Policy which is available on the website of the Company namely https://megatherm.com. The implementation and monitoring of CSR is in compliance with CSR Policy of the Company. Details of our CSR activities and the corresponding expenditure for each activity are provided as an 'Annexure-VI' in this report.

### **VOLUNTARY REVISION OF FINANCIAL STATEMENT AND / OR BOARD REPORT:**

No application was made for voluntary revision of financial statements and / or Board Report during the year.

### COMPLIANCE SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS:

During the year under review, the Company has duly complied with the applicable provisions of the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India (ICSI).

# DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONG WITH THEIR STATUS:

No Application was made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year.

DETAILS OF DIFFERENCE BETWEEN OF AMOUNT OF VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE UNDERTAKING LOAN FROM THE BANK OF FI, ALONG WITH REASONS THEREOF:

Not Applicable.

#### **OTHERS:**

No Employee stock option was issued.

No Sweat Equity Shares were issued.

During the year under review, there was no transfer to the Investor Education and Protection Fund in terms of Section 125 of the Companies Act, 2013.

Various policies required are disclosed on the website of the Company namely <a href="https://megatherm.com/">https://megatherm.com/</a>

Other Disclosures required to be made in the Directors' Report are either nil or not applicable.

#### **ACKNOWLEDGMENT:**

Your Directors are thankful to regulatory and government authorities, bankers, clients, and suppliers of the Company for their co-operation and also wish to place on record the contribution made by all the workers, members of the staff and executives of the Company at all levels for the progress of the Company.

The Directors of your Company also express appreciation of the confidence, which the Members have reposed in them.

#### **CAUTIONARY STATEMENT:**

The Boards' Report and Management Discussion & Analysis may contain certain statements describing the Company's objectives, expectations or forecasts that appear to be forward-looking within the meaning of applicable securities laws and regulations while actual outcomes may differ materially from what is expressed herein. The Company is not obliged to update any such forward-looking statements. Some important factors that could influence the Company's operations comprise economic developments, pricing and demand and supply conditions in global and domestic markets, changes in government regulations, tax laws, litigation and industrial relations.

For and on behalf of Board of Directors of

#### **MEGATHERM INDUCTION LIMITED**

	Shesadri Bhusan Chanda	Satadri Chanda
Date: 24th May, 2025	DIN: 00961593	DIN: 02302312
Place: Kolkata	Chairman and Managing	Director & CFO

Director



ANNEXURE - I

# Form AOC-2 [Pursuant to Section 134 (3) (h) of the Companies Act, 2013 read with Rule 8 (2) of the Companies (Accounts) Rules, 2014]

Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

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

There were no contracts or arrangements or transactions entered into during the year ended 31st March, 2025, which were not at arm's length basis.

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

Particulars	Information
Name(s) of the related party	EMT Megatherm Private Limited
Nature of relationship	Fellow Subsidiary Company
Nature of Contract/ Arrangement/ Transaction	Sale of Goods or Services
Duration of the contracts/arrangements or transactions	Not Applicable Continuous in nature
Terms of the contracts or arrangements or transactions including the value, if any	₹ 3,904.07 Lac
Date of Approval by the Board	28th May, 2024
Amount paid as advances, if any	NA

Particulars	Information
Name(s) of the related party	Megatherm Electronics Private Limited
Nature of relationship	Immediate Holding Company
Nature of Contract/ Arrangement/ Transaction	Sale of Goods or Services
Duration of the contracts/arrangements or transactions	Not Applicable Continuous in nature
Terms of the contracts or arrangements or transactions including the value, if any	₹ 2,926.57 Lac
Date of Approval by the Board	28th May, 2024
Amount paid as advances, if any	NA

Particulars	Information
Name(s) of the related party	EMT Megatherm Private Limited
Nature of relationship	Fellow Subsidiary Company
Nature of Contract/ Arrangement/ Transaction	Purchase of Goods or Services
Duration of the contracts/arrangements or transactions	Not Applicable Continuous in nature
Terms of the contracts or arrangements or transactions including the value, if any	₹ 373.18 Lac
Date of Approval by the Board	28th May, 2024
Amount paid as advances, if any	NA

Particulars	Information
Name(s) of the related party	Megatherm Electronics Private Limited
Nature of relationship	Immediate Holding Company
Nature of Contract/ Arrangement/ Transaction	Purchase of Goods or Services
Duration of the contracts/arrangements or transactions	Not Applicable Continuous in nature
Terms of the contracts or arrangements or transactions including the value, if any	₹ 28.31 Lac
Date of Approval by the Board	28th May, 2024
Amount paid as advances, if any	NA

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Particulars	Information
Name(s) of the related party	Megatherm Electronics Private Limited
Nature of relationship	Immediate Holding Company
Nature of Contract/ Arrangement/ Transaction	Rent and Electricity Expense
Duration of the contracts/arrangements or transactions	Not Applicable Continuous in nature
Terms of the contracts or arrangements or transactions including the value, if any	₹ 11.57 Lac
Date of Approval by the Board	28th May, 2024
Amount paid as advances, if any	NA

Particulars	Information	
Name(s) of the related party	EMT Megatherm Private Limited	
Nature of relationship	Fellow Subsidiary Company	
Nature of Contract/ Arrangement/ Transaction	Rental Income	
Duration of the contracts/arrangements or transactions	Not Applicable Continuous in nature	
Terms of the contracts or arrangements or transactions including the value, if any	₹ 60.30 Lac	
Date of Approval by the Board	28th May, 2024	
Amount paid as advances, if any	NA	

Particulars	Information	
Name(s) of the related party	Shesadri Bhusan Chanda	
Nature of relationship	Managing Director	
Nature of Contract/ Arrangement/ Transaction	Salaries/ Managerial Remuneration	
Duration of the contracts/arrangements or transactions	Not Applicable Continuous in nature	
Terms of the contracts or arrangements or transactions including the value, if any	₹ 62.40 Lac	
Date of Approval by the Board	5th January, 2023	
Amount paid as advances, if any	NA	



Particulars	Information	
Name(s) of the related party	Satadri Chanda	
Nature of relationship	Whole-time Director & CFO	
Nature of Contract/ Arrangement/ Transaction	Salaries/ Managerial Remuneration	
Duration of the contracts/arrangements or transactions	Not Applicable Continuous in nature	
Terms of the contracts or arrangements or transactions including the value, if any	₹ 87.00 Lac	
Date of Approval by the Board	5th January, 2023	
Amount paid as advances, if any	NA	

Particulars	Information
Name(s) of the related party	Christina Paul Chowdhury
Nature of relationship	Woman Director
Nature of Contract/ Arrangement/ Transaction	Sitting Fees
Duration of the contracts/arrangements or transactions	Not Applicable Continuous in nature
Terms of the contracts or arrangements or transactions including the value, if any	₹ 4.00 Lac
Date of Approval by the Board	28th September, 2022
Amount paid as advances, if any	NA

Further the details required to be disclosed in Form AOC-2 pursuant to Rule 8(2) of the Companies (Accounts) Rules, 2014 is not applicable.

The details of the related party transactions are disclosed in Note 35 to the financial statement which sets out related party disclosures.

For and on behalf of Board of Directors of

**MEGATHERM INDUCTION LIMITED** 

Shesadri Bhusan Chanda

Satadri Chanda DIN: 02302312

Date: 24th May, 2025 Place: Kolkata DIN: 00961593 Chairman and Managing Director

Director & CFO

Annexure-II

#### Details of Remuneration as required under section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Name of Director/KMP	Designation	Ratio to median remuneration	% increase in remuneration in Financial Year 2024-25
Mr. Shesadri Bhusan Chanda	Managing Director	21:11	0%
Mr. Satadri Chanda	Whole-time Director & CFO	29:43	0%
Ms. Abanti Saha Basu	Company Secretary	1:66	8%

- The percentage increase in the median remuneration of employees for the financial year ended 31st March, 2025 is 22.2%.
- The number of permanent employees on the rolls of the Company as on 31st March, 2025 is 305.

**Statutory Reports** 

- The average increase in the managerial remuneration for the F.Y. 2024-25 is 19 % and the average increase in the salary of employees other than managerial personnel for the FY2024-25 is 23%.
- The remuneration stated above is in accordance with the remuneration policy of the Company.

For and on behalf of Board of Directors of

#### **MEGATHERM INDUCTION LIMITED**

Shesadri Bhusan Chanda Satadri Chanda Date: 24th May, 2025 DIN: 00961593 DIN: 02302312 Place: Kolkata Chairman and Managing Director Director & CFO



Annexure - III

# SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31st MARCH, 2025

[Pursuant to Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
Megatherm Induction Limited
Plot- L1 Block Gp, Sector V,
Electronics Complex, Saltlake City
Kolkata-700091

- We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Megatherm Induction Limited (CIN: L31900WB2010PLC154236) (hereinafter to be referred as the "Company") for the financial year ended on 31st March, 2025 (hereinafter to be referred as "period under review"). Secretarial Audit was conducted on test check basis, in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.
- 2. On the basis of verification of the secretarial compliance and on the basis of secretarial audit of Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, as provided to us during the said audit by the Company, its officers, agents and authorized representatives, we hereby report that in our opinion and to the best of our understanding, the Company, during the period under review has complied with the statutory provisions listed hereunder and that the Company has adequate Board Processes and Compliance Mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:
- 3. (1) We have examined the records, minute books, documents, forms and returns filed and other records maintained by the Company for and during the financial year ended on 31st March, 2025 according to the provisions of:
  - (i) The Companies Act, 2013 (hereinafter to be referred as the "the Act") and the rules made thereunder:
  - (ii) The Securities Contracts (Regulation) Act, 1956 (hereinafter to be referred as the "SCRA") and the rules made thereunder:

- (iii) The Depositories Act, 1996, the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999, the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (hereinafter to be referred as the "SEBI Act") viz.: -
  - The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015:
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; - None of the provisions of this regulation has been attracted during the period under review.
  - d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; - to the extent applicable during the period under review.
  - e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; - None of the provisions of this regulation has been attracted during the period under review.
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; - None of the provisions of this

regulation has been attracted during the period under review.

- The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018;
   None of the provisions of this regulation has been attracted during the period under review.
- The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; - None of the provisions of this regulation has been attracted during the period under review.
- (2) We understand, based on representation made by the management that the company has complied with the provisions of the following laws specifically applicable to the Company during the period under review;
  - Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008
  - b. The Environment Protection Act, 1986
  - c. Public Liability Insurance Act, 1991, and
  - d. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.;
- 4. (1) We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India under Section 118 of the Companies Act, 2013 and to the best of our knowledge, belief and understanding, we are of the view that the Company has complied with the clauses of the Secretarial Standards, during the aforesaid period under review.
- 4. (2) We have checked the compliance with the provisions of the Standard Listing Agreement entered by the Company with National Stock Exchange of India Limited and also with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR), to the extent applicable during the period under review.
- That on the basis of the audit as referred above, to the best of our knowledge, understanding and belief, we are of the view that during the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as

mentioned above in Paragraph 3(1), Paragraph 3(2), Paragraph 4(1) and Paragraph 4(2) of this report;

- We further report that,
  - The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review, were carried out in compliance with the provisions of the Act and the SEBI LODR.
  - b) Adequate notices are given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance.
  - c) Majority decision is carried through and recorded as part of the minutes.
- 7. We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines, generally applicable to Company.
- We further report that during the period under review, no event has occurred having a major bearing on the affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, standards, etc., except as follows:
  - The company has entered into a transaction with EMT Megatherm Private Limited for the purchase of Complete Shed Building at Kharagpur Factory.
- This report is to be read with our letter of even date which is annexed as Annexure A, forming an integral part of this report.

FOR, ANJAN KUMAR ROY & CO.
Company Secretaries

Place: Kolkata

Date: 24th May, 2025

ANJAN KUMAR ROY Proprietor FCS 5684 C.O.P. No. 4557

C.O.P. Unique Code: I2002WB282300 UDIN: F005684G000408471

Peer Review Certificate No.: 869/2020 Firm Unique Code: S2002WB051400



Annexure A

(To the Secretarial Audit Report of M/s. Megatherm Induction Limited for the financial year ended on 31st March, 2025)

To,
The Members,
Megatherm Induction Limited
Plot- L1 Block Gp, Sector V,
Electronics Complex, Saltlake City
Kolkata-700091

Our Secretarial Audit Report for the financial year ended on 31st March, 2025 of even date is to be read along with this letter.

- 1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on the secretarial records based on our audit.
- 2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- 3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulation, happening of events, etc.
- 5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test check basis.
- 6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

FOR, ANJAN KUMAR ROY & CO. Company Secretaries

Place: Kolkata Date: 24th May, 2025

> ANJAN KUMAR ROY Proprietor FCS 5684 C.O.P. No. 4557

C.O.P. Unique Code: I2002WB282300 UDIN: F005684G000408471 Peer Review Certificate No.: 869/2020

Firm Unique Code: S2002WB051400

Annexure IV

# **Management Discussion and Analysis**

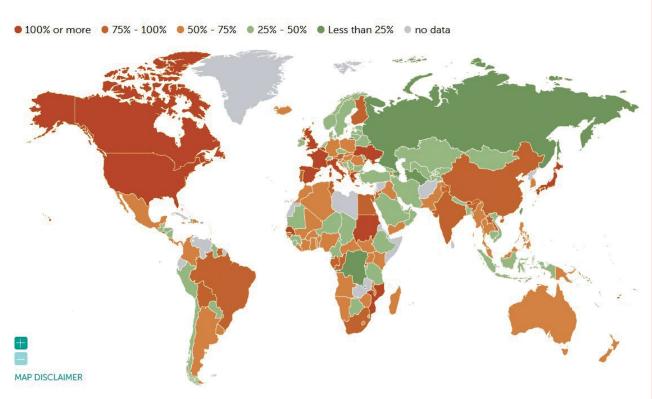
#### **GLOBAL ECONOMIC GROWTH**

The global economy started 2024 with the confidence that inflation was largely beaten and that major economies would likely avoid recession. But as the year drew to a close, a nagging worry crept in: inflation proved to be much stickier than we'd hoped. While the US economy powered ahead, many other developed nations struggled to keep pace. On top of that, many countries saw their currencies lose value, a situation that could become especially tricky for developing economies.

Stepping in 2025, the global economic activity is expected to maintain modest momentum in 2025 owing to the

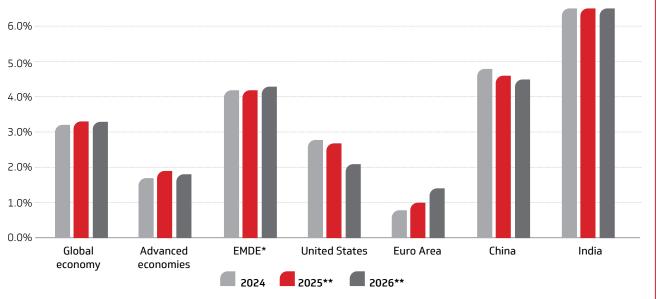
likely shift in policy following numerous elections around the world. New policies could lead to new trajectories for inflation, borrowing costs, and currency values, as well as trade flows, capital flows, and costs of production. According to the IMF, the global economy is expected to grow at 3.3% both in 2025 and 2026, primarily on account of an upward revision in the United States offsetting downward revisions in other major economies. Global headline inflation is expected to decline to 4.2% in 2025 and to 3.5% in 2026, converging back to target earlier in advanced economies than in emerging market and developing economies.

# Debt to GDP Ratio by country (2025)



(Source: https://www.imf.org/external/datamapper/GGXWDG\_NGDP@WEO/0EMDC/ADVEC/WEOWORLD)

# Global economy growth projections



(Source: https://www.imf.org/en/Publications/WEO/Issues/2025/01/17/world-economic-outlook-update-january-2025) [\*Emerging Market and Developing Economies] [\*\*Projected]

Global inflation is expected to ease gradually, dropping from 4.5% in 2024 to 3.5% in 2025, though it will still remain slightly above the 3.1% level seen in 2019. Advanced economies are likely to rein in inflation more quickly than emerging markets, but the path to price stability may not be smooth. Persistent wage and services inflation in some regions could lead to uneven monetary policy responses. Additionally, factors such as rising protectionism, geopolitical tensions, supply chain adjustments, and demographic shifts could keep inflationary pressures elevated, adding uncertainty to the global outlook.

Growth projections for advanced economies are taking different paths. In the United States, strong consumer demand continues to drive momentum, supported by rising wealth, a relatively flexible monetary policy, and favorable financial conditions. The economy is expected to grow by 2.7% in 2025 – 0.5 percentage points higher than the previous forecast in October. This upward revision reflects the carryover effect from 2024, along with a resilient job market and increasing investments. However, by 2026, growth is anticipated to gradually ease, aligning with its long-term potential.

Growth in the euro area is expected to improve, but at a slower pace than previously anticipated. Ongoing geopolitical tensions continue to dampen confidence, and weaker-than-expected momentum in late 2024 – particularly in manufacturing – has led to a downward revision of the 2025 growth forecast to 1.0%, 0.2 percentage points lower than earlier estimates. However, by 2026, growth is projected to reach 1.4%, driven by stronger domestic demand as financial conditions ease, confidence strengthens, and uncertainty gradually subsides.

In emerging markets and developing economies, economic growth in 2025 and 2026 is expected to stay on par with 2024.

China's 2025 growth forecast has been slightly revised upward by 0.1 percentage point to 4.6%, mainly due to momentum from 2024 and the fiscal stimulus announced in November, which is helping counterbalance the negative impact of trade policy uncertainties and challenges in the property sector. In 2026, growth is expected to remain steady at 4.5%, as trade concerns ease and an increase in the retirement age helps slow down labor supply decline.

¹ https://www.financialexpress.com/policy/economy-at-1-1-of-gdp-q3-cad-flat-on-year-3791937/

Meanwhile, India's economy is projected to maintain a robust growth rate of 6.5% in both 2025 and 2026, consistent with earlier forecasts and aligned with the country's long-term potential.

Economic growth in the Middle East and Central Asia is expected to improve, though not as much as previously anticipated. A key factor behind this adjustment is the 1.3 percentage point downgrade in Saudi Arabia's 2025 growth forecast, largely due to the extension of OPEC+ production cuts.

In Latin America and the Caribbean, overall growth is set to edge up to 2.5% in 2025, even as some of the region's largest economies experience a slowdown. Meanwhile, sub-Saharan Africa is projected to see stronger growth next year, while emerging and developing Europe is likely to face a slowdown.

#### **Outlook**

According to the IMF, factoring in recent market trends and the impact of rising trade policy uncertainty, the uncertainty surrounding the global economy is expected to persist throughout 2025. However, the probable impact of any potential policy changes that are still under discussion.

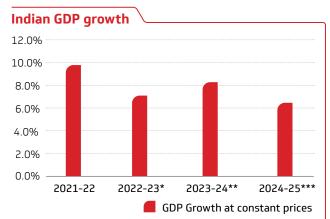
In 2025, energy commodity prices are expected to decline by 2.6%, largely due to weaker oil demand from China and increased supply from non-OPEC+ countries (which includes Russia), though rising gas prices – caused by colder weather, supply disruptions, and ongoing conflicts in the Middle East – partly offset the decline. Meanwhile, non-fuel commodity prices are projected to rise by 2.5%, mainly driven by higher food and beverage costs due to adverse weather affecting major producers.

On the monetary front, major central banks are expected to continue lowering interest rates, though at different speeds, depending on their respective economic growth and inflation outlooks. Fiscal policies in advanced economies, including the U.S., are expected to tighten in 2025–26, with a lesser degree of tightening in emerging and developing markets.

## **INDIAN ECONOMY OVERVIEW**

Even in FY25, the Indian economy continued to emerge as of the fastest growing economies in the world, but at a sluggish pace compared to the previous years. Slower growth in the first half of the fiscal (6%) led the RBI to bring down the annual projection to 6.6% (down from an earlier projection of 7%). However, according to the first advance estimates, India's real GDP is expected to grow at 6.4% in FY25.

Some of the key factors which helped drive the growth of the Indian economy include, rural consumption has remained robust, supported by strong agricultural performance, while the services sector continues to be a key driver of growth. Manufacturing exports, particularly in high-value-added components (such as electronics, semiconductors, and pharmaceuticals), have displayed strength, underscoring India's growing role in global value chains.



(Source: https://pib.gov.in/PressReleasePage.spx?PRID=2097921) [\*1st Revised Estimate |

India's current account deficit (CAD) widened to \$11.5 billion in the third quarter (Q3) of FY25 from \$10.4 billion in the year-ago quarter due to increase in merchandise trade deficit. However, CAD was unchanged at 1.1% in terms of percentage of GDP. However, on the positive side, CAD moderated from \$16.7 billion (1.8% of GDP) in Q2 FY25 to \$11.5 billion (1.1% of GDP). For Q4 FY25, it is expected that the current account to witness a surplus of \$4-6 billion aided by a seasonal uptick in merchandise exports and the resulting moderation in the merchandise trade deficit, as well as healthy services surpluses. For the entire fiscal year (FY25), the CAD is expected to hover around 0.8% of GDP.<sup>1</sup>

<sup>\*\*2</sup>nd Provisional Estimates | \*\*\* 1st Advance Estimates]

<sup>1</sup> https://www.financialexpress.com/policy/economy-at-1-1-of-qdp-q3-cad-flat-on-year-3791937/



India's foreign exchange reserves have continued their upward trajectory, reaching \$676.3 billion as of April 4, 2025, according to the Reserve Bank of India (RBI). This marks the highest level in five months and reflects gains for the fifth straight week. With this achievement, India has firmly positioned itself as the world's fourth-largest holder of forex reserves, following China, Japan, and Switzerland. The journey of India's forex reserves has been remarkable – rising from just \$29.3 billion in March 1997 to an impressive \$644.39 billion by December 2024. More than just a number, these reserves are a testament to India's economic resilience and prudent financial management. In times of global uncertainty, they act as a vital buffer, strengthening market confidence and supporting economic stability. They also play a critical role in bolstering the national currency, facilitating debt repayments, and promoting vibrant trade activities.<sup>2</sup>

India's economic growth momentum remains strong, with the real Gross Value Added (GVA) projected to expand by 6.4% in FY25. The agriculture sector is set for a healthy rebound, expected to grow at 3.8%, reflecting resilience in farm output. The industrial sector is poised for 6.2% growth, supported by a surge in construction activities and steady expansion in electricity, gas, water supply, and other utilities. Meanwhile, the services sector continues to be a key driver of economic activity, projected to grow at 7.2%, fueled by strong performance in financial and real estate services, professional sectors, public administration, and defense. This balanced expansion across sectors underscores the economy's robustness and adaptability in the face of evolving challenges.<sup>3</sup>

Despite the overall positive outlook, certain challenges persisted, particularly in the manufacturing sector. Export growth in this segment faced a notable slowdown, largely due to subdued demand from key international markets. Additionally, the aggressive trade and industrial policies adopted by major trading nations further intensified the pressure, creating a more competitive and restrictive global landscape for manufacturing exports.

In its January 2025 update of the World Economic Outlook, the International Monetary Fund (IMF) revised India's real GDP growth projection for FY25 to 6.5%, marking

India's foreign exchange reserves have continued their upward trajectory, reaching \$676.3 billion as of April 4, 2025, according to the Reserve Bank of India (RBI).

a 0.5 percentage point downgrade from its October 2024 forecast. This adjustment largely stems from an unexpected 12.3% contraction in the Government of India's capital expenditure during the first eight months of FY25 – a stark contrast to the budgeted 17.1% growth over FY24's actuals, as reported by the Controller General of Accounts (CGA). The slowdown in public investment has, in turn, dampened gross fixed capital formation (GFCF) – a key indicator of investment activity – bringing its estimated growth down to 6.4% in FY25, compared to 9.0% in FY24. On the external front, however, there is a silver lining. The estimated 1.7 percentage point positive contribution of net exports to real GDP growth reflects the benefits of lower crude oil prices, even as global economic uncertainties continue to pose challenges for the economy.4

India's net direct tax collections for FY25 witnessed a robust 13.57% growth, rising to ₹22.26 lakh crore. This figure not only exceeded the initial budget estimates but fell just short of the revised target, largely due to lower-than-expected non-corporate tax receipts. Reflecting the strength of this performance, tax buoyancy — which measures the growth in direct taxes relative to GDP growth — improved to 1.57, up from 1.54 in FY24. For context, the net direct tax collection in FY24 stood at ₹19.60 lakh crore, underlining the strong momentum carried into the new fiscal year.<sup>5</sup>

<sup>&</sup>lt;sup>2</sup> https://cleartax.in/s/indian-forex-reserves

<sup>&</sup>lt;sup>3</sup> https://pib.gov.in/PressReleasePage.aspx?PRID=2097921

<sup>4</sup> https://www.ey.com/en\_in/insights/tax/economy-watch/why-budget-2025-should-focus-on-restoring-india-s-capex-growth-momentum

<sup>&</sup>lt;sup>5</sup> https://economictimes.indiatimes.com/news/economy/indicators/direct-tax-mop-up-grew-13-6-in-fy25/ articleshow/120628705.cms?from=mdr

Financial Statements

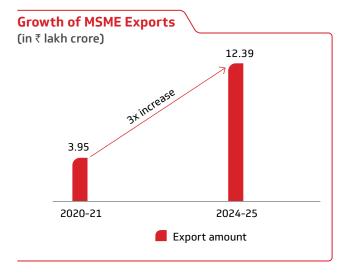
# **INDIAN MSME SECTOR**

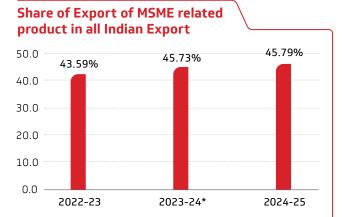
The Micro, Small, and Medium Enterprises (MSME) sector is a critical enabler of India's socio-economic progress. Beyond driving economic growth, it plays a crucial role in shaping the nation's entrepreneurial landscape, particularly in semi-urban and rural regions. Its contributions extend far beyond numbers, fueling innovation, creating jobs, and strengthening local economies. As a key engine of India's GDP and exports, the MSME sector continues to be a catalyst for inclusive and sustainable development.

As a cornerstone of India's industrial ecosystem, the MSME sector drives manufacturing, exports, and employment, shaping the nation's economic fabric. With 5.93 crore registered MSMEs employing over 25 crore people, these enterprises form the backbone of economic activity. In 2023-24, MSME-related products contributed 45.73% of India's total exports, underscoring their pivotal role in establishing the country as a global manufacturing powerhouse. Recognizing this, the latest budgetary provisions focus on fostering innovation, enhancing competitiveness, and improving resource accessibility. By empowering MSMEs with the necessary tools and support, the government aims to expand their reach and amplify their impact on India's economic growth.

Exports from MSMEs have seen substantial growth, rising from ₹3.95 lakh crore in 2020-21 to ₹12.39 lakh crore in 2024-25. The number of exporting MSMEs has also surged, increasing from 52,849 in 2020-21 to 1,73,350 in 2024-25. Their contribution to India's total exports has steadily grown, reaching 43.59% in 2022-23, 45.73% in 2023-24, and 45.79% in 2024-25 (up to May 2024). These trends underscore the sector's increasing integration into global trade and its potential to drive India's position as a manufacturing and export hub.

Exports from MSMEs have seen substantial growth, rising from ₹3.95 lakh crore in 2020-21 to ₹12.39 lakh crore in 2024-25. The number of exporting MSMEs has also surged, increasing from 52,849 in 2020-21 to 1,73,350 in 2024-25.





(Source: https://pib.gov.in/PressReleasePage. aspx?PRID=2099687#:~:text=Exports%20from%20MSMEs%20 have%20seen,%2C73%2C350%20in%202024%2D25.)

# Key Budget takeaways for the Indian MSME Sector<sup>6</sup>

**Revised classification criteria:** To empower MSMEs with greater growth opportunities, the investment and turnover thresholds for classification have been significantly raised, by 2.5 times and 2 times, respectively. This strategic move aims to enhance operational efficiency, drive technological adoption, and create more employment opportunities, fostering a stronger and more competitive business ecosystem.

https://pib.gov.in/PressReleasePage.aspx?PRID=2099687#:~:text=Exports%20from%20MSMEs%20have%20 seen,%2C73%2C350%20in%202024%2D25.



Enhanced credit availability: The credit guarantee cover for micro and small enterprises has been increased from ₹5 crore to ₹10 crore, enabling additional credit of ₹1.5 lakh crore over five years. Startups will see their guarantee cover double from ₹10 crore to ₹20 crore, with a reduced fee of 1% for loans in 27 priority sectors. Exporter MSMEs will benefit from term loans up to ₹20 crore with enhanced guarantee cover.

**Credit cards facility for micro enterprises:** A new customised Credit Card scheme will provide ₹5 lakh in credit to micro enterprises registered on the Udyam portal, with 10 lakh cards set to be issued in the first year.

## Support for startups and first-time entrepreneurs:

A dedicated ₹10,000 crore Fund of Funds is likely to be launched to strengthen support for startups, fostering innovation and entrepreneurship across the country. Additionally, a new initiative will empower 5 lakh first-time women, Scheduled Caste, and Scheduled Tribe entrepreneurs by offering term loans of up to ₹2 crore over a five-year period. This initiative aims to create greater financial inclusion, encourage self-reliance, and unlock new opportunities for underrepresented entrepreneurs.

Focus on labour-intensive sectors: A Focus Product Scheme for the footwear and leather sector aims to boost innovation, manufacturing, and non-leather production, creating 22 lakh jobs and driving a ₹4 lakh crore turnover. A new toy sector scheme will enhance cluster development and skill-building, positioning India as a global manufacturing hub. Meanwhile, a National Institute of Food Technology in Bihar will accelerate food processing growth, unlocking opportunities in the eastern region.

Manufacturing and clean tech initiatives: A National Manufacturing Mission will provide policy support and roadmaps f or small, medium, and large industries under the Make in India initiative. Special emphasis will be given to clean tech manufacturing, fostering domestic production of solar PV cells, EV batteries, wind turbines, and high-voltage transmission equipment.

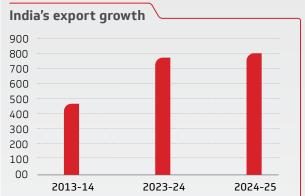
This initiative aims to create greater financial inclusion, encourage self-reliance, and unlock new opportunities for underrepresented entrepreneurs.

# Export scenario<sup>7</sup>

Despite the prevailing geopolitical tensions, the Indian goods and services exports is expected to cross \$800 billion by the end of the current fiscal, signalling a robust economy and continued growth across sectors. This would be higher than the earlier record of \$776.68 billion in the overall exports in FY24.

As demand for Indian products in the global market surges across categories, the country's total exports reached about \$778 billion in FY 2023-24, compared to \$466 billion in FY 2013-14 - a whopping 67% growth. In 2023-24, merchandise exports stood at USD 437.10 billion, while services exports contributed USD 341.11 billion, demonstrating a well-balanced expansion. Key sectors like electronics, pharmaceuticals, engineering goods, iron ore, and textiles played a vital role in this surge. Strengthened by strategic policy measures, enhanced competitiveness, and broader market access, India's export ecosystem is now more resilient and deeply integrated into the global economy.

The momentum has continued into FY 2024-25, with cumulative exports during April-December 2024 estimated at USD 602.64 billion, a 6.03% increase from USD 568.36 billion in the same period of 2023. Strengthened by strategic policy measures, enhanced competitiveness, and broader market access, India's export ecosystem is now more resilient and deeply integrated into the global economy.



(Source: https://pib.gov.in/PressReleasePage.aspx?PRID=2098447 & https://cfo.economictimes.indiatimes.com/news/india-on-the-path-to-hit-record-800-billion-in-exports-in-fy25/118059751#:~:text=News-,India%20on%20the%20path%20 to%20hit%20record%20%24800%20billion%20in,and%20 continued%20growth%20across%20sectors.) [\*Projected]

India's share in world merchandise exports also improved from 1.66% to 1.81%, with the country advancing in rankings from 20th to 17th position. The feat was achieved as the government implemented several initiatives to sustain and accelerate export growth.

<sup>&</sup>lt;sup>7</sup> https://pib.gov.in/PressReleasePage.aspx?PRID=2098447

#### Outlook

Corporate Overview

India is poised to sustain a robust 6.5% GDP growth in FY 2026, driven by favorable monsoons and stable commodity prices. This momentum is supported by a resilient manufacturing sector, moderated inflation, tax incentives, and strong urban consumption. Additionally, continued infrastructure expansion and economic reforms are reinforcing India's ability to navigate global uncertainties.

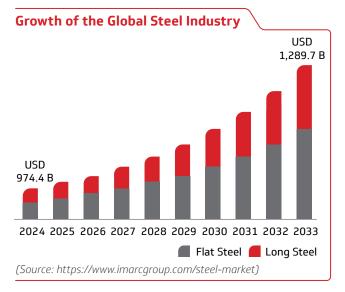
Looking ahead, India is expected to maintain its potential real GDP growth of 6.5% YoY from FY26 to FY28, positioning itself as the world's third-largest consumer market by 2026 and the third-largest economy by 2027, trailing only the United States and China. The country's nominal GDP is projected to rise from USD 4 trillion in FY25E to over USD 6 trillion by FY30E.

This growth trajectory is likely to be fueled by a manufacturing and export push, increasing services exports, and accelerated digitalization, all contributing to higher productivity and efficiency gains. However, challenges persist, including the need to create productive employment for the expanding workforce, a less favorable global trade environment, and the impact of automation on jobs.

#### **GLOBAL STEEL INDUSTRY**

According to the World Steel Association, global crude steel production declined by approximately 0.9% in 2024, reaching 1,882.6 million tonnes, compared to 1,897.9 million tonnes in 2023. While overall global demand contracted by around 1%, India stood out with a robust projected growth of 8.2% in steel demand, reflecting its ongoing infrastructure and industrial momentum. In contrast, China—the world's largest steel producer and consumer—saw a 3.5% decline, largely attributed to subdued activity in the real estate sector.

Valued at approximately USD 974.4 billion in 2024, the global steel industry is poised for steady expansion, expected to reach USD 1,289.7 billion by 2033, growing at a CAGR of 3.14%. This growth is expected to be propelled by the increasing use of advanced, durable, and recyclable packaging solutions in the food and beverage sector. Moreover, the industry is undergoing a meaningful shift toward sustainable practices, aligning with global climate goals by embracing cleaner, greener technologies to minimize environmental impact.



# Trends shaping the global steel industry Robust growth in the automotive industry set to fuel steel demand

The accelerating growth of the global automotive industry is paving the way for increased demand in the steel sector. As vehicles become more advanced, the role of steel—particularly in ensuring structural strength, passenger safety, and lightweight design—remains critical. Lightweight steel structures not only boost vehicle efficiency but also contribute to cost-effectiveness, making them a preferred choice for manufacturers.

This transformation is driving a shift in material preference, with automakers increasingly opting for advanced high-strength and lightweight steel alloys. These innovative materials not only meet evolving environmental standards but also align with changing consumer expectations around performance and sustainability. According to the industry experts, the ongoing evolution of steel technologies will play a pivotal role in supporting the automotive sector's transition to electric and sustainable mobility.

# Growing demand for steel in military aircraft manufacturing

The rising need for advanced military aircraft is becoming a significant driver of steel demand. These aircraft designed to operate in extreme conditions—require materials that offer exceptional strength, durability, and resilience. Steel, known for its high tensile strength and reliability, remains a material of choice for critical components such as airframes, landing gear, engine parts, and other structural elements.

escalating geopolitical tensions, budgets across the globe are being ramped up, with renewed emphasis on military preparedness and



fleet modernization. This global shift is accelerating the production of fighter jets, transport aircraft, and helicopters—each of which depends heavily on specialized steel. As a result, the steel industry is closely aligned with this growing defense momentum, with demand increasingly shaped by investments in high-performance materials to meet evolving military needs.

# Rising demand for specialty steel

The surging demand for specialty steel products is unlocking new avenues of growth for the mining and steel industries. As sectors like automotive, aerospace, and energy continue to advance, there is an increasing need for high-performance steel materials that offer exceptional strength, durability, and resistance to extreme environments. Specialty steels—such as high-alloy, tool, and stainless steels—are becoming indispensable due to their ability to meet the rigorous standards of industries where precision, safety, and reliability are nonnegotiable. Recognizing this shift, several countries are making significant investments to boost their capabilities in specialty steel production, positioning themselves to meet this evolving global demand.

# Key concern areas for the global steel industry

**Volatility in raw material prices:** Steel manufacturing relies heavily on two core raw materials—iron ore and coking coal. As these commodities are subject to frequent market fluctuations, any sharp rise in their prices can significantly erode profit margins, especially in the year ahead.

Several global factors are contributing to this raw material price volatility. Geopolitical tensions continue to disrupt supply chains, while the growing demand for batteries—especially from electric vehicle and renewable energy sectors—is increasing competition for key resources. Additionally, climate-related challenges are impacting mining operations, further straining supply. To navigate these uncertainties, manufacturers must adopt flexible and responsive procurement strategies that can cushion the impact of market swings.

# Geopolitical tensions and trade uncertainties:

Geopolitical tensions and trade disruptions continue to impact the steel industry, with pricing volatility and supply chain constraints becoming persistent challenges. In 2025, unresolved US-China trade disputes, stringent EU import tariffs, and India's potential export restrictions aimed at protecting domestic producers are reshaping global steel flows. In this evolving landscape, it is imperative for steel manufacturers to diversify their market presence, deepen domestic supplier networks, and adopt agile strategies to ensure resilience and sustained competitiveness.

**Rising competition from alternative materials:** Steel continues to face growing competition from alternative materials such as aluminum, carbon fiber, and advanced composites. These materials are increasingly gaining favor across industrial sectors due to their unique combination of benefits—lighter weight, superior corrosion resistance, and enhanced strength, making them attractive options for modern engineering and manufacturing needs.

Material	Advantages over steel	Industry applications
Aluminum	Lighter weight, corrosion-resistant	Automotive, aerospace
Carbon fiber	Stronger and lighter than steel	Sports equipment, aerospace
Composites	Customizable properties	Construction, energy

**Energy Costs and carbon regulations:** Steel production remains inherently energy-intensive, and the dual pressure of rising energy costs and stricter carbon regulations is set to impact profitability in 2025. With electricity and fossil fuel prices climbing and emission norms tightening, the urgency to shift toward cleaner, more efficient energy systems is now strategic. Companies that embrace this transition will strengthen their resilience and competitive edge, while those that delay risk higher costs, regulatory setbacks, and weakening market relevance.

#### Outlook

As we move through 2025, the global steel industry finds itself at a critical crossroads. While demand continues to be fueled by infrastructure expansion, technological advancements, and a growing emphasis on sustainability, the landscape remains complex. Raw material price volatility, evolving geopolitical dynamics, and rising competition from alternative materials are testing the resilience of the sector. To stay ahead, steel manufacturers must embrace agility and transformation. The future will belong to those who seamlessly integrate innovation, sustainability, and strategic foresight into their operations—reshaping the industry and setting the pace for a new era in steel production.

#### **INDIAN STEEL INDUSTRY OVERVIEW**

Steel production and consumption have long been regarded as key indicators of a nation's economic development, serving both as a fundamental raw material and a crucial intermediary product. It is no exaggeration to say that the steel industry has consistently been at the heart of industrial progress, forming the backbone of any thriving economy.

India's steel industry is a testament to this transformative power, mirroring the nation's broader economic evolution.

From being a modest player on the global stage, India has rapidly ascended to become the world's second-largest steel producer, surpassing Japan in 2018. This remarkable achievement underscores the country's journey toward modernization, self-reliance, and sustainable industrial growth.

As of 2024, India stands as the world's second-largest producer of crude steel, boasting a production capacity of 179 million tonnes (MT). Between April and October 2024, the country produced 85.40 million tonnes of crude steel and 82.81 million tonnes of finished steel. Steel consumption during this period surged to 85.70 million tonnes, underscoring robust demand across various industries. On the trade front, steel imports outpaced exports, with 5.768 million tonnes imported compared to 2.753 million tonnes exported. These dynamic highlights the evolving landscape of India's steel sector, which continues to play a pivotal role in the nation's manufacturing output.

The industry's growth trajectory has been remarkable, particularly between 2019 and 2024. During this period, India's steel production expanded at an impressive 6% compound annual growth rate (CAGR) – far exceeding China's 1% CAGR and standing in stark contrast to the 1% decline in global steel production. This strong performance reinforces India's emergence as a key player in the global steel market.

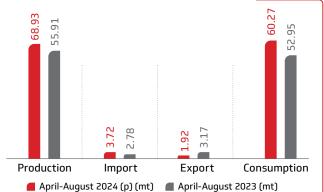
A key driver of this success has been the National Steel Policy (NSP) 2017, which set ambitious goals to propel India's steel industry forward. The policy envisions achieving a crude steel capacity of 300 million tonnes by 2030-31, with an estimated production of 255 million tonnes of crude steel and 230 million tonnes of finished steel. Designed to make India self-reliant in steel production, the NSP not only focuses on meeting domestic and global demand but also emphasizes capacity expansion, quality enhancement, and the adoption of sustainable, energy-efficient practices to ensure long-term industry growth.

## Global economy growth projections



(Source: https://tradingeconomics.com/india/steel-production)

# Performance of Indian steel industry



(Source: https://jpcindiansteel.nic.in/writereaddata/files/ Trend%20Report%20September%202024.pdf) India's steel industry has witnessed remarkable growth in recent years, driven by rising demand and strategic capacity expansion. Crude steel production surged from 109.137 million tonnes (MT) in 2019-20 to 144.299 MT in 2023-24, marking a robust 13.4% year-on-year growth over the previous year's output of 127.197 MT in 2022-23. This growth has been supported by an expansion in domestic steel capacity, which increased from 142.299 MT per annum in 2019-20 to 179.515 MT in 2023-24. Notably, capacity utilization also rose to 81% during this period, underscoring the industry's efficiency gains.

However, India's steel journey isn't just about capacity expansion – it's equally a story of rising domestic consumption. Finished steel consumption grew from 100.171 MT in 2019-20 to 136.291 MT in 2023-24.



reflecting a strong 13.7% increase over the previous year, fueled by infrastructure development and a booming manufacturing sector. With initiatives like 'Atmanirbhar Bharat' fostering self-reliance, India is not only ramping up production but also reducing import dependency and strengthening its export competitiveness. Looking ahead, industry projections estimate a conservative 6% CAGR in steel demand through FY27, positioning India's steel sector for sustained growth and global prominence.

# Key initiatives undertaken by the government to boost the steel industry

India's steel sector is on a transformative path, driven by the Production Linked Incentive (PLI) Scheme, which is attracting ₹ 29,500 crore in investments to add 25 million tonnes of specialty steel capacity. Policy reforms in the Union Budget 2024, including lower customs duty on ferro nickel and extended exemptions on ferrous scrap, are ensuring a cost-effective supply chain.

The DMI&SP Policy promotes self-reliance by prioritizing locally made steel in government procurement. Sustainability efforts, such as the National Green Hydrogen Mission and Steel Scrap Recycling Policy, are advancing decarbonization and resource efficiency.

With mega infrastructure projects, 'Make in India', and the PM Gati-Shakti Plan fueling demand, India's steel industry is poised for significant growth, strengthened by government and private sector investments to achieve the National Steel Policy 2017 targets.

Finished steel consumption grew from 100.171 MT in 2019-20 to 136.291 MT in 2023-24, reflecting a strong 13.7% increase over the previous year, fueled by infrastructure development and a booming manufacturing sector.

# Key factors to drive demand for steel

# Surging demand for infrastructure and urbanisation

Infrastructure development is a key driver of steel demand in India. The government's focus on building smart cities, expanding highways, railways, bridges, and energy projects is fueling the growth of the steel market. Flagship initiatives like the Smart Cities Mission and PM Gati-Shakti are set to further boost demand for steel in India

## Advancements in the automotive and aerospace

India's growing EV and automotive sectors are driving demand for high-strength and lightweight steel. With rising EV adoption, steel is crucial for battery casings, ensuring durability and safety. Aerospace advancements are also increasing the use of innovative steel alloys for improved performance and fuel efficiency. New safety regulations are pushing manufacturers to adopt stronger steel alloys, while advanced high-strength steel (AHSS) enables lighter, more efficient vehicle production. corrosion-resistant Additionally, alloys enhance component longevity, supporting India's push for sustainable manufacturing. As next-generation mobility expands, steel remains integral to India's industrial and transportation growth.

## Technological advancements in steel production

India's steel industry is rapidly adopting advanced technologies to boost efficiency, reduce costs, and minimize environmental impact. Leading Indian steelmakers are pioneering hydrogen-based steel production, driving demand for sustainable steel solutions. The integration of predictive analytics and machine learning is enhancing automation in industrial processes, improving productivity. Additionally, the rise of additive manufacturing is unlocking new applications for steel, further expanding its market potential. As India accelerates infrastructure development and embraces technological advancements, the demand for high-quality, innovative steel is set to surge, strengthening the sector's long-term growth and global competitiveness.

#### Government's policy support

India's rapid infrastructure expansion and policy support are driving robust demand for steel. The National Steel Policy (NSP) and the Production-Linked Incentive (PLI) scheme are boosting domestic production to meet growing needs. Major government-led initiatives like smart cities, highways, railways, and urban development projects are fueling large-scale steel consumption, reinforcing the sector's pivotal role in India's economic growth and self-reliance.

#### **GREENING THE STEEL SECTOR IN INDIA: A ROADMAP TO DECARBONISATION**

Inalignment with India's climate commitments and the vision of building a globally competitive, sustainable steel industry, the Ministry of Steel has introduced its decarbonisation roadmap, titled "Greening the Steel Sector in India." This comprehensive 14-point action plan outlines key strategies to reduce emissions and enhance efficiency across the steel value chain.

A significant aspect of this roadmap is the development of a green steel taxonomy, which includes certified monitoring systems to track emissions effectively. The Indian government is also prioritizing green markets, particularly in public procurement, to encourage sustainable practices within the industry.

The strategy emphasizes optimizing the entire value chain—from raw material sourcing to final processing—with the twin goals of reducing costs and improving operational efficiency. A major focus of both the decarbonisation roadmap and India's broader industrial policy is carbon capture technologies, including Carbon Capture and Storage (CCS) and Carbon Capture and Utilisation (CCU). Additionally, the adoption of renewable energy sources and the integration of green hydrogen as a key enabler of clean steel production are central to this transition.

One of the critical shifts outlined in the roadmap is the transition from coal-based Direct Reduced Iron (DRI) production to a gas-based DRI process, using natural gas as a bridge fuel before fully adopting green hydrogen. This involves replacing coal-based rotary kilns with gas-based shaft furnaces to facilitate a seamless transition to cleaner production methods. Beyond natural gas, other fuel alternatives such as industrial waste gases, synthesized gas, and coal bed methane (CBM)—an unconventional natural gas found in coal deposits—are also being explored to reduce emissions.

Given the steel sector's heavy reliance on coal and coke for both process heat and as a reducing agent, the roadmap also advocates for eco-friendly alternatives. One such promising substitute is biochar, derived from renewable biomass, which has the potential to significantly lower carbon emissions. However, as the report highlights, widespread adoption of biochar faces stiff competition from traditional coal-based fuels due to cost and availability challenges.

Despite the industry's continued dependence on coal in the near term, Indian steel companies are already implementing a range of decarbonization initiatives, including:

- Renewable Energy: Increasing the share of solar, wind, and other renewable sources to power electric steel production.
- Recycling: Enhancing the use of scrap steel to reduce reliance on primary steel production and its associated emissions.
- Innovation & Technology: Investing in hydrogenbased steelmaking, advanced research, and new production techniques to minimize fossil fuel dependency.

India's steel sector is at a pivotal moment, balancing growth ambitions with sustainability imperatives. With focused efforts on innovation, policy support, and green technologies, the industry is steadily paving the way for a low-carbon future while reinforcing its role as a global leader in sustainable steel production.

# Outlook

With rising domestic demand and strong policy-driven incentives, India's steel sector is expected to witness a surge in investments in the industry along with a rising demand for steel. Both public and private players are actively expanding capacities and embracing technological upgrades to boost efficiency and align with sustainability goals. As India charts its course toward becoming a \$5 trillion economy, steel will play a pivotal role in shaping the nation's infrastructure, manufacturing base, and export capabilities.

Today, the steel industry stands as a cornerstone of India's industrial and economic development. Backed by robust government support, a thriving domestic market, and growing emphasis on eco-friendly production, the sector is well-poised for sustained growth. However, in a rapidly evolving global landscape, challenges such as trade dynamics and environmental responsibilities call for a thoughtful, strategic approach.

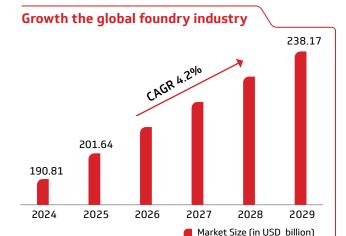
By prioritizing innovation, sustainability, and forwardlooking policies, India's steel sector is not just keeping pace – but is gearing up to lead, playing a vital role in driving the nation's long-term economic ambitions.



## **GLOBAL FOUNDRY MARKET**

The global foundry industry closed 2024 on a high note, recording an impressive 22% year-on-year growth, a clear sign of robust recovery and renewed momentum following the challenges of 2023. This resurgence was largely propelled by soaring demand for advanced semiconductor nodes, driven by the rapid proliferation of AI technologies across data centers and edge computing platforms.

In 2024, the global foundry market was valued at approximately \$190.81 billion and is projected to reach \$201.64 billion by 2025, growing at a healthy CAGR of 5.7%. Looking further ahead, the market is expected to touch \$238.17 billion by 2029, maintaining a steady CAGR of 4.2%. This consistent upward trajectory is underpinned by a diverse range of growth drivers, including rising demand from the automotive and aerospace sectors, the boom in construction and infrastructure development, increased consumer goods production, and the evolving needs of the energy industry. Other contributing factors include the globalization of supply chains, the accelerating shift toward electric vehicles (EVs), investments in renewable energy infrastructure, material science advancements, and stricter environmental standards.



(Source: https://www.thebusinessresearchcompany.com/report/foundries-global-market-report)

The global foundries market is poised for steady growth, supported by stable economic forecasts across both developed and developing nations. Notably, emerging economies are expected to outpace their developed counterparts, albeit modestly, in the coming years. This

sustained economic momentum is likely to encourage greater investment across key end-user industries, providing a strong impetus for the foundries market throughout the forecast period.

The steadily growing construction industry is poised to play a significant role in driving the future expansion of the foundries market. As a sector that spans a broad spectrum of economic activities—ranging from planning and design to development, construction, renovation, and ongoing maintenance, it relies heavily on a diverse array of metal components. From structural steel beams and columns to brackets and connectors, these essential elements, typically manufactured by foundries, form the backbone of buildings, bridges, and critical infrastructure.

At the same time, leading players in the foundries sector are evolving with the times by developing systems foundries purpose-built for the age of artificial intelligence. These advanced facilities are designed to manufacture intricate electronic systems and components, enabling the production of next-generation semiconductors tailored specifically for Al applications. This strategic shift reflects the industry's response to the rising demand for intelligent, high-performance solutions across a rapidly transforming technological landscape.

Looking to the future, the foundry landscape is poised to be shaped by transformative trends such as the adoption of digital twin technologies, innovations in casting processes, the rise of smart and digitalized foundries, growing interest in lightweight materials, and a heightened demand for customization and rapid prototyping services.

#### **INDIAN FOUNDRY INDUSTRY OVERVIEW**

India holds the second-largest position in the global metal casting industry, trailing only Chian in production volume. The Indian foundry industry has long played a vital role in shaping the nation's manufacturing landscape. In recent years, it has experienced consistent growth, driven by rising demand across key sectors such as automotive, engineering, energy, and infrastructure. Embracing change, many foundries are now modernising their operations—adopting advanced technologies and sustainable practices to enhance efficiency and reduce environmental impact.

Buoyed by these positive developments, the Indian foundry market is poised for significant expansion, projected to grow from USD 19.80 billion in 2024 to USD 51.19 billion by 2030, at a robust CAGR of 11.13%.



India's major foundry clusters are spread across industrial hubs such as Batala, Jalandhar, Ludhiana, Agra, Pune, Kolhapur, Sholapur, Rajkot, Mumbai, Ahmedabad, Belgaum, Coimbatore, Chennai, Hyderabad, Howrah, Kolkata, Indore, Faridabad, and Gurgaon. Each of these clusters has carved a niche for itself by catering to specific end-use markets, reflecting regional specialization and industrial strength.

The Indian foundry and casting industry is currently undergoing a significant technological transformation. Automation. advanced simulation tools, sophisticated robotics are reshaping traditional processes. The integration of computer-aided design (CAD) and computer-aided manufacturing (CAM) systems has notably enhanced precision, minimized defects, and boosted process efficiency. Additionally, the adoption of 3D printing for pattern and mold creation has substantially reduced product development cycles. Innovations in melting and molding technologies have not only improved operational efficiency but also minimized material wastage.

advancements are collectively drivina improvements in product quality, accelerating production timelines, and strengthening the sector's competitiveness in both domestic and global markets. With the growing momentum of Industry 4.0, Indian foundries are embracing intelligent manufacturing—leveraging data analytics, predictive maintenance, and smart systems to streamline operations and reduce downtime like never before.

#### Outlook

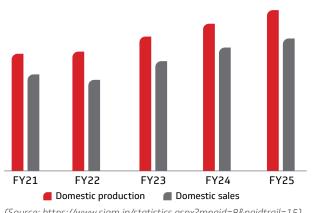
India holds a strong and growing presence in the global foundry landscape, with a substantial portion of its castings finding markets across Europe, North America, and the Middle East. Looking ahead, the outlook for the Indian foundry industry remains promising, driven by expected growth in both domestic and international arenas. While the sector continues to navigate challenges such as rising input costs and skilled labor shortages, emerging opportunities, powered by technological advancements, proactive government initiatives, and the rise of industries like electric vehicles—offer a compelling path forward for sustainable progress and innovation.

#### INDIAN AUTOMOTIVE INDUSTRY

The Indian automobile industry has long served as a barometer of the nation's economic health, given its vital contribution to both macroeconomic growth and technological progress. Among its various segments, two-wheelers lead the pack in terms of volume — a trend driven by the expanding middle class and the youthful demographic that makes up a large share of India's population. The industry's momentum has also been boosted by companies increasingly tapping into rural markets, unlocking new avenues for growth.

Meanwhile, the surge in logistics and passenger transport needs is accelerating demand for commercial vehicles. Looking ahead, emerging trends such as the electrification of vehicles — especially three-wheelers and compact passenger cars — are expected to shape the future of the market. On the global stage, India commands a formidable position in the heavy vehicles segment. It ranks as the world's largest tractor manufacturer, the second-largest producer of buses, and the third-largest maker of heavy trucks — a testament to its robust industrial capability and global competitiveness.

# Automobiles produced and sold in India



(Source: https://www.siam.in/statistics.aspx?mpgid=8&pgidtrail=15)

FY21

FY22

# India's automobile export trend

(Source: https://www.siam.in/statistics.aspx?mpqid=8&pqidtrail=15)

FY23

FY24

Automobile export

FY25

India's automobile industry continued its upward trajectory in FY25, with domestic sales rising by 7.3% to reach 2.56 crore units, up from 2.39 crore units in FY24. This growth was fueled by strong consumer demand, increasing infrastructure development, supportive government initiatives, and a sustained push toward sustainable mobility. A stable economic environment and optimistic market sentiment further contributed to this positive momentum.

Meanwhile, automobile exports registered an impressive 19% growth, crossing 53 lakh units in FY25, compared to 45 lakh units in the previous fiscal year. The surge was primarily driven by heightened global demand for passenger vehicles, two-wheelers, and commercial vehicles, reinforcing India's position as a key player in the international automotive market.

India's passenger vehicle (PV) industry reached a remarkable milestone in FY25, with sales hitting an all-time high of 4.3 million units — a 2% growth over the previous year. Utility Vehicles (UVs) continued to fuel this momentum, making up 65% of total PV sales, a notable rise from 60% in FY24. This surge was driven by the launch of new-age models featuring contemporary designs and cutting-edge features, along with compelling discounts and promotional offers that kept customer interest alive. On the global front, PV exports reached a record high, growing 14.6% year-on-year to 7.7 lakh units, propelled by strong demand from Latin American and African markets. Encouragingly, some Indian automakers also ventured into developed markets, further solidifying the country's status as an emerging global manufacturing hub.

The two-wheeler segment, too, staged a strong comeback, with sales touching 19.6 million units in FY25 — a robust 9.1% year-on-year growth. Scooters led this revival, supported by better rural connectivity, rising consumer confidence, and continuous product innovation. Electric vehicles (EVs) gained steady ground, with their share in total two-wheeler sales crossing the 6% mark. Exports in this segment also saw a healthy 21.4% jump, reaching 4.2 million units, buoyed by demand from Africa and Latin America. Looking ahead, SIAM anticipates continued growth in FY26, backed by stable macroeconomic fundamentals, supportive government policies, infrastructure development, and a predicted normal monsoon.

# Key trends to shape the Indian automotive sector

**Evolving consumer preferences:** Indian consumers are increasingly seeking vehicles that offer a balance of utility, advanced technology, and environmental consciousness. A clear trend has emerged: the preference is shifting from compact hatchbacks to robust SUVs. This transformation is driven by the SUV's superior design, enhanced safety features, and all-terrain performance, making them the vehicle of choice for modern Indian families.

**Rising demand for sustainable mobility:** Growing environmental awareness, along with soaring fuel prices, is reshaping mobility choices. Electric Vehicles (EVs) and CNG-powered alternatives are gaining traction as consumers look for cleaner, more cost-effective solutions. Supportive government policies are further accelerating this shift towards sustainable mobility.

**Government policies and initiatives:** The government continues to play a pivotal role in shaping the future of the automotive sector through initiatives such as the PLI scheme, FAME-II, PM E-DRIVE, and SMEC. These policies aim to foster innovation, enhance global competitiveness, and drive the widespread adoption of clean and advanced technologies.

**Technological advancements:** Breakthroughs in battery efficiency, artificial intelligence, autonomous driving, and 5G connectivity are revolutionizing the automotive landscape. The rise of connected vehicles—equipped with real-time communication, Al-enabled systems, and loT integration—is redefining the driving experience and pushing the boundaries of what's possible on the road.

**Emerging markets and globalization:** As economies grow and disposable incomes increase across Asia, Latin America, and Africa, demand for vehicles in these emerging

markets is on the rise. Globalization is further enriching the industry with access to cutting-edge technologies, best practices, and new market opportunities.

Infrastructure and shared mobility: Strengthening infrastructure, especially improved road networks, is laying the foundation for automotive sector growth. At the same time, shared mobility solutions are gaining ground, particularly in urban areas, signaling a gradual shift away from personal vehicle ownership.

Supply chain optimization: While recent disruptions challenged global supply chains, recovery is now underway. By 2025, the industry is expected to return to more stable production levels. Streamlining and strengthening supply chains will be vital for ensuring timely access to components and maintaining momentum in vehicle manufacturing.

#### Outlook

The Indian automotive industry stands at a pivotal crossroads, where it must skillfully navigate intensifying global competition while accelerating its shift towards electric mobility. Achieving this demands a wellrounded, multi-pronged strategy – focusing on robust R&D investments, strengthening domestic component manufacturing, and building a seamless, end-to-end EV ecosystem. Tackling critical infrastructure gaps—such as the shortage of reliable charging stations and suboptimal road conditions – alongside simplifying regulatory procedures, is vital for sustaining growth and enhancing global competitiveness.

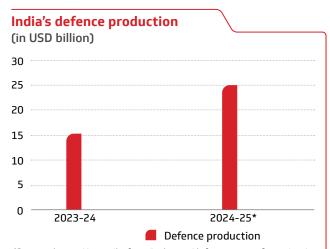
To make electric mobility truly viable, it is essential to address concerns around range anxiety, affordability, and the availability of a skilled workforce. At the same time, India must rise to the challenge posed by global automotive giants by investing in homegrown technologies, especially in hybrid and hydrogen fuel cell segments, while crafting focused export strategies to unlock new international markets. Policy measures like rationalizing GST rates for hybrid vehicles and smaller two-wheelers can further drive accessibility and market expansion.

Ultimately, the industry's success hinges on a collaborative effort - bringing together government bodies, industry players, and research institutions in a shared vision. With deliberate focus on enhancing competitiveness, strengthening supply chains, fostering innovation, and developing infrastructure, India has the potential to emerge as a formidable force in the global automotive landscape.

#### INDIAN DEFENCE SECTOR

India boasts one of the world's most powerful military forces, a crucial element of its government's strategic vision. Within its robust defense sector, the largest areas of activity revolve around military aircraft, naval power including ships and combat vessels, and sophisticated missile and defense systems. Beyond these, significant contributions also come from military helicopters, submarines, artillery, battlefield communications, electronic warfare technologies, and land vehicles. Key players driving India's defense manufacturing include giants like Bharat Earth Movers Ltd. (BEML), Bharat Electronics Ltd. (BEL), and Hindustan Aeronautics Ltd. (HAL).

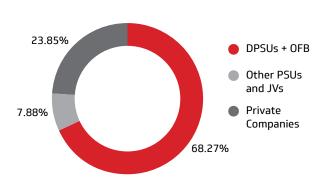
This defense manufacturing sector plays a vital role in India's economy and is poised for growth, fueled by increasing national security concerns. The demand for defense equipment is on the rise, partly due to ongoing territorial disputes with Pakistan and China concerning Kashmir and Arunachal Pradesh. For the past five years, India has consistently been among the top nations importing defense equipment, seeking technological superiority over its neighbors. Recognizing the need to modernize its forces and become more self-reliant, the Indian government has launched various "Make in India" initiatives, providing policy support to boost domestic defense production.



(Source: https://www.ibef.org/industry/defence-manufacturing/ infographic) [\*Projected]



# Defence production in India by Sector in FY25\* (%)



(Source: https://www.ibef.org/industry/defence-manufacturing/infographic) [\* projected]

India's defence sector is poised for sustained growth, driven by robust indigenization initiatives, a healthy order pipeline, and expanding global opportunities. This momentum is reflected in the sector's impressive export performance, with defence exports reaching a record ₹ 23,622 crore in FY25, a 12.04% increase over FY24. The previous year (FY24) had already witnessed a sharp 32.5% jump to ₹ 21,083 crore from ₹ 15,920 crore in FY23, underscoring India's accelerating emergence as a global defence exporter.

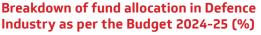
Public and private sector players have both contributed to this remarkable progress. In FY25, Defence Public Sector Undertakings (DPSUs) accounted for ₹ 8,389 crore in exports, registering a substantial 42.85% growth year-on-year. The private sector also played a significant role, contributing ₹ 15,233 crore. These figures highlight not only the growing international acceptance of Indian defence products but also the country's increasing integration into global supply chains.

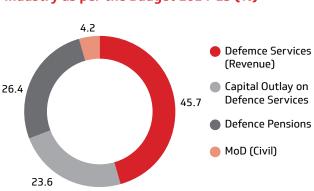
With exports projected to touch ₹ 20,300 crore by FY25, India's defence industry is well on its way to becoming a formidable global force.

#### **KEY UNION BUDGET 2025-26 ANNOUNCEMENTS**

- In 2025-26, the Ministry of Defence (MoD) was allocated a total Budget of ₹ 6.81 lakh crore (US\$ 78.7 billion), which is 9.5% YoY increase from 2024-25 budget.
- Of this, ₹ 1.80 lakh crore (US\$ 20.8 billion) was allocated towards capital expenditure, including the purchase of new weapons, aircraft, warships, and other military equipment

- An outlay of ₹ 7,146 crore (US\$ 825.7 million) was announced towards the capital expenditures of the Border Roads Organization (BRO).
- Defence exports crossed ₹ 21,000 crore (US\$ 2.43 billion) in CY24 with a target of ₹ 50,000 crore (US\$ 5.8 billion) by 2029.
- Till October 2022, a total of 595 Industrial Licences have been issued to 366 companies operating in Defence Sector. Defence exports grew by 334% in the last five years; India now exports to over 75 countries due to collaborative efforts.





(Source: https://www.ibef.org/industry/defence-manufacturing/infographic)

In recent years, India's defence expenditure has steadily hovered between 1.90% and 2.80% of the nation's GDP, reflecting its unwavering focus on national security. For the fiscal year 2024–25, a significant allocation of ₹ 6.22 lakh crore has been earmarked for the defence sector, reinforcing this strategic priority. Notably, the Government has outlined an ambitious annual defence production target of ₹ 1.75 lakh crore for FY25. This figure is projected to grow at a robust CAGR of around 20%, reaching ₹ 3 lakh crore by FY29, as per the Ministry of Defence. This bold trajectory highlights India's resolute drive toward self-reliance and global leadership in defence manufacturing.

## **Outlook**

India's defence exports span a diverse range of products, including aircraft, naval systems, missile technologies, and advanced military hardware. While regulatory challenges and global competition persist, India holds a distinct advantage in emerging markets, thanks to its cost efficiency, skilled talent pool, and growing technological

prowess. Over the past six years, the country's defence exports have witnessed a robust CAGR, and this momentum is expected to continue. With increasing government investment in the sector, projections indicate an estimated growth rate of around 19% from FY24 to FY29, driven by a broader and more resilient base.

This upward trajectory not only contributes to India's economic strength but also elevates its strategic standing on the global stage. As India positions itself as a trusted defence partner, it has the potential to deepen diplomatic engagements, promote regional security collaboration, and emerge as an influential force in the global defence landscape.

# **INDIAN RAILWAYS SECTOR**

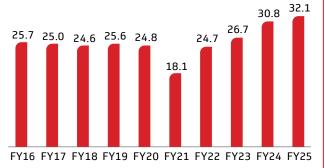
The Indian railway system is widely regarded as the backbone of the nation's economy and the lifeline that connects its vast geography. Spanning thousands of kilometres across the country, it stands as the fourth largest railway network in the world, after the US, China, and Russia. Managed under a single, centralised authority—the Railway Board—Indian Railways holds a virtual monopoly over rail services in the country and plays a critical role in national connectivity and logistics.

Owing to its affordability, efficiency, and extensive reach, the railway remains the preferred mode of long-distance travel for millions of Indians. Beyond passenger transport, it also plays a pivotal role in the movement of bulk goods and commodities, offering a cost-effective and energy-efficient solution. In fact, Indian Railways has emerged as the carrier of choice for the automobile industry and many other sectors reliant on mass-scale logistics.

Recognizing its strategic importance, the Government of India has prioritized the modernization and expansion of railway infrastructure. Proactive, investor-friendly policies have been introduced, including the opening of the sector to Foreign Direct Investment (FDI), particularly in freight corridors and high-speed rail projects. As a result, both domestic and international players are increasingly showing interest in contributing to the growth and transformation of India's railway ecosystem.

India is home to the world's fourth-largest railway network, operating over 22,593 trains daily—including 9,141 freight trains and 13,452 passenger trains. Serving nearly 24 million passengers each day and transporting around 203.88 million tonnes of freight, the Indian Railways plays a vital role in the country's connectivity and logistics ecosystem.

# Indian railways growing revenue trend



(Source: https://www.ibef.org/industry/indian-railways/infographic) [\*Revised estimates]

India is home to the world's fourth-largest railway network, operating over 22,593 trains daily—including 9,141 freight trains and 13,452 passenger trains. Serving nearly 24 million passengers each day and transporting around 203.88 million tonnes of freight, the Indian Railways plays a vital role in the country's connectivity and logistics ecosystem.

In FY 2024–25, Indian Railways achieved a noteworthy milestone by registering a 1.68% year-on-year growth in freight loading across all commodities. This growth was primarily fueled by a remarkable 19.72% surge in the loading of domestic containers—highlighting strong momentum in freight operations.

During the year, originating freight loading rose to approximately 1,617.38 million tonnes, up from 1,590.68 million tonnes in FY 2023–24—an incremental increase of 26.70 million tonnes. Notably, domestic coal loading grew by an impressive 7.4%, helping power plants across the country maintain a record-high coal stock of 57 million tonnes. Additionally, the transportation of fertilizers increased by 1.25%, and petroleum, oil, and lubricants (POL) saw a modest rise of 0.61%, as per data released by the Ministry of Railways.

#### **FUNDING RAILWAY GROWTH**

The Union Budget 2025–26 lays out a decisive and growth-oriented vision for the Indian Railways, placing strong emphasis on infrastructure development while gradually reducing dependence on external budgetary support. A clear sign of this strategic shift is the nearly fourfold increase in gross budgetary support, from ₹ 678 billion in 2019–20 to ₹ 2,520 billion in 2025-26. This reflects a move towards greater fiscal prudence by significantly curbing the reliance on internal and extra-



budgetary resources (IEBR), which now stand at just ₹ 130 billion, down sharply from ₹ 940 billion in 2019–20.

The railway sector's capital expenditure (capex) has also seen a substantial boost, nearly doubling over the last five years from ₹ 1,480 billion to ₹ 2,652 billion, with this year's allocation matching the previous year. This level of investment is seen as optimal to maintain momentum in expanding and modernising the network.

A substantial portion of the outlay—₹ 1,046 billion, or about 40% of the total—has been dedicated to track infrastructure. This includes ₹ 322 billion for new lines, ₹ 320 billion for doubling of lines, ₹ 228 billion for track renewals, ₹ 46 billion for gauge conversion, ₹ 68 billion for signalling and telecommunications, and ₹ 62 billion for electrification. Additionally, ₹ 455 billion, representing approximately 17% of the total budget, has been allocated towards rolling stock, reinforcing the commitment to modernisation and efficiency.

#### Outlook

Indian Railways is undergoing a significant transformation, with a strong focus on expanding its freight operations and boosting private sector participation. Out of 18,000 daily trains, 8,000 are dedicated to freight, and with the advent of Dedicated Freight Corridors, train speeds have nearly doubled, improving efficiency. To meet growing demand, IR is developing 200 Gati Shakti Cargo Terminals with ₹ 140 billion in investment—91 are already operational, and 100 more are planned for 2024–25.

However, achieving the ambitious 2030 freight target of 3,000 mt will require doubling the current growth rate. To support this, recent budget measures—such as data sharing from the PM Gati Shakti portal and a three-year PPP project pipeline—aim to attract greater private investment. IR has also adopted the PPP model for critical mineral corridors and moved towards the EPC model for station redevelopment, unlocking ₹ 300 billion in opportunities for EPC contractors over the next two years. With these reforms, Indian Railways is well-positioned for a new era of growth, efficiency, and strategic expansion.

#### **INDIAN POWER AND DISTRIBUTION SECTOR**

Power is the backbone of infrastructure and a key driver of economic and social development. India's energy sector has made remarkable strides—from addressing power shortages to building a surplus—through initiatives like a unified national grid, expanded distribution networks, and near-universal electrification. With one

of the world's most diverse energy portfolios, spanning conventional and renewable sources, India is now focused on significantly scaling its generation capacity to meet the growing electricity demand of a dynamic and rapidly developing nation.

India's power sector marked a transformative phase in FY 2024-25, achieving unprecedented milestones in energy generation, transmission, and distribution. From meeting an all-time high-power demand of 250 GW to reducing national energy shortages to a mere 0.1%, the sector has demonstrated exceptional resilience and an unwavering commitment to sustainable progress. This article highlights the sector's remarkable achievements across power supply, generation, transmission, distribution, and energy conservation.

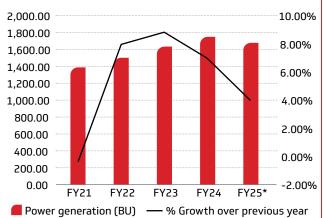
One of the most notable triumphs was India's successful response to a peak power demand of 250 GW, a defining moment in the nation's energy evolution. Energy shortages, once a significant challenge, saw a dramatic decline—from 4.2% in 2013-14 to an impressive 0.1% in FY 2024-25. Additionally, per capita electricity consumption soared to 1,395 kWh in 2023-24, reflecting a substantial 45.8% surge from the 957 kWh recorded in 2013-14. With universal electrification now a reality, every village and household across the country has access to electricity. The availability of power has also seen remarkable progress—rural areas now receive an average of 21.9 hours of electricity daily, compared to just 12.5 hours in 2014, while urban regions enjoy an uninterrupted supply of 23.4 hours.

The nation's installed power generation capacity witnessed an extraordinary expansion of 83.8%, rising from 249 GW in March 2014 to an impressive 457 GW by November 2024. A major driver of this growth has been the rapid acceleration of renewable energy adoption. Since April 2014, India has successfully added 129 GW of renewable capacity, including 91 GW of solar power, 27 GW of wind energy, 3.2 GW of biomass, 1.3 GW of small hydro, and 6.3 GW of large hydro—underscoring the country's steadfast commitment to a greener and more sustainable future.

India's power sector continues to redefine possibilities, setting new benchmarks in efficiency, accessibility, and sustainability. Through innovation and perseverance, it remains at the forefront of driving national progress and empowering communities with uninterrupted access to energy.

# India's growing power generation capacity (including renewable sources) [BU]

Corporate Overview



(Source: https://powermin.gov.in/sites/default/files/uploads/ power\_sector\_at\_a\_glance\_Feb\_2025.pdf) [\*upto February 2025]

#### **Outlook**

India's power sector is undergoing a profound transformation, driven by a growing emphasis on sustainability, digital innovation, and decentralized energy solutions. Pioneering initiatives such as smart grids, battery energy storage systems, and green hydrogen projects are at the forefront of this evolution. With strong policy backing and rapid technological progress, India is steadily positioning itself as a global frontrunner in the clean energy transition.

While the progress so far has been commendable, the road ahead calls for continued efforts to overcome financial and infrastructural challenges. Ensuring a future-ready, resilient, and sustainable power ecosystem will require scaling renewable energy adoption and reinforcing the foundation of the sector to meet the nation's rising energy needs.

#### INDIAN TRANSFORMERS INDUSTRY

Power transformers are the silent workhorses behind reliable and efficient power transmission. By seamlessly adjusting voltage levels, either stepping them up for long-distance travel or stepping them down for safe distribution, they help minimise energy loss and keep electricity flowing smoothly. At the heart of their operation is the science of electromagnetic induction, where precision-engineered coils wrapped around a magnetic core ensure consistent performance. Whether in power plants, substations, or large-scale industrial setups, power transformers are indispensable for ensuring stable, high-voltage transmission that powers progress.

With a legacy spanning nearly five decades, India's transformer industry has evolved into a robust and dynamic sector. Backed by the strength of over 300 manufacturers, both organized and unorganized, the industry today commands an impressive installed capacity of approximately 400 GVA. From high-performance power transformers and everyday distribution transformers (DTs) to precision-driven instrument and specialty transformers, the market offers a diverse range of solutions tailored to meet the distinct demands of modern infrastructure, industries, and utilities. Valued at around USD 2.51 Billion in 2025, the Indian Power Transformers Market is expected to reach USD 4.02 Billion by 2031, rising at a CAGR of 8.02%.

The Indian transformer industry continues to evolve with diverse segmentation based on type, power rating, and cooling methods. Distribution transformers hold a dominant share, catering to widespread enduser applications, while power transformers remain critical for high-voltage transmission. The market spans across small, medium, and large ratings, with oil-cooled transformers preferred for heavy-duty operations and air-cooled (dry-type) variants gaining popularity in urban settings. Urbanization is also driving demand for closed core dry-type transformers, while three-phase variants lead the market owing to their superior capacity and cost-efficiency. Additionally, the growing deployment of instrument transformers highlights the increasing focus on precision monitoring and system protection.

India's accelerating energy demand, fast-paced urban growth, and the nationwide drive for smarter, more resilient grids are powering a surge in transformer requirements. As the country invests heavily in modern infrastructure and transitions toward renewable energy, power transformers are emerging as a vital enabler, powering progress and shaping the future of India's energy ecosystem.

## Key market drivers

India's rapid economic growth and urbanisation are reshaping the nation's energy landscape, leading to a sharp rise in electricity consumption across homes, businesses, and industries. As the population expands and the middle-class flourishes, the need for a modern, efficient power infrastructure has never been greater. At the heart of this transformation lie power transformers—crucial enablers of reliable and seamless energy transmission.

Government-led initiatives like the Saubhagya Scheme are fast-tracking electrification, opening up new opportunities for widespread transformer deployment.



At the same time, the rise of smart cities, expanding industrial corridors, and the growing integration of renewable energy are driving demand for next-generation transformers that deliver both performance and sustainability. Backed by a national push towards energy efficiency and digital innovation, the transformer market stands poised for accelerated growth.

# Driving the future with renewable energy integration

The rising integration of renewable energy sources like solar and wind into power grids is reshaping the landscape of the power transformer market. This shift is fuelling the demand for next-generation transformers equipped with advanced control features and greater operational flexibility. As utilities and energy providers push for higher efficiency and lower transmission losses, the focus on energy-efficient transformers is set to gain momentum, positioning the power transformer market for robust and sustained growth in the green energy era.

#### Outlook

Despite facing supply constraints in CRGO steel and an ageing transformer base, India's transformer industry is gearing up for strong, sustained growth. Strategic investments in domestic CRGO production and supply chain localisation are laying the groundwork for greater self-reliance. With robust order books, rising demand from utilities, and government-led grid expansion, industry leaders are scaling up capacities to meet both domestic and global needs. Export opportunities are also gaining momentum, driven by ageing grids in the US, energy transition efforts in Europe, and infrastructure growth in Africa and Southeast Asia. As industrialisation and renewable energy projects accelerate, the transformer sector is poised to play a pivotal role in powering the next phase of energy infrastructure, at home and abroad.

#### **COMPANY OVERVIEW**

Megatherm Induction Limited (hence forth referred as "MIL or "the Company", incorporated as a private limited company in 2010, is dedicated to making a meaningful impact across the steel, foundry, forging, heat treatment and broader metalworking industries. A proud subsidiary of Megatherm Electronics Private Limited, our journey began in 1989 with the manufacture of induction melting and heating equipment – laying the foundation for decades of innovation and industry expertise.

In response to the rising demand for power distribution and industrial transformers in India, we diversified into the transformer manufacturing segment in 2021. Over the years, we have steadily expanded our offerings, drawing on our rich technical know-how to build a robust portfolio that now includes transformers, metallurgical equipment, and auxiliary systems. Recognising evolving market needs, we have also ventured into the turnkey installation and commissioning of steel melt shops, an area that requires not just technical precision but a deep understanding of each client's unique operational needs.

At Megatherm, we provide end-to-end solutions tailored to the modern steelmaking ecosystem. Our comprehensive product lineup includes transformers, induction melting furnaces, static frequency converters, water cooling plants, fume extraction systems, ladle refining furnaces, continuous casting machines, and inline induction billet heaters. We also manufacture electric arc furnaces for the production of alloy and special steels.

Beyond manufacturing, our services encompass complete turnkey solutions for steel plants—including design, engineering, supply, erection, and commissioning—delivered through a blend of in-house expertise and trusted external collaborations. To ensure the long-term performance and reliability of our installations, we offer robust after-sales support, including maintenance contracts and timely supply of spare parts.

## **Key business strengths**



## Strong brand value

Considered to be one of the emerging players coupled with high brand equity, MIL has evolved to emerge as a trusted name within its industry space, with rich industry expertise of the parent company spanning three decades. The Company has evolved as a solution provider, rather being just another manufacturer.



# Driving innovation through advanced manufacturing

At MIL, our cutting-edge facility empowers us to deliver high-quality, cost-effective solutions tailored to evolving customer needs. From in-house testing to end-to-end manufacturing—spanning design, development, and performance validation—our operations are built for precision and agility. Strategically located with access to skilled labour and raw materials, we ensure timely, efficient delivery without compromising on quality.



# **Enduring customer relationships**

**Statutory Reports** 

Over the years, we have built strong, longterm relationships with our customers by consistently delivering high-quality products at competitive prices. Our commitment to proactive engagement and understanding customer needs has earned us the position of a trusted and preferred partner. Backed by decades of industry expertise, we are recognised for our reliability, integrity, and unwavering focus on customer satisfaction.



## Engineering innovation at our core

At MIL, our in-house R&D team drives continuous innovation, enabling us to deliver high-quality, efficient, and sustainable engineering solutions. With deep technical expertise and a strong focus on process improvement, product enhancement, and environmental responsibility, our R&D efforts keep us ahead of the curve and reinforce our commitment to long-term value creation.



## Uncompromising on quality

At MIL, quality is a core value that drives everything we do – from product development to customer delivery. Our world-class testing facilities and advanced laboratories ensure compliance stringent global standards, while our ISO 9001:2015 certification from SGS UK reflects our commitment to excellence. By embedding continuous improvement into our processes, we not only meet regulatory expectations but also exceed customer satisfaction benchmarks, earning trust, loyalty, and long-term value.

#### **FINANCIAL REVIEW**

Revenue from operation achieved during FY2025 was ₹ 32050.84 lakhs, as against ₹ 30625.46 lakhs in the previous year, registering 5% year-on-year growth. Profit before tax (PBT) was recorded at ₹ 2894.39 lakhs against ₹ 2760.02 lakhs during the previous year. Profit after tax (PAT) for the year stood at ₹ 2130.55 lakhs against ₹ 2072.39 lakhs in the previous year. For FY2025, EBITDA grew by 1.3% YoY to ₹3494.98 lakhs, compared to ₹3377.70 lakhs in FY2024. EBITDA margin for FY2025 stood at 11.14%, compared to 11.77% for FY 2024 which is almost same on a YoY basis. EBITDA has been maintained in spite of higher expenditure on HR and Marketing due to growth projections.

Total borrowings of MIL as of March 31, 2025 stood at ₹ 3262.12 lakhs vis-à-vis ₹3615.56 lakhs as on March 31, 2024. The reduction/increase in borrowings can be largely attributed to efficient channeling of Internal Accruals and usage of IPO funds. This strategy of the Company helped MIL to reduce its interest cost by 3% during the year from ₹ 617.68 lakhs in FY24 to ₹600.59 lakhs in FY25.

# Financial performance summary

•	•				
	FY24	FY25	% Change		
Revenue	30,625.46	32,050.84	4.65		
Gross profit	8,163.54	8,723.88	6.86		
Total opex	4,559.53	5,152.14	13.00		
EBIDTA	3,604.01	3,571.74	-0.90		
Other Income	112.22	320.11	185.25		
Depreciation	338.53	396.87	17.23		
EBIT	3,377.70	3,494.98	3.47		
Finance cost	617.68	600.59	-2.77		
Profit before Tax (PBT)	2,760.02	2,894.39	4.87		
Profit after Tax (PAT)	2,072.39	2,130.55	2.81		

# Summary of Balance Sheet

	FY24	FY25
Equity and liabilities		
Equity share capital	1884.07	1884.07
Other equity	10150.43	12280.97
Non-current liabilities	1081.76	1000.91
Current liabilities	13898.95	13488.11
Total	27015.21	28654.06
Assets		
Non-current assets	1227.53	1441.97
Fixed assets	6411.27	7733.14
Current assets	19376.41	19478.95
Total	27015.21	28654.06

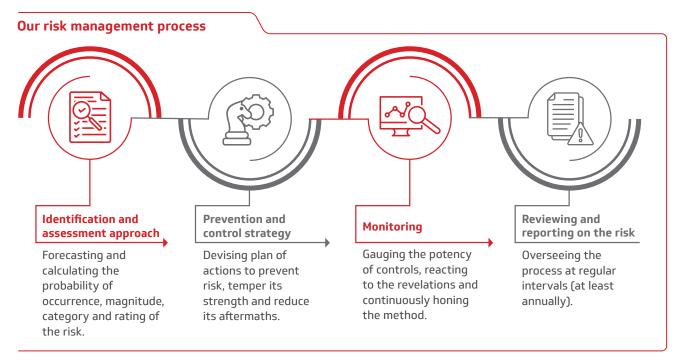
# **KEY RATIOS**

	FY24	FY25
Gross Profit Margin %	26.66	27.22
EBITDA Margin %	11.77	11.14
EBIT Margin %	11.03	10.90
Profit Before Tax Margin %	9.01	9.03
Profit After Tax Margin %	6.77	6.65
Inventory turnover ratio	2.94	2.61
Interest coverage ratio	3.06	2.71
Current ratio	1.39	1.44
Net debt-to-equity ratio	0.30	0.23
Return on Equity (RoE) Ratio	0.17	0.15
Return of Capital Employed (RoCE) Ratio	0.23	0.21



#### **RISK MANAGEMENT**

A thorough risk-management framework allows us to pre-emptively monitor risks emanating from the internal and external environment. As a result, we have been able to consistently create value for all our stakeholders, despite industry cycles and economic headwinds.



#### **OUR RISK MITIGATION PLAN**

The Board takes the following steps as a part of its risk management and mitigation plan:

- Defines the roles and responsibilities of the different board committee's
- Participates in major decisions affecting the organisation's risk profile
- Integrates risk-management reporting with the Board's overall reporting framework

The Company functions under a well-defined organization structure. Flow of information is well defined to avoid any conflict or communication gap between two or more departments. Second-level positions are created in each department to continue the work without any interruption in case of non-availability of functional heads. Proper policies are followed in relation to maintenance of inventories of raw materials, consumables, key spares and tools to ensure their availability for planned production programmes. Effective steps are being taken to reduce the cost of production on a continuing basis, taking various changing scenarios in the market.

#### **INFORMATION TECHNOLOGY**

Your Company recognizes the critical role of a robust IT infrastructure, both in scale and technology, as the cornerstone of stable IT systems and superior support. Boasting state-of-the-art IT systems, it possesses a comprehensive IT framework essential for managing service administration and delivery. The Company's IT setup is instrumental in generating a variety of business intelligence reports for production management, electronic procurement, paperless transactions, budgeting, forecasting, and cash flow analysis, supporting MIL. It adheres to international benchmarks in information automation, performance metrics, remote working capabilities, and managerial excellence. The technical team is tasked with system programming and providing user support for technological advancements.

## **INTERNAL CONTROL SYSTEM AND ADEQUACY**

The Company has in place strong internal control procedures commensurate with its size and operations. The Company believes that safeguarding of assets and business efficiency can be prolonged by exercising adequate internal controls and standardizing operational

processes. The internal control and risk management system is structured and applied in accordance with the principles and criteria established in the corporate governance code of the organisation. It is an integral part of the general organizational structure of the Company and Group and involves a range of personnel who act in a coordinated manner while executing their respective responsibilities. The Board of Directors offers its guidance and strategic supervision to the Executive Directors and management, monitoring and support committees.

## **HUMAN RESOURCE**

MIL attributes its success to its resolute and resilient employees, who have been instrumental in propelling the Company to new heights. Recognising the crucial role of its workforce, MIL has continuously enhanced its HR-related processes, practices, and systems to further align with its organisational objectives. Through on-the-job training, workshops and external training programmes, the Company ensures that its employees receive adequate opportunities for professional growth and development.

The ability to attract and retain top-notch talent has been a key driver in furthering MILS's business goals. The Company fosters cordial industrial relations, with employees enjoying the strong support of the senior management in ensuring their safety and well-being. This commitmenttonurturing askilled and motivated workforce has been a cornerstone of MIL's success, enabling the Company to capitalise on emerging opportunities while navigating industry challenges effectively.

MIL surpasses the customary boundaries of human resource management. This extends beyond mere compensation, performance appraisals, and professional development. The Company embraces a comprehensive approach, encompassing the entirety of its employees' professional journeys, providing them with timely guidance to cultivate fruitful and enduring careers. MIL's workforce comprises seasoned professionals with profound industry knowledge. The Company takes immense pride in their invaluable contribution to its remarkable success.

## **Employee composition of the Company**

# **Total number of Employees**

305	282
March 31, 2025	March 31, 2024

# Average Age of Employees (in years)

43	42
March 31, 2025	March 31, 2024

# Average Employee Experience (in years)

12	11
March 31, 2025	March 31, 2024

# Health and safety measures

The well-being of our staff is of paramount importance. Leadership in our factories spearheads our commitment to health, safety, and environmental (HSE) standards, conducting frequent audits to bolster our workforce's health and safety. With their guidance, we've implemented numerous initiatives to enhance our personnel's safety. Additionally, we have formed teams dedicated to quickly identifying and addressing safety issues at each manufacturing location. Our Company enforces a comprehensive set of health and safety guidelines that all employees across every site must rigorously follow.

In light of the pandemic, we intensified our focus on these protocols. Beyond adhering to governmental regulations, we've instituted regular sanitization processes and enforced proper social distancing measures. Proactive steps, including routine employee health checks and controlled access via oximeter and thermal screenings, were promptly put in place. Moreover, we initiated wellness programs for our employees and their families, aimed at fostering resilience, adapting to change, and improving overall well-being during these trying times.

# **CAUTIONARY STATEMENT**

The statements made in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be "forward-looking statements" within the meaning of applicable securities laws & regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand-supply and price conditions in the domestic & overseas markets in which the Company operates, changes in the government regulations, tax laws & other statutes & other incidental factors.



Annexure V

# Prescribed particulars of Conservation of Energy and Technology Absorption under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014

## A) Conservation of Energy:

Rooftop solar energy panels have been installed at the Kharagpur factory premises that is expected to bring in annual energy saving in the tune of 5,76,000 KWh.

## B) Technology Absorption:

# Effort made towards technology absorption:

- 1. Introduction of a novel topology for Induction Power Source:
  - A novel voltage fed L-L-C-C Inverter topology has been developed indigenously by the in-house R&D group. This topology will bring in higher productivity per KVA of electric demand, as well as reduction of energy consumption per metric ton of steel melted or heated.
- 2. A new R&D group on thermal and cooling circuit management system has been set up to optimize the heat sink design and pump selection.
- 3. Several manpower additions in the in-house R&D team has been made with new recruitments having Post-graduate and Doctoral degree holders.
- 4. Several software on electromagnetic simulation and heat-flow/fluid-flow simulation have been procured.
- 5. Megatherm is already in collaboration with IIT Kharagpur through a consultancy project. The team is jointly working on improved design of induction furnace coils and development of FPGA based controllers. Recently Megatherm participated as an Industry partner along with an Inter IIT/NIT research team led by IIT Kharagpur on ANRF (formerly DST) call for project proposals on EV mission. This proposal has been approved after due evaluation. Megatherm has committed to participate in development of static wireless charger and static frequency converter (SFC).
- 6. Negotiation is on with a prospective US-based joint venture Company to collaborate for marketing Megatherm products in North America.

It is envisaged that with all these endeavors, the company would be able to improve its product quality, achieve import substitution, saving of foreign exchange and establish itself as a global market leader among manufacturers of induction furnaces within a short time

#### ii) Benefits derived like product improvement

- The newly developed voltage-fed L-L-C-C power source inverter for induction furnace has already been put in production line. This will reduce the energy consumption of the induction furnace and enhance its scope of operation.
- 2. A new in-house designed cold-plate type heat-sink has been fabricated for IGBT-based inverters and presently is in testing phase. Use of this one will reduce the use of copper in the heat-sink and replace by cheaper and lighter aluminum.
- 3. A thorough simulation study of flow of chilling liquid through different cooling paths, their heat extraction capability and pressure drop calculations have led to a design of the thermal management system for the furnace that will not only improve the power converter ICs, but reduce the size of the cooling pump, cost of the heat-sink and reduction of overall energy loss. This improved cooling system is in the process of implementation.

For and on behalf of Board of Directors of MEGATHERM INDUCTION LIMITED

Shesadri Bhusan Chanda DIN: 00961593

Chairman and Managing Director

Satadri Chanda

DIN: 02302312 Director & CFO

Date: 24th May, 2025

Place: Kolkata

Annexure VI

# Annexure to the Annual Report on CSR Activities for Financial Year 2024-25

- 1. **Brief outline on CSR Policy of the Company:** The main objectives are to promote, carry out, support activities relating to education, healthcare, welfare of children, women, senior citizens, and differently abled persons, welfare of animals; and any other activities covered in Schedule VII to the Companies Act, 2013, as amended from time to time.
- 2. Composition of CSR Committee:

SI. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Shesadri Bhusan Chanda	Chairman & Managing Director	1	1
2.	Mr. Siddhartha Sen	Independent Director	1	1
3.	Mr. Satadri Chanda	Whole Time Director & CFO	1	1
4.	Mr. Shravan Manjaya Shetty	Independent Director	1	NA

- 3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company: https://megatherm.com.
- 4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable
- 5. (a) Average net profit of the company as per section 135(5): ₹ 18.20 Lacs
  - (b) Two percent of average net profit of the company as per section 135(5): ₹ 36.40 Lacs
  - (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NA
  - (d) Amount required to be set off for the financial year, if any: NA
  - (e) Total CSR obligation for the financial year (5b+5c-5d): ₹ 36.40 Lacs
- 6. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)					
		transferred to Unspent s per section 135(6)	Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)			
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer	
26,34,984/-	9,65,713/- 39,903/-	31.03.2025 08.04.2025	-	-	-	



# (b) Details of CSR amount spent against both Ongoing Project and other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
SI. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project	Amount spent for the project (in ₹)	Ongoing Project	Mode of implementation - Direct (Yes/No)	Mode of imple - Through imp agency	
				State District	-			Name	CSR registration number
1.	'Ankur' Project	Promote Education	Yes	West Bengal	45,000/-	No	No	Footstep Foundation	CSR00056189
2.	Kharagpur Water Pump	Making available safe drinking water	Yes	West Bengal	6,70,840/-	No	Yes	-	-
3.	Krira-Shakti	a Sports Project to empower the underprivileged	Yes	West Bengal	3,00,000/-	No	No	School Of Fitness And Personality Development	CSR00050345
4.	Health Care Short-Term Vocational Training Course	Promote Education	Yes	West Bengal	5,00,000/-	No	No	People's Relief Committee	CSR00077348
5.	Spot Treatment, Rescue and Shelter	Animal welfare	Yes	West Bengal	2,00,000/-	No	No	Kawif-Kolkata Animal Welfare Indian Foundation	CSR00067387
6.	Comprehensive Eye Screening Program	Promote Health Care	Yes	West Bengal	2,08,726/-	No	No	Sankara Nethralaya	CSR00002623
7.	Mahishadal ITI Project (Near Haldia) with Electrical & COPA Trades	Promote Education	Yes	West Bengal	5,00,000/-	No	No	Bharat Sevashram Sangha	CSR00000812
8.	FPGA Lab Setup	Contributions to public funded University - Jadavpur University	Yes	West Bengal	2,10,418/-	Yes	Yes	-	-
	Total				26,34,984/-				

- (c) Amount spent in Administrative Overheads: NA
- (d) Amount spent on Impact Assessment, if applicable:  $\ensuremath{\mathsf{NA}}$
- (e) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 26,34,984/-
- (f) Excess amount for set off, if any: NA

Date: 24th May, 2025

Place: Kolkata

- 7. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: Not Applicable
- 8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year 2024-25: Yes

Number of Capital assets created/ acquired: 1

Details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year 2024-25:

SI. N	o. Short particulars of the property or asset(s)	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent (in ₹)	Details of entity/ Authority/ beneficiary of the registered owner
1.	Water Pump	721301	28th March, 2025	6,70,840/-	Baradiha Villagers

For and on behalf of Board of Directors of

**MEGATHERM INDUCTION LIMITED** 

Shesadri Bhusan Chanda Satadri Chanda

DIN: 00961593 DIN: 02302312 Chairman and Managing Director Director & CFO



# **Independent Auditor's Report**

To the Members of Megatherm Induction Limited

#### Report on the Audit of the Financial Statements

## **Opinion**

We have audited the financial statements of Megatherm Induction Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025, 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 (hereinafter referred to as the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with Companies (Accounts) Rules, 2014 as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its profits and its cash flows for the year ended on that date.

## **Basis for Opinion**

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

# **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended March 31, 2025 (current year). These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the corporate information, Chairman's statement, Management Discussion and Analysis, Report on Corporate governance and Director's report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

# Responsibilities of Management for Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance 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 of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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 Standards on Auditing 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.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Financial Statements.

# Report on Other Legal and Regulatory Requirements

- 1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- As required by Section 143(3) of the Act, we report that:
  - We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph h(vi) below on reporting under Rule 11(g).

- The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above on reporting under section 143(3)(b) and paragraph (h)(vi) below on reporting under Rule 11(g)
- With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".
- With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 29 to the financial statements.
  - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - The Management has represented iv. 1) that, to the best of it's knowledge and belief as discussed in note no 44 to the



financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- The Management has represented, that, to the best of it's knowledge and belief as discussed in note no 44 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 3) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that

has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.

- v. The company has neither declared nor paid any dividend during the year.
- vi. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility, except that no audit trail feature was enabled at the database level in respect of an accounting software to log any direct data changes as explained in Note 46 to the financial statements. Further, where enabled, audit trail feature has been operated for all relevant transactions recorded in the accounting software. Also, during the course of our audit, we did not come across any instance of audit trail feature being tampered with in respect of such accounting software. Additionally, the audit trail of prior year has been preserved by the Company as per the statutory requirements for retention.
- 3. In our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

# For M S K A & Associates Chartered Accountants

ICAI Firm Registration No. 105047W

**Dipak Jaiswal** Partner Membership No. 063682 UDIN: 25063682BMOTOK3712

Place: Kolkata Date: May 24, 2025

# ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE FINANCIAL STATEMENTS OF MEGATHERM INDUCTION LIMITED

# Auditor's Responsibilities for the Audit of the 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 provi de 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 Act, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the year ended March 31, 2025 and are therefore, the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

# For M S K A & Associates Chartered Accountants

ICAI Firm Registration No. 105047W

**Dipak Jaiswal** Partner Membership No. 063682 UDIN: 25063682BM0T0K3712

Place: Kolkata Date: May 24, 2025



# ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF MEGATHERM INDUCTION LIMITED FOR THE YEAR ENDED MARCH 31. 2025

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

- i. (a) A. The company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
  - B. The Company has maintained proper records showing full particulars of intangible assets.
  - (b) The Company has a program of verification to cover all the items of Property, Plant and Equipment in a phased manner over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in the financial statements are held in the name of the Company.

- (d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment or intangible assets or both during the year. Accordingly, the requirements under clause 3(i)(d) of the Order are not applicable to the Company.
- (e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder. Accordingly, the provisions stated in clause 3(i) (e) of the Order are not applicable to the Company.
- ii. (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification, coverage & procedure of such verification is reasonable and appropriate. No material discrepancies were noticed on such verification.
  - (b) The Company has been sanctioned working capital limits in excess of ₹ 5 crores in aggregate from Banks/financial institutions on the basis of security of current assets. Quarterly returns / statements are filed with such Banks/ financial institutions which are not in agreement with the books of account.

Quarter Ended	Value as per quarterly return/ statement (In lacs)	Amount as per books of accounts (In lacs)	Difference	Discrepancy (give details)
June 30, 2024	6,123.54	7,237.09	(1,113.55)	The Company has not considered the trade receivables due for more than 90 days and balances with Group Companies in the quarterly statement.
September 30, 2024	5,860.94	6,976.45		The Company has not considered the trade receivables due for more than 90 days and balances with Group Companies in the quarterly statement.
December 31,2024	4,306.91	1,658.10		The Company has not considered the trade receivables, advance from customers and advance to suppliers due for more than 90 days and balances with Group Companies in the quarterly statement.

Quarter Ended	Value as per quarterly return/ statement (In lacs)	Amount as per books of accounts (In lacs)	Difference	Discrepancy (give details)
March 31, 2025	6,262.46	3,014.42	3,248.04	The Company has not considered the trade receivables, trade payable, advance from customers and advance to suppliers due for more than 90 days and balances with Group Companies in the quarterly statement.

- iii. According to the information and explanation provided to us, the Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of
  - loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence, the requirements under clause 3(iii) of the Order are not applicable to the Company.
- iv. According to the information and explanations given to us, the Company has neither, directly or indirectly, granted any loan to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of section 185 of the Act nor made investments through more than two layers of investment companies in accordance with the provisions of section 186 of the Act. Accordingly, provisions stated in clause 3(iv) of the Order are not applicable to the Company.
- v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the meaning of Sections 73, 74, 75 and 76 of the Companies Act, 2013 and the rules framed there under. Also, there are no amounts outstanding as on March 31, 2025, which are in the nature of deposits.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost

records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, and other statutory dues have not generally been regularly deposited by the company with the appropriate authorities though delay in deposit have not been serious. As explained to us, the Company does not have any dues on account of sales tax, service tax, duty of excise and value added tax.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and the records examined by us, dues relating to goods and services tax which have not been deposited as on March 31, 2025, on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount Demanded (₹ in Lacs)	Amount Paid (₹ in Lacs)	Period to which the amount relates	Forum where dispute is pending
Goods and Service Tax	Goods and Service Tax Demand	182.99	-	Financial Year 2021-2022	Appeal yet to be filed

There are no dues relating to employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, and other statutory dues which have not been deposited on account of any dispute.



- viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Tax Assessment of the Company. Also, there are no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in clause 3(viii) of the Order is not applicable to the Company.
- ix. (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.
  - (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
  - (c) In our opinion and according to the information and explanations provided to us, no money was raised by way of term loans. Accordingly, the provision stated under clause 3(ix)(c) of the Order is not applicable to the Company.
  - (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements 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 have any subsidiary, associate or joint venture. Hence reporting under the clause (ix)(e) of the order is not applicable to the Company.
  - (f) The Company does not have any subsidiary, associate or joint venture. Hence, reporting under the clause 3(ix)(f) of the order is not applicable to the Company.
- x. (a) In our opinion and according to the information and explanation given to us, monies raised during the year by the Company by way of initial public offer were applied for the purpose for which they were raised, though idle funds which were not required for immediate utilization have been invested in fixed deposits amounting to ₹ 1,600 Lacs.

- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully, partly, or optionally convertible debentures during the year. Hence, the provisions stated in clause 3 (x)(b) of the Order are not applicable to the Company.
- xi. (a) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we report that no material fraud by the Company nor on the Company has been noticed or reported during the course of our audit.
  - (b) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the provisions stated under clause 3(xi)(b) of the Order is not applicable to the Company.
  - (c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company. Accordingly, the provisions stated in clause 3(xii) (a) to (c) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion and based on our examination, 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 the date of our audit report, for the period under audit.

- xv. According to the information and explanations given to us, in our opinion, during the year, the Company has not entered into any non-cash transactions with directors or persons connected with its directors and accordingly, the reporting on compliance with the provisions of Section 192 of the Companies Act, 2013 in clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in clause 3 (xvi)(a) of the Order are not applicable to the Company.
  - (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without any valid Certificate of Registration from Reserve Bank of India. Hence, the reporting under clause 3 (xvi)(b) of the Order are not applicable to the Company.
  - (c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Hence, the reporting under clause 3 (xvi)(c) of the Order are not applicable to the Company.
  - (d) According to the information and explanations provided to us, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company (as part of its group). Accordingly, the provisions stated under clause 3(xvi)(d) of the order are not applicable to the Company.
- xvii. Based on the overall review of financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Hence, the provisions stated in clause 3 (xvii) of the Order are not applicable to the Company.
- xviii. There has been no resignation of the statutory auditors during the year. Hence, the provisions stated in clause 3 (xviii) of the Order are not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios (as disclosed in note 41 to the financial statements), ageing and expected dates of realization of financial

assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report 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.

- to us and based on our verification, the provisions of Section 135 of the Companies Act, 2013, are applicable to the Company. In respect of ongoing projects, the Company has transferred unspent amount to a special account within a period of thirty days from the end of the financial year in compliance with Section 135(6) of the Companies Act, 2013, as disclosed in Note 42 to the financial statements.
- xxi. According to the information and explanations given to us, the Company does not have any Subsidiary, Associate or Joint Venture. Accordingly, reporting under clause 3(xxi) of the Order is not applicable.

xxii.

xxiii.

# For M S K A & Associates Chartered Accountants

ICAI Firm Registration No. 105047W

**Dipak Jaiswal** Partner Membership No. 063682 UDIN: 25063682BMOTOK3712

Place: Kolkata Date: May 24, 2025



# ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF MEGATHERM INDUCTION LIMITED

[Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Megatherm Induction Limited (Formerly Megatherm Induction Private Limited) on the Financial Statements for the year ended March 31, 2024]

# 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 with reference to financial statements of Megatherm Induction Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note").

# Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of 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 Act.

### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit

in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

# Meaning of Internal Financial Controls With reference to Financial Statements

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit

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

# Inherent Limitations of Internal Financial Controls With reference to financial statements

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

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

## For M S K A & Associates Chartered Accountants

ICAI Firm Registration No. 105047W

**Dipak Jaiswal** Partner Membership No. 063682 UDIN: 25063682BMOTOK3712

Place: Kolkata Date: May 24, 2025



# **Balance Sheet**

### As at 31 March 2025

(All amounts are in INR Lacs, unless otherwise stated)

	Note No.	31 March 2025	31 March 2024
I. EQUITY AND LIABILITIES			
1) Shareholders' funds			
(a) Share capital	3	1,884.07	1,884.07
(b) Reserves and surplus	4	12,280.98	10,150.43
		14,165.05	12,034.50
2) Non-current liabilities			
(a) Long-term borrowings	5	324.90	601.70
(b) Deferred tax liabilities (net)	6	459.95	315.77
(c) Long-term Provision	7	216.06	164.29
		1,000.91	1,081.76
3) Current liabilities			
(a) Short-term borrowings	8	2,937.22	3,013.86
(b) Trade payables	9		
Total outstanding dues of micro enterprises and small enterprises		1,708.98	516.94
Total outstanding dues of creditors other than micro enterprises		2,571.84	3,740.82
and small enterprises			
(c) Other current liabilities	10	5,910.46	6,374.48
(d) Short-term provisions	7	359.60	252.85
		13,488.10	13,898.95
TOTAL		28,654.06	27,015.21
II. ASSETS			
1) Non-current assets			
(a) Property, Plant and Equipment and Intangible assets			
(i) Property, Plant and Equipment	11	7,600.09	6,313.24
(ii) Intangible assets	12	71.76	93.90
(iii) Capital work-in-progress	36	61.29	4.13
		7,733.13	6,411.27
(c) Other non-current assets	13	1,441.97	1,227.53
		9,175.11	7,638.80
2) Current assets			
(a) Current Investment	14	600.00	700.00
(b) Inventories	15	9,701.75	8,169.73
(c) Trade receivables	16	3,538.89	3,197.58
(d) Cash and Cash Equivalents	17 (a)	2,563.48	3,929.00
(e) Other bank balances	17 (b)	2,463.66	2,131.76
(f) Short-term loans and advances	18	518.95	1,112.25
(g) Other current assets	19	92.22	136.09
		19,478.95	19,376.41
TOTAL		28,654.06	27,015.21

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements

1 to 53

As per our report of even date For M S K A & Associates

Chartered Accountants Firm Registration No.: 105047W

Dipak Jaiswal

Place : Kolkata

Date: May 24, 2025

Partner Membership No 063682 Shesadri Bhusan Chanda

Chairman & Managing Director DIN: 00961593

Abanti Saha Basu

Company Secretary Membership No:- A69276

Place : Kolkata Date: May 24, 2025 For and on behalf of the Board of Directors of **Megatherm Induction Limited**CIN: L31900WB2010PLC154236

Satadri Chanda

Director & Chief Financial Officer DIN: 02302312

# **Statement of Profit and Loss**

# for the year ended 31 March 2025

(All amounts are in INR Lacs, unless otherwise stated)

		Note No.	31 March 2025	31 March 2024
I.	Revenue from operations	20	32,050.84	30,625.46
II.	Other Income	21	320.11	112.22
III.	Total Income (I + II)		32,370.95	30,737.68
IV.	Expenses			
	Cost of materials consumed	22	23,455.22	23,625.41
	Changes in inventories of finished goods and work-in- progress	23	(128.26)	(1,163.49)
	Employee benefits expense	24	1,761.21	1,648.57
	Finance costs	25	600.59	617.68
	Depreciation and amortisation expense	26	396.87	338.53
	Other expenses	27	3,390.93	2,910.96
	Total expenses		29,476.56	27,977.66
V.	Profit before tax		2,894.39	2,760.02
VI.	Tax expenses			
	Current tax		716.98	688.05
	Income Tax Relating to Earlier years		(97.32)	(9.13)
	Deferred tax (credit) / charge		144.18	8.71
	Net Tax Expenses		763.84	687.63
VII.	Profit for the year		2,130.55	2,072.39
VIII	l. Earnings per equity share [nominal value of share ₹ 10 each (previous year ₹ 10 each)]	28		
	Basic		11.31	14.13
	Diluted		11.31	14.13

Summary of significant accounting policies

2

The accompanying notes are an integral part of the financial statements

1 to 53

As per our report of even date

# For M S K A & Associates

Chartered Accountants Firm Registration No.: 105047W

### **Dipak Jaiswal**

Partner Membership No 063682

#### Shesadri Bhusan Chanda

Chairman & Managing Director DIN: 00961593

## Abanti Saha Basu

Company Secretary Membership No:- A69276

Place : Kolkata Place : Kolkata Date: May 24, 2025 Date: May 24, 2025

For and on behalf of the Board of Directors of

Megatherm Induction Limited CIN: L31900WB2010PLC154236

### Satadri Chanda

Director & Chief Financial Officer DIN: 02302312



# **Cash Flow Statement**

For The Year Ended 31 March, 2025

(All amounts are in INR Lacs, unless otherwise stated)

Particulars	Year ended 31 March 202			
A. Cash Flow from Operating Activities				
Profit Before Tax		2,894.39		2,760.07
Adjustments for :		_,		
Depreciation & Amortisation	396.87		338.53	
Bad Debts/Advances written off	55.99		60.90	
Provision for Doubtful Debts/Advances	-		65.04	
Interest Expenses	600.59		617.68	
Unrealized foreign exchange (Gain)	(13.71)		(1.79)	
Provision for Retirement Benefit	76.42		30.58	
Provision for warranty	65.67		17.20	
Interest Income	(166.91)		(38.89)	
Profit on sale of Investment	(2.65)		(2.72)	
- Tonk on sale of investment	(=:55)	1,012.27	(=1,7 = )	1,086.5
Operating Profit before Working Capital Changes		3,906.66	<u>-</u>	3,846.5
Adjustments for :		2,200.00		2,010.0
(Increase) in trade receivables	(385.78)		(969.86)	
Decrease/(Increase) in loans and advances	579.73		(61.28)	
Decrease/(Increase) in Other Assets	94.35		(209.25)	
Increase/(Decrease) in trade payables	25.25		(22.81)	
(Increase) in inventories	(1,532.02)		(1,060.39)	
Increase in provisions	6.92		(1,000.55)	
(Decrease)/Increase in other current liabilities	(473.67)	(1,685.22)	1,381.08	(942.51
Cash Generated from Operations	(475.07)	2,221.44	1,501.00	2,904.0
Direct Taxes Paid		(610.16)		(610.43
Net Cash from Operating Activities		1,611.29		2,293.6
3. Cash Flow from Investing Activities		1,011.23		L,L33.0
Purchase of Property, Plant and Equipment, including	(1,901.62)		(1,340.07)	
movement in CWIP and capital advances	(2,302.02)		(1,5 10.07)	
Sale/(Purchase) In Investment	100.00		(700.00)	
Investment In Fixed Deposits	(383.68)		(1,657.05)	
Profit on sale of Investment	2.65		2.72	
Interest received	159.88		25.57	
Net Cash used in Investing Activities		(2,022.77)		(3,668.83
C. Cash Flow from Financing Activities		(=,===)		(5,000.00
Repayment of Long Term Borrowings	(317.97)		(1,251.82)	
Increase/ (Decrease) in Cash Credit facility & other	(35.47)		585.34	
borrowings	(33.17)		303.3 1	
Proceeds from issuance of equity share capital (net)	-		4,899.48	
Interest paid	(600.59)		(618.83)	
Net Cash from Financing Activities	(230.23)	(954.03)	(0.20.00)	3,614.1
sac		(1,365.52)	_	2,238.9
Cash and cash equivalents at the beginning of the year		3,929.00		1,690.0
Cash and cash equivalents at the end of the year		2,563.48	_	3,929.0

Cash Flow Statement for the year ended 31 March, 2025	Year ended 31 March 2025	Year ended 31 March 2025
Cash and Cash Equivalents comprise:-		
Cash in hand	1.45	3.35
Bank Balances with Scheduled Banks :		
Current Account	2,562.03	3,925.65
	2,563.48	3,929.00

**Financial Statements** 

#### Notes:

- 1. The above Cash flow statement has been prepared under the indirect method set out in Accounting Standard-3, "Cash Flow Statement" notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014.
- 2. Figures in ( ) represents cash outflow.

As per our report of even date

#### For M S K A & Associates

Chartered Accountants Firm Registration No.:105047W

### **Dipak Jaiswal**

Partner Membership No 063682

Membership No 003062

# Place : Kolkata

Date: May 24, 2025

## Shesadri Bhusan Chanda

Chairman & Managing Director DIN: 00961593

# Abanti Saha Basu

Company Secretary Membership No:- A69276

Place : Kolkata Date: May 24, 2025 For and on behalf of the Board of Directors of

**Megatherm Induction Limited** CIN: L31900WB2010PLC154236

Director & Chief Financial Officer DIN: 02302312

Satadri Chanda



# **Notes forming part of the Financial Statements**

for the year ended 31 March 2025

#### 1 General Information

Megatherm Induction Limited primarily engaged in the business of manufacturing and selling of Capital Equipments like Induction Melting and Heating Equipments, Arc Melting Furnace, Ladle Refining Furnace, Continuous Casting Machines, Transformers etc. and various parts thereof which are required by the Steel Making Industries, Foundry, Forging and Power sector. The Company also carries on business of repairs and contractors for servicing and production, modification, reconstruction etc. of all types of Engineering goods, equipments, plant & machineries.

The Company has manufacturing plant at Kharagpur, West Bengal and sells primarily in Domestic Markets. The Company is Listed Public Limited Company and a Subsidiary of Megatherm Electronics Private Limited.

# 2 Summary of Significant Accounting Policies

# 2.01 Basis of preparation

The financial statements have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP) under the historical cost convention on an accrual basis in compliance with all material aspects of the Accounting Standards (AS) notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014. The accounting policies adopted in the preparation of financial statements have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy until now (hitherto) in use with those of previous year. The financial statements have been authorized to be issued by the Board of Directors of the Company in the meeting held on May 24, 2025.

"All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle, and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of business and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities. "

#### 2.02 Use of estimates

The preparation of financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities, at the end of the reporting period. Although, these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

# 2.03 Property, Plant and Equipment Tangible assets

"Tangible assets, capital work in progress are stated at cost, less accumulated depreciation, revaluation and impairment losses, if any. Cost comprises the purchase price, borrowing costs, if capitalization criteria are met and any cost attributable to bringing the assets to its working condition for its intended use which includes taxes, freight, and installation and allocated incidental expenditure during construction/ acquisition and exclusive Input tax credit (IGST/CGST and SGST) or other tax credit available to the Company. When parts of an item of tangible assets have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to tangible assets is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance. Any item of Property, Plant and Equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on derecognition is recognized in the Statement of Profit and Loss. Any item of Property, Plant and Equipment whose value is less than ₹ 5000 is being charged off to Profit and Loss Account"

### Intangible assets

"An intangible asset is recognized when it is probable that the future economic benefits attributable to the asset will flow to the enterprise and where its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortization and impairment losses, if any. Cost comprises the purchase price and any cost attributable to bringing

the assets to its working condition for its intended use which includes taxes, freight, and installation and allocated incidental expenditure during development / acquisition and exclusive of Input tax credit (IGST/CGST and SGST) or other tax credit available to the Company. Subsequent expenditure relating to intangible assets is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognized as income or expense in the Statement of Profit and Loss."

Statutory Reports

# 2.04 Depreciation on property, plant and equipments

Based on management's evaluation, useful life prescribed in Schedule II of the Companies Act, 2013 represent actual useful life of property, plant and equipment. The Company uses Straight Line Methods and has used following useful lives to provide depreciation of different class of its property, plant and equipment and Intangible assets.

Particulars	Year ended March 31, 2025 (Useful life in years)	Year ended March 31, 2024 (Useful life in years)
Leasehold Land	99	99
Buildings	30	30
Plant and Machinery	15	15
Electrical Installation	10	10
Furniture and fixtures	10	10
Computer	3	3
Furniture and fixtures	10	10
Office equipment	3-5	3-5
Vehicle'	8	8

"The depreciation charge for each year is recognized in the Statement of Profit and Loss, unless it is included in the carrying amount of any other asset. The Company has adopted Schedule II to the Companies Act, 2013 which requires identification and determination of separate useful life for each major component of the property, plant and equipment, if they have useful life that is materially different from that of the remaining asset. (Component Accounting) Leasehold improvements are depreciated over their estimated useful life, or the remaining period of lease from the date of capitalization, whichever is shorter. Depreciation on addition to tangible assets is provided on pro-rata basis from the date the assets are ready for intendeduse. Depreciation on sale/discard from tangible assets is provided for upto the date of sale, deduction or discard of tangible assets as the case may be. The useful life, residual value and the depreciation method are reviewed atleast at each year end. If the expectations differ from previous estimates, the changes are accounted for prospectively as a change in accounting estimate."

### 2.05 Amortization of Intangible assets

Amortization of intangible assets has been calculated on straight line basis at the following rates, based on management estimates, which in the opinion of the management are reflective of the estimated useful lives of the Intangible assets.

Particulars	Year ended March 31, 2025 (Useful life in years)	Year ended March 31, 2024 (Useful life in years)
Computer Softwares	3	3

"Amortization on addition to intangible assets is provided on pro-rata basis from the date the assets are ready for intended use. Amortization sale/discard from intangible assets provided for upto the date of sale, deduction or discard of intangible assets as the case may be. The amortization period and the amortization method are reviewed at least at each year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly."

### 2.06 Impairment of Assets

"The carrying amounts of assets are reviewed at each balance sheet date if 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. The recoverable amount is the greater of the assets' net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation/amortization is provided on the revised carrying amount of the asset over its remaining useful life."



## 2.07 Borrowing Costs

"Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial period of time to get ready for its intended use or sale are capitalized until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognized as expenditure in the period in which they are incurred."

#### 2.08 Investment

"Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. On initial recognition, all investments are measured at cost. The cost comprises purchase and directly attributable acquisition charges such as brokerage, fees and duties. Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and

# 2.09 Foreign currency translation

## Initial recognition:

Foreign currency transactions are recorded in the reporting currency by applying the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

## **Subsequent recognition:**

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when such values were determined.

# **Exchange differences:**

Exchange differences arising on the settlement of monetary items or on reporting the Company's

monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they occur."

### 2.10 Revenue recognition

Revenue is recognized to the extent, that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

## Revenue from sale of goods

Revenue from sale of goods is recognized when the significant risks and rewards of ownership of the goods are transferred to the buyer and are recorded net of trade discounts, rebates, and Goods and Service Tax 'Unbilled receivables' included in trade receivables represent cost and earnings in excess of billings as at the balance sheet date. "

#### **Revenue from services**

Revenue from services is recognized pro-rata over the period of the contract as and when services are rendered and the collectability is reasonably assured. The revenue is recognized net of Goods and service tax. 'Unearned revenues' included in other current liabilities represent billing in excess of revenue recognized."

### **Interest Income**

Interest Income is recognized on a time proportion basis taking into account the amount outstanding and applicable interest rate.

### **Dividend Income**

"Dividend is recognized when the Company's right to receive dividend is established."

# 2.11 Retirement and other employee benefits

# **Short Term Employee Benefits**

Employee benefits payable wholly within twelve months of rendering of the service are classified as short term employee benefits and are recognised in the period in which the employee renders the related service.

### **Defined contribution plan**

The Company makes defined contribution to Government Employee Provident Fund, Government Employee Pension Fund, Employee Deposit Linked Insurance, ESI and Superannuation Schemes, which are recognized in the Statement of Profit and Loss on accrual basis.

### **Defined Benefit Plan- Gratuity**

The Company provides for retirement benefits in the form of Gratuity. Benefits payable to eligible employees of the company with respect to gratuity, a defined benefit plan is accounted for on the basis of an actuarial valuation as at the Balance Sheet date. In accordance with the Payment of Gratuity Act, 1972, the plan provides for lump sum payments to vested employees on retirement, death while in service or on termination of employment an amount equivalent to 15 days basic salary for each completed year of service. Vesting occurs upon completion of five years of service. The present value of such obligation is determined by the projected unit credit method and adjusted for past service cost and fair value of plan assets as at the balance sheet date through which the obligations are to be settled. The resultant actuarial gain or loss on change in present value of the defined benefit obligation or change in return of the plan assets is recognized as an income or expense in the Statement of Profit and Loss.

### Other long-term benefits

#### Leave encashment- Encashable

"The employees are entitled for 15 days leave during the calendar year, which can be accumulated up to 30 days. The company provides for the liability at year end on account of unavailed leave as per the actuarial valuation using the Projected Unit Credit Method. Actuarial gains and losses are recognized in the Statement of Profit and Loss as and when incurred."

### 2.12 Cash and cash equivalents

"Cash and cash equivalents include cash in hand, demand deposits with banks, other short term highly liquid investments with original maturities of three months or less."

#### 2.13 Inventories

Raw materials, components, stores and spares, and packing material are valued at cost. However, these items are considered to be realizable at replacement cost if the finished goods, in which they will be used, are expected to be sold below cost.

"Cost of inventories is computed on a weightedaverage basis. Cost includes purchase price, (excluding those subsequently recoverable by the enterprise from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. Work in progress and manufactured finished goods are valued at the lower of cost and net realizable value. Cost of work in progress and manufactured finished goods is determined on the weighted average basis and comprises direct material, Cost of conversion and other costs incurred in bringing these inventories to their present location and condition. Cost of traded

goods is determined on a weighted average basis. Provision of obsolescence on inventories is considered on the basis of management's estimate based on demand and market of the inventories."

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale. The comparison of cost and net realizable value is made on item by item basis.

#### 2.14 Income Taxes

"Tax expense for the period comprises of current tax, deferred tax and Minimum alternate tax credit (Wherever applicable).

Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income-tax Act, 1961. Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts, and there is an intention to settle the asset and the liability on a net basis. "

"The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the reporting date. Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed at each balance sheet date and are written-down or written up to reflect the amount that is reasonably/ virtually certain (as the case may be) to be realized. At each reporting date, the Company reassesses the unrecognized deferred tax assets, if any."

#### 2.15 As a Lessee:

Finance leases, which effectively transfers to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance



charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in the Statement of Profit and Loss. Lease management fees, legal charges and other initial direct costs of lease are capitalized. A leased asset is depreciated on a straight-line basis over the useful life of the asset assessed by the management (or the useful life envisaged in Schedule II to the Companies Act, 2013, whichever is lower). However, if there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset (the lease term or the useful life envisaged in Schedule II to the Companies Act, 2013). Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term."

### "As a Lessor:

Leases in which the Company transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases. Assets given under finance lease are recognized as a receivable at an amount equal to the net investment in the lease. After initial recognition, the Company apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance lease. The interest income is recognized in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the Statement of Profit and Loss. Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in property, plant and equipment assets. Lease income on an operating lease is recognized in the Statement of Profit and Loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the Statement of Profit and Loss."

# 2.16 Contingent Liability, Provisions and Contingent Asset

"The Company creates a provision when there is present obligation as a result of a past event that

probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. The Company records a provision for decommissioning, restoration and similar liabilities that are recognized as costofproperty, plantandequipment. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognized in the statement of profit and loss as a finance cost. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probablywillnotrequireanoutflowofresourcesorwhere a reliable estimate of the obligation cannot be made. Contingent assets are neither recorded nor disclosed in the financial statements."

### 2.17 Earnings Per Share

"Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average numbers of equity shares are adjusted for events such as bonus issue, bonus element in the rights issue, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares."

### 2.18 Government Grants and Subsidies

"Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received. When the grant or subsidy related to revenue, it is recognized as income on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant is related to an asset, it is adjusted with the gross value of assets.

When the Company receives non-monetary grants, the asset is accounted for on the basis of its acquisition cost. In case a non-monetary asset is given free of cost, it is recognized at a nominal value."

### 2.19 Segment Reporting

"The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which

major operating divisions of the Company operate. Further, inter-segment revenue have been accounted for based on the transaction price agreed to between segments which is primarily market based. Unallocated items include general corporate income and expense items, which are not allocated to any business segment."

### 2.20 Rounding off

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirements of Schedule III of the Act unless otherwise stated.



## Note 3 - Share capital

The Company has only one class of Share Capital having a par value of ₹ 10 per share, referred to herein as equity shares.

	31 March 2025	31 March 2024
Authorised		
1,90,00,000 (March 31, 2024 : 1,90,00,000) Equity Shares of ₹ 10/- each		
At the commencement of the year	1,900.00	1,500.00
Add: Increased during the year	-	400.00
At the end of the year	1,900.00	1,900.00
Issued, subscribed and fully paid up		
1,88,40,729 (March 31, 2024 : 1,88,40,729) Equity Shares of ₹ 10/- each	1,884.07	1,884.07

## a. Reconciliation of shares outstanding at the beginning and at the end of the year

	31	March 2025	3	1 March 2024
	Number	Amount	Number	Amount
Equity Shares				
At the commencement of the year	1,88,40,729	1,884.07	92,32,486	923.25
Add: Bonus Shares Issued during the year	-	-	46,16,243	461.62
Add: Fresh Shares Issued during the year	-	-	49,92,000	499.20
At the end of the year	1,88,40,729	1,884.07	1,88,40,729	1,884.07

#### b. Rights, preferences and restrictions attached to equity shares

"The company has only one class of equity shares having par value of ₹ 10 per share. Each shareholder is entitled to one vote per share held. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders."

- c. Pursuant to the approval of the shareholders in Extra-Ordinary General Meeting held on August 08, 2023, the company has allotted 46,16,243 equity shares of ₹ 10 each as fully paid-up bonus shares in the ratio of 1 (One) equity share for every 2 (two) equity share outstanding on the record date i.e. August 09, 2023 by capitalization of securities premium. Further, The company has neither issued any shares for consideration other than cash nor bought back any shares during the period of five years immediately preceding the reporting date (31 March 2024: nil)."
- d. During the previous FY, on 05 February 2024, the company has issued 49,92,000 Equity Shares under SME IPO, which got listed on NSE Emerge Platform on 05 February 2024 having NSE Scrip Code "MEGATHERM". The transaction Costs pertaining to the issue have been debited to the share premium account.
- Shares held by holding/ultimate holdings company and/or their subsidiaries/associates

	31 March 2025		31 March 20	
	Number	Amount	Number	Amount
Equity shares of ₹ 10 each fully paid up held by: Megatherm Electronics Private Limited, Holding Company	1,36,83,729	1,368.37	1,36,83,729	1,368.37

## f. Particulars of shareholders holding more than 5% shares of fully paid up equity shares

		31 March 2025		31 March 2024	
	Number	% of total shares in the class	Number	% of total shares in the class	
Equity shares of ₹ 10 each fully paid up held by:					
Megatherm Electronics Private Limited., the Holding Company	1,36,83,729	72.63%	1,36,83,729	72.63%	

As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

### g. Details of Shares held by Promoters at the end of the year

Promoter name			31 March 2025			31 March 2024	
	No. Of Shares	% of total shares	% Change during the year	No. Of Shares	% of total shares	% Change during the year	
Megatherm Electronics Private Limited	1,36,83 ,729	72.63%	0.00%	1,36,83,729	72.63%	-	
Shesadri Bhusan Chanda	7,500	0.05%	0.00%	7,500	0.05%	-	
Satadri Chanda	3,600	0.03%	0.00%	3,600	0.03%	-	

# Note 4 - Reserves and surplus

	31 March 2025	31 March 2024
Securities Premium		
At the commencement of the year	5,180.35	1,241.69
Add: Additional Shares issued during the year	-	4,892.16
Less : Utilized for Bonus Shares issued during the year *	-	(461.62)
Less : Share Issue Expenses incurred during the year **	-	(491.88)
Securities Premium	5,180.35	5,180.35
Surplus/(deficit) in the Statement of Profit and Loss		
At the commencement of the year	4,970.08	2,897.70
Profit for the year	2,130.55	2,072.39
At the end of the year	7,100.63	4,970.08
Total Reserves and surplus	12,280.98	10,150.43

<sup>\*</sup>Pursuant to the approval of the shareholders in Extra-Ordinary General Meeting held on August 08, 2023, the Company has allotted 46,16,243 equity shares of ₹ 10 each as fully paid-up bonus shares in the ratio of 1 (One) equity share for every 2 (two) equity share outstanding on the record date i.e. August 09, 2023 by capitalization of securities premium.

<sup>\*\*</sup> During the previous FY, on 05 February 2024, the Company has issued 49,92,000 Equity Shares under SME IPO, which got listed on NSE Emerge Platform on 05 February 2024 having NSE Scrip Code "MEGATHERM". The transaction Costs pertaining to the issue have been debited to the share premium account.



### Note 5 - Long-term borrowings

	Non-curre	ent portion	Current n	naturities
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Term Loans (secured)				
From banks	324.90	601.70	276.62	317.79
Less: Amount disclosed under the head "Short-term borrowings" (Refer Note 8)	-	-	(276.62)	(317.79)
	324.90	601.70	-	-

# (A) Terms of repayment

### **Term loans**

Name of the lender	No of Instalment Due	Rate of Interest (%)	Within one year (₹)	After one year but not more than 5 years (₹)	More than 5 years (₹)
Rupee loans (secured)					
GECLS Loan Account-7209968838	24.00	9.25	137.04	150.95	-
Axis Bank -AUR031907828586(2nd Battery Car)	29.00	8.75	3.58	4.81	-
Open Term Loan Account -7417195951	9.00	10.75	136.00	169.14	-
Total			276.62	324.90	-

## (B) Details of security

The term loan is secured as under:

### Primary:

i) Hypothecation of all Stocks, book-debts & other current asset and Plant & Machinery.

### Collateral:

- i) Equitable mortgage of 10 acres of leasehold land and factory thereon at Vidyasagar Industrial Park.
- ii) Equitable Mortgage of Office Space Unit No 6F/2 on the 6" Floor of the building at Plot No L1, Block EP, & GP, in Sector V, PS Electronics Complex, Bidhannagar, Salt lake, Kolkata 700091.
- iii) Equitable Mortgage Office Space Unit No 5F/3 & 5F/4 on the 5th Floor of the building at Plot No Ll, Block EP, & GP,in Sector V, PS Electronics Complex, Bidhannagar, Salt lake, Kolkata 700091
- iv) Pledge of FDR 327.25 Lacs

### Guarantee:

Personal Guarantee of Sri Shesadri Bhusan Chanda, Sri Satadri Chanda and Smt. Ayati Chanda

## (C) Details of security of Vehicle Loan

### **Nature of Security**

Loan from Axis Bank is secured by hypothecation of the Vehicle Financed.

# Note 6 - Deferred tax liabilities (net)

	31 March 2025	31 March 2024
Deferred tax liabilities		
Difference between book depreciation & tax depreciation	463.66	412.70
Deferred tax assets		
Expenses provided but allowable in Income Tax on payment basis	(3.71)	(96.93)
C/F Losses to be adjusted against future taxable Income	-	-
	(3.71)	(96.93)
Deferred tax liability (net)	459.95	315.77

Statutory Reports

### Note 7 - Provision

	Long-	-term	Short	-term
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Provision for employee benefits:				
Provision for gratuity (unfunded) (Refer Note 34 i)	198.30	152.33	24.13	15.65
Provision for Leave Encashment (Refer Note 34 ii)	17.76	11.96	4.28	1.19
Other provisions:				
Provision for Warranties (Refer Note 29b )	-	-	240.63	154.96
Provision for Income tax [net of advance tax of ₹ 593.47 Lacs (previous year ₹ 613.43 Lacs)	-	-	90.56	81.05
	216.06	164.29	359.60	252.85

# **Note 8 Short-term borrowings**

	31 March 2025	31 March 2024
Loans repayable on demand		
From banks (secured)		
Rupee loans	2,660.60	2,696.07
Current maturities of long-term debt (Refer note 5)	276.62	317.79
	2,937.22	3,013.86

Note: The secured rupee loans from banks are repayable on demand and other loans are repayable on maturity.

# **Details of security**

# **Primary Securities:**

Bank Borrowings for working capital are secured by first charge over the company's stock of materials, receivables and other current assets, both present & future.

## **Collateral Securities:**

Refer note no 5 (B)



# Note 9 - Trade payables

	31 March 2025	31 March 2024
Total outstanding dues of micro enterprises and small enterprises	1,708.98	516.94
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,571.84	3,740.82
	4,280.82	4,257.76

Disclosure relating to suppliers registered under MSMED Act based on the information available with the Company:

Part	ticulars	31 March 2025	31 March 2024
(a)	Amount remaining unpaid to any supplier at the end of each accounting year:		
	Principal	1,708.98	516.94
	Interest	19.38	1.16
	Total	1,728.36	518.10
(b)	The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
(d)	The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	-	-

Trade payables Ageing Schedule

31 March 2025				Current			
Particulars	Unbilled Payables	Not due	Outst	anding for f	ollowing pe	riods from d	ue date of payment
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	1,666.07	19.00	23.11	0.79	1,708.98
(ii) Disputed dues - MSME	-	-	-	-	-	-	-
(iii) Others	237.60	-	2,275.79	13.50	38.64	6.31	2,571.83
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	237.60	-	3,941.86	32.50	61.76	7.10	4,280.82

31 March 2024				Current			
Particulars	Unbilled Payables	Not due	Outs	tanding for	following po	eriods from d	ue date of payment
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	515.85	0.30	0.79	-	516.94
(ii) Disputed dues – MSME	-	-	-	-	-	-	-
(iii) Others	237.86	-	3,074.98	249.81	106.88	69.04	3,738.57
(iv) Disputed dues - Others		-	-	-	-	2.25	2.25
Total	237.86	-	3,590.83	250.11	107.67	71.29	4,257.76

# Note 10 - Other current liabilities

	31 March 2025	31 March 2024
Advances received from customers	5,686.52	6,158.63
Goods and Service tax payable	16.30	2.45
TDS payable	27.27	59.70
Other Statutory dues	12.38	11.90
Interest accrued and due on borrowings	0.06	-
Unearned Revenue	12.01	16.24
Other payables	155.93	125.56
	5,910.46	6,374.48



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Note 11 - Property, P

Particulars	Leasehold Land	Buildings	Office Building	Plant and Machinery	Material Handling Equipments	Testing & Inspection Equipments	Storage Equipment & Accessories	Electrical Installation	Furniture and fixtures	Office Equipments	Tools & Equipment	Vehicles	Computer	Total
Gross Block														
Balance as at 1 April 2023	530.89	4,106.58	1	1,238.38	369.15	49.19	116.38	294.11	42.32	35.45	1.01	42.72	52.97	6,879.15
Additions during the year		76.99	796.89	132.52	47.74	2.46	7.09	25.06	0.83	12.44	1.84	1.72	9.45	1,115.00
Disposals/ Discard	ı		ı	1	1	1	1	1		1	1			
Subsidy Received	1	(146.32)	1	(64.58)	(6.42)	(0.65)		(8.82)		1	1			(226.79)
Balance as at 31 March 2024	530.89	4,037.25	796.89	1,306.32	410.47	51.00	123.47	310.35	43.15	47.89	2.85	44.44	62.39	7,767.36
Additions during the year	ı	1,401.15	18.22	227.62	225.29	3.57	6.76	32.41	60.9	19.19			18.24	1,958.54
Disposals/ Discard	ı	1	ı	ı		ı	1	1		ı	1	1		ı
Subsidy Received	ı	(117.51)	ı	(147.34)	(40.14)	(2.03)	(18.03)	1	1	ı	ı	1		(325.04)
Balance as at 31 March 2025	530.89	5,320.89	815.11	1,386.60	595.62	52.53	112.21	342.76	49.23	67.08	2.85	44.44	80.63	9,400.86
Accumulated Depreciation														
Balance as at 1 April 2023	66.25	550.13	ı	187.36	86.84	14.50	12.28	159.04	18.02	16.15	0.16	6.67	28.00	1,145.40
Depreciation for the year	5.30	126.32	2.35	78.25	23.83	2.94	7.75	35.34	4.05	5.39	0.22	5.09	11.89	308.72
Accumulated depreciation on disposals/ discard	1	ı	ı	1			1	ı	1	1	1	1	ı	ı
Balance as at 31 March 2024	71.55	676.45	2.35	265.61	110.67	17.44	20.03	194.38	22.07	21.54	0.38	11.76	39.89	1,454.12
Depreciation for the year	5.36	125.94	25.23	87.98	29.29	2.97	7.75	30.04	4.17	8.93	0.27	5.28	13.45	346.66
Accumulated depreciation on disposals/ discard	i	1	1				ı	1	1	1	1	1	1	1
Balance as at 31 March 2025	76.91	802.39	27.58	353.59	139.95	20.42	27.78	224.42	26.24	30.47	0.65	17.04	53.34	1,800.78
Net Block														
Balance as at 31 March 2024	459.34	3,360.80	794.54	1,040.71	299.80	33.56	103.44	115.97	21.08	26.35	2.47	32.68	22.50	6,313.24
Balance as at 31 March 2025	453.98	4,518.50	787.53	1,033.01	455.66	32.12	84.43	118.35	22.99	36.61	2.20	27.40	27.29	7,600.09

## Note 1 : Details of assets taken on Finance Leases :

Particulars	Vehicles	Total
Gross Block		
Balance as at 31 March 2024	36.52	36.52
Balance as at 31 March 2025	36.52	36.52
Accumulated Depreciation		
Balance as at 31 March 2024	10.62	10.62
Balance as at 31 March 2025	14.97	14.97
Net Block		
Balance as at 31 March 2024	25.90	25.90
Balance as at 31 March 2025	21.55	21.55

Note 2 : Refer Note 5 (B) for security related details

# Note 12 - Intangible Assets

Owned Asset- Intangible Asset	Software	Total
Gross Block		
Balance as at 1 April 2023	81.44	81.44
Additions during the year	55.66	55.66
Balance as at 31 March 2024	137.10	137.10
Additions during the year	28.07	28.07
Balance as at 31 March 2025	165.17	165.17
Accumulated Amortization		
Balance as at 1 April 2023	13.39	13.39
Amortization for the year	29.81	29.81
Balance as at 31 March 2024	43.20	43.20
Amortization for the year	50.21	50.21
Balance as at 31 March 2025	93.41	93.41
Net Block		
Balance as at 31 March 2024	93.90	93.90
Balance as at 31 March 2025	71.76	71.76

## Note 13 - Other non-current assets

	31 March 2025	31 March 2024
(Unsecured, considered good)		
Security and other deposits	14.37	6.90
Deposit with Bank (more than 12 months)	216.43	155.00
Trademark on Lease	333.33	360.00
Capital Advances	182.89	-
Prepaid Expenses	33.06	19.49
Retention Money	661.89	686.14
	1,441.97	1,227.53



# Ageing of Retention Money:

31 March 2025		Non-Current						
Particulars	Unbilled	Outstanding for following periods from the date of transaction					n	
		Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Retention Money – considered good	-	-	338.01	74.60	69.70	160.06	19.51	661.89
Total	-	-	338.01	74.60	69.70	160.06	19.51	661.89

# Ageing of Retention Money:

31 March 2024			Non-Current					
Particulars	Unbilled	0:	Outstanding for following periods from the date of transaction				on	
		Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Retention Money – considered good	-	-	321.45	96.60	248.59	6.45	13.06	686.14
Total	-	-	321.45	96.60	248.59	6.45	13.06	686.14

# Note 14 - Current Investment

	31	. March 2025	31 March 2024		
Current Investments	Units	Book Value	Units	Book Value	
Short term trade investments (valued at lower of cost or market value) - Quoted					
Investments in mutual funds (DSP Overnight Fund- Direct Plan- Growth Option)	43,900.05	600.00	57,617.22	700.00	
Net current investments	43,900.05	600.00	57,617.22	700.00	
Aggregate market value as at the end of the period:					
Market value of quoted investments		600.43		700.52	

# Note 15 - Inventories

	31 March 2025	31 March 2024
(Valued at the lower of cost and net realisable value unless stated otherwise)		
Raw materials	6,131.50	4,727.74
Work-in-progress	3,122.73	3,017.12
Finished goods	447.52	424.87
	9,701.75	8,169.73

# Note 16 - Trade receivables

	31 March 2025	31 March 2024
Unsecured, considered good	3,538.89	3,197.58
Unsecured, considered doubtful	116.04	116.04
Less: Provision for doubtful receivables	116.04	116.04
	3,538.89	3,197.58

31 March 2025				Non-0	Current			
Particulars	Unbilled	Oı	ıtstanding f	or following	periods fro	m the date	of transaction	on
		Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	63.49	-	2,772.45	474.18	191.42	30.00	7.35	3,538.89
(ii) Undisputed Trade Receivables –considered doubtful	-	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables– considered good			-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered doubtful	-	-	-	-	-		116.04	116.04
Less: Provision for doubtful receivable (Disputed + Undisputed)	-	-	-	-	-		(116.04)	(116.04)
Total	63.49	-	2,772.45	474.18	191.42	30.00	7.35	3,538.89

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31 March 2024		Non-Current						
Particulars	Unbilled	0:	utstanding f	or following	periods fro	m the date	of transaction	on
		Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	54.19	-	1,683.29	1,198.97	173.05	88.08	-	3,197.58
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered doubtful	-	-	-	-	-	21.00	95.04	116.04
Less: Provision for doubtful receivable (Disputed + Undisputed)	-	-	-	-	-	(21.00)	(95.04)	(116.04)
Total	54.19	-	1,683.29	1,198.97	173.05	88.08	-	3,197.58



# Note 17 (a) - Cash and Cash Equivalents

	31 March 2025	31 March 2024
Cash on hand	1.45	3.35
Balances with banks		
On current accounts	2,562.03	3,925.65
	2,563.48	3,929.00

# Note 17 (b) - Other Bank Balances

	31 March 2025	31 March 2024
Current maturities	1,710.00	1,600.00
Unspent CSR	9.66	-
Margin money or deposits under lien	744.00	531.76
	2,463.66	2,131.76

# Note 18 - Short-term loans and advances

	31 March 2025	31 March 2024
(Unsecured, considered good unless otherwise stated)		
To parties other than related parties		
Advances to supplies & Others	287.57	494.82
Advance to employees	49.92	40.34
Prepaid expenses	50.07	37.97
GST input credit receivable	131.39	539.12
	518.95	1,112.25

## Note 19 - Other current assets

	31 March 2025	31 March 2024
(Unsecured, considered good)		
To parties other than related parties		
Interest accrued but not due on deposits	30.91	23.88
Security and other deposits	8.44	60.80
Export incentive receivable	26.20	24.74
Trademark on lease	26.67	26.67
	92.22	136.09

# Note 20 - Revenue from operations

	31 March 2025	31 March 2024
Sale of products		
Finished Goods	31,758.75	30,142.83
Sale of services	207.23	341.10
Other operating revenue		
Export incentives	61.39	99.99
Scrap Sale	23.47	41.54
	32,050.84	30,625.46

## Note 21 - Other income

	31 March 2025	31 March 2024
Interest on fixed deposits with banks	166.91	38.89
Gain on foreign exchange fluctuation	42.18	16.27
Miscellaneous income	111.02	57.06
	320.11	112.22

# Note 22 - Cost of materials consumed

	31 March 2025	31 March 2024
Inventory of raw materials at the beginning of the year	4,727.74	4,830.84
Purchases	24,858.98	23,522.31
	29,586.72	28,353.15
Less: Inventory of raw materials at the end of the year	6,131.50	4,727.74
	23,455.22	23,625.41

# (a) Details of raw material and components consumed

	31 March 2025	31 March 2024
Copper	7,036.57	7,087.62
CRNGO	2,580.07	2,598.80
Steel and Structure	5,629.25	5,670.10
Other Materials	8,209.33	8,268.89
	23,455.22	23,625.41

# (b) Value of imported and indigenous raw materials consumed

	31 March 2025		31 March	2024
	Amount	%	Amount	%
Imported	2,752.58	11.74%	2,763.18	11.70%
Indigenous	20,702.64	88.26%	20,862.23	88.30%
	23,455.22	100.00%	23,625.41	100.00%

# (c) Details of closing inventory of raw material and components

	31 March 2025	31 March 2024
Copper	1,284.33	930.85
CRNGO	132.15	128.61
Steel and Structure	7.26	6.54
Other Materials	4,707.76	3,661.74
	6,131.50	4,727.74



# Note 23 - Changes in inventories of finished goods and work-in-progress

31 March 2025	31 March 2024
424.87	284.68
3,017.12	1,993.82
3,441.99	2,278.50
447.52	424.87
3,122.73	3,017.12
3,570.25	3,441.99
(128.26)	(1,163.49)
	424.87 3,017.12 3,441.99 447.52 3,122.73 3,570.25

# Note 24 - Employee benefits expense

	31 March 2025	31 March 2024
Salaries, wages and bonus	1,436.55	1,366.38
Contribution to provident and other funds	72.97	70.20
Gratuity	67.53	37.04
Staff welfare expenses	184.16	174.95
	1,761.21	1,648.57

# Note 25 - Finance costs

	31 March 2025	31 March 2024
Interest expense		
On bank loan	260.42	289.29
On assets on finance lease	0.95	2.99
Other borrowing costs	230.93	224.26
Bank charges	108.29	101.14
	600.59	617.68

# Note 26 - Depreciation and amortisation expense

	31 March 2025	31 March 2024
on tangible assets (Refer note 11)	346.66	308.72
on intangible assets (Refer note 12)	50.21	29.81
	396.87	338.53

# Note 27 - Other expenses

	31 March 2025	31 March 2024
Consumption of stores and spare parts	313.00	269.05
Labour Charges	292.68	275.25
Erection & Commissioning	127.93	55.32
Power and fuel	183.09	129.69
Freight, clearing and forwarding	203.60	122.19
Packing charges	199.00	180.78
Rent	50.84	72.20
Repairs to:		
Plant and machinery	18.71	19.54
Building	12.40	11.36
Computer	3.00	1.87
Others	115.79	66.78
Insurance	45.49	39.64
Rates and taxes	57.35	43.70
Travelling and conveyance expenses	89.48	78.73
Legal and professional fees	336.81	280.55
Payment to auditors' (refer note (a) below)	22.03	20.75
Advertisement and Sales Promotion	255.11	182.01
Security Service Charges	45.74	42.65
Research and Development Expense	8.28	0.92
Telephone and communication expenses	15.75	16.58
Provision for doubtful debts and advances	-	65.04
Corporate Social Responsibility (Refer Note 42)	36.41	18.97
Provision for Warranty (Refer Note 29 b)	391.83	209.98
Bad Debt/Advance Written Off	55.99	60.90
Selling Expenses	412.04	533.13
Amortization of Trade Mark Fees	26.67	13.33
Miscellaneous expenses	71.91	100.05
	3,390.93	2,910.96

# a. Payment to auditors':

	31 March 2025	31 March 2024
As auditors':		
Statutory audit	12.50	12.00
Tax audit	1.75	1.50
Limited Review	6.50	6.50
Other Services	1.28	0.75
	22.03	20.75



# Note 28 - Earnings per share (EPS)

		31 March 2025	31 March 2024
Profit after tax as reported	(a)	2,130.55	2,072.39
Net Profit attributable to Equity Shareholders for calculation of basic and diluted (₹ in Lacs)	(b)	2,130.55	2,072.39
Weighted average number of equity shares outstanding during the year for calculation of basic EPS (in no's)	(c)	1,88,40,729	1,46,67,090
Weighted average number of equity shares outstanding during the year for calculation of diluted EPS (in no's)	(d)	1,88,40,729	1,46,67,090
Basic EPS of ₹ 10 each	(e) = (b) / (c)	11.31	14.13
Diluted EPS of ₹ 10 each	(f) = (b) / (d)	11.31	14.13
Nominal value of equity share (in Rs)		10.00	10.00

# Note 29 - Contingent liabilities and Commitments

(to the extent not provided for)

# a) Contingent Liabilities:

	31 March 2025	31 March 2024
(i) Guarantee Issued By Bank	1,108.18	611.34
(ii) Letter of Credit By Bank	2,190.05	2,414.20
(iii) GST Demand in dispute/ under appeal	182.99	-

Note: During the year, a demand amounting to ₹ 182.99 Lac with respect to Goods and Service Tax pertaining to the FY 2020-21 is pending for which the Company shall file appeal with the competent suthoriries within the stipulated period.

# b) Provision for Warranty

Particulars	31 March 2025	31 March 2024
Opening Balance of Provision for Warranty	154.96	137.76
Add : Created during the year	391.83	209.98
Less : Utilized during the year	306.16	192.78
Closing Balance of Provision for Warranty	240.64	154.96

# Note 30 - CIF value of imports

	31 March 2025	31 March 2024
Raw materials	2,917.32	2,751.12
	2,917.32	2,751.12

# Note 31 - Expenditure in foreign currency

	31 March 2025	31 March 2024
Erection & Commissioning	39.21	36.71
Advertisement and Sales Promotion	7.34	32.68
Travelling and conveyance	40.06	59.44
Total Expenditure in foreign currency	86.61	128.83

# Note 32 - Earnings in foreign currency

	31 March 2025	31 March 2024
Exports at F.O.B. Value	3,239.10	6,484.85
Total Earning in foreign currency	3,239.10	6,484.85

### Note 33 - Leases

Operating lease: Company as lessee

The Company has entered into commercial leases on certain motor vehicles, Office Building and items of machinery. These leases have an average life of between three and five years with no renewal option included in the contracts. There are no restrictions placed upon the Company by entering into these leases

Particulars	31 March 2025	31 March 2024
	Minimum payments	Minimum payments
Within one year	44.93	-
After one year but not more than five years	63.64	-
More than five years	-	-

### **Note 34 - Employee benefits:**

## Post employment benefit plans

### 1. Defined contribution plans

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund and Superannuation Fund, which are defined contribution plans. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue.

### 2. Defined benefit plans

The following table summarises the position of assets and obligations relating to the gratuity plan:

	31 March 2025	31 March 2024
Net Asset / (liability) recognised in Balance sheet as at the year end		
Fair value of plan assets	-	-
Present value of obligations	222.43	167.98
Asset/ (liability) recognised in balance sheet	(222.43)	(167.98)
Classification into current/ non-current		
Current portion	24.14	15.64
Non-current portion	198.30	152.34
Movement in present value of defined benefit obligations		
Opening Defined benefit obligation	167.98	150.55
Current service cost	18.95	13.80
Interest cost	11.71	10.85
Actuarial (gains) / losses	36.87	12.40
Benefits paid by the plan	(13.08)	(19.62)
Closing Defined benefit obligations	222.43	167.98



	31 March 2025	31 March 2024
Composition of plan assets		
Qualifying insurance policies	0%	0%
Expense recognised in the Statement of Profit and Loss		
Current service cost	18.95	13.80
Interest on obligation	11.71	10.85
Expected return on plan assets	-	-
Net actuarial (gain)/ loss recognised in the year	36.87	12.40
Total included in 'Employee benefits expense' (Refer note 24)	67.53	37.05
Principal actuarial assumptions		
Discount rate	6.69%	6.97%
Expected return on plan assets	NA	NA
Salary growth rate	5.00%	5.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Discount rate is based on the prevailing market yield of Indian Government securities as at the year end for the estimated term of the obligation.

Assumptions regarding future mortality are based on published statistics and mortality tables. The calculation of the defined benefit obligation is sensitive to the mortality assumptions.

## Five-year information

Amounts for the current and previous four periods are as follows:

	31 March 2025	31 March 2024	31 March 2023	31 March 2022	31 March 2021
Gratuity					
Present Value of defined benefit obligation	222.43	167.98	150.55	146.45	112.22
Fair value of plan assets	-	-	-	-	-
Surplus / (deficit) in the plan	(222.43)	(167.98)	(150.55)	(146.45)	(112.22)
Experience adjustments arising on plan liabilities [(gain)/ loss]	31.78	9.31	(11.18)	(19.66)	(8.71)
Experience adjustments arising on plan assets [gain/ (loss)]	-	-	-	-	-
Actuarial gain/(loss) due to change in assumption	-	-	-	7.59	(0.89)

### ii) Leave Benefits

The Company provides for accumulation of leave by its employees. The employees can carry forward a portion of the unutilised leave balances and utilise it in future periods or receive cash in lieu thereof as per the Company's policy. The Company records a provision for leave benefits in the period in which the employee renders the services that increases this entitlement. This is an unfunded plan. The total provision recorded by the Company towards these benefits as at year end was ₹ 22.04 Lacs (March 31, 2024: 13.15 Lacs ).

# Note 35 - Information in accordance with the requirements of Accounting Standard 18 on Related Party Disclosures

- (i) List of related party and relationship where control exists
  - (a) Enterprises having control over the Company with which transaction has taken place during the year and previous year.

Megatherm Electronics Private Limited - Immediate holding company

(b) Fellow Subsidiaries (with whom transactions have taken place during the year and previous year): EMT Megatherm Private Limited

### (ii) Names of the other related parties with whom transactions have taken place during the year

- (a) Key Managerial Personnel
  - Mr. Shesadri Bhusan Chanda, Chairman and Managing Director
  - Mr. Satadri Chanda, Director
  - Mrs. Christina Paulchowdhury
  - Mr. Siddhartha Sen (resigned on 05-01-2025)
  - Mr. Ankit Rathi (appointed on 16-09-2023)
  - Mr. Shravan Manjaya Shetty (appointed on 20-12-2024)

Mrs Abanti Saha Basu , C.S (appointed on 15-09-2023)

### (iii) Details of transactions with related parties

Particulars	31 March 2025	31 March 2024
Relating to Profit and Loss account		
Sale of Products/services		
EMT Megatherm Private Limited	373.48	1,956.90
Megatherm Electronics Private Limited	2,926.57	3,424.79
Purchase of Products/Services		
EMT Megatherm Private Limited	3,904.07	1,816.59
Megatherm Electronics Private Limited	28.31	3.03
Rental Income		
EMT Megatherm Private Limited	60.30	30.15
Rent and Electricity Expenses		
Megatherm Electronics Private Limited	11.57	67.47
Labour Charges		
EMT Megatherm Private Limited	-	48.47



Particulars	31 March 2025	31 March 2024
Salaries/ Managerial Remuneration		
Mr. Shesadri Bhusan Chanda	62.40	62.40
Mr. Satadri Chanda	87.00	87.00
Mrs Abanti Saha Basu , C.S (appointed on 15-09-2023)	5.10	2.48
Mrs Nisha Bhopalka , C.S (Resigned on 31-08-2023)	-	0.55
Sitting Fees paid to Independent Directors		
Mrs. Christina Paulchowdhury	4.00	4.00
Mr. Siddhartha Sen (resigned on 05-01-2025)	4.00	2.50
Mr. Ankit Rathi (appointed on 16-09-2023)	1.00	0.50
Mr. Shravan Manjaya Shetty (appointed on 20-12-2024)	0.25	-
Trademark Fees		
Megatherm Electronics Private Limited	-	400.00
Asset Purchased		
Megatherm Electronics Private Limited	-	738.86
EMT Megatherm Private Limited	1,290.62	-

# Balances at the year end

Particulars	31 March 2025	31 March 2024
Trade Receivables		
EMT Megatherm Private Limited	478.99	1,364.68
Megatherm Electronics Private Limited	974.76	844.03
Remunaration/Sitting Fees Payable		
Mr. Shesadri Bhusan Chanda	5.20	5.20
Mr. Satadri Chanda	7.25	7.25
Mrs. Christina Paulchowdhury	4.00	4.00
Mrs Abanti Saha Basu , C.S (appointed on 15-09-2023)	0.41	0.38

# Note 36 - Capital-Work-in Progress (CWIP)

# Movement

CWIP	2024-25						
		Movement in CWIP					
	As at Expenditure "Capitalizations/ As at April 01, 2024 During The Year Adjustments" March 31, 20						
Projects in progress	4.13	217.79	160.62	61.29			
Total	4.13	217.79	160.62	61.29			

CWIP	2023-24					
	Movement in CWIP					
	As at April 01, 2023	Expenditure During The Year	As at March 31, 2024			
Projects in progress	61.52	190.54	247.93	4.13		
Total	61.52	190.54	247.93	4.13		

#### Note

- a) There are no projects as capital work-in-progess as at 31 March 2025 and 31 March 2024, whose completion is overdue or cost of which has exceeds in comparison to its original plan or which has been temporarily suspended.
- b) No borrowing costs has been capitalised during the year (31 March 2024: Nil) against qualifying assets under construction.

# For Capital-work-in progress ageing schedule

CWIP		As on March 31, 2025					
		Amount in CWIP for a period of					
	Less than 1 year 1-2 years 2-3 years More than 3 years						
Projects in progress	61.29	-	-	-	61.29		
Total	61.29	61.29					

CWIP			Total			
		Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years		
Projects in progress	4.13	-	-	-	4.13	
Total	4.13	-	-	-	4.13	

# Note 37 - Reconciliation of quarterly returns or statements of current assets filed with banks or financial institutions

Name of the Bank	Aggregate Working Capital Limits sanctioned	Amount Utilized During Quarter	Quarter Ended	Amount disclosed as per quarterly return/ statement	Amount as per books of accounts	Amount of difference	Reason for Material Variance
		2,344.26	June 30, 2024	6,123.54	-	6,123.54	The Company has not
		2,557.67	June 30, 2023	3,718.42	6,315.81	(2,597.39)	considered the trade receivables due & Advance from
		2,586.79	September 30, 2024	5,860.94	-	5,860.94	Customers for more than 90 days and balances with Group
		2,512.15	September 30, 2023	4,301.68	6,006.67	(1,704.99)	Companies in the quarterly statement.
		2,392.44	December 31,2024	4,306.91	-	4,306.91	The Company has not considered the trade
Indian Bank	2,700.00	2,643.59	December 31,2023	4,812.01	6,798.70	(1,986.69)	receivables, advance from customers and advance to suppliers due for more than 90 days and balances with Group Companies in the quarterly statement.
		2,650.00	March, 31, 2025	6,262.46	-	6,262.46	The Company has not considered the trade
		2,643.38	March, 31, 2024	4,946.98	7,795.69	(2,848.71)	receivables, trade payables, advance from customers and advance to suppliers due for more than 90 days and balances with Group Companies in the quarterly statement.

### Note 38 - Wilful Defaulter

The Company has not been declared as a wilful defaulter by any bank or financial institutions in the current year or previous year.



# Note 39 - Relationship with Struck off Companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956, in the current year or previous year.

## Note 40 - Registration of charges or satisfaction with Registrar of Companies

The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period in the current year or previous year.

### Note 41 -Ratios

		31 Ma	rch 2025	31 Ma	rch 2024	Ratio as on	Ratio as on		Reason
SI. No.	Ratio	Numerator	Denominator	Numerator	Denominator	31 March 2025	31 March 2024	Variation	(If variation is more than 25%)
(a)	Current Ratio	19,478.95	13,488.10	19,376.41	13,898.95	1.44	1.39	3.59%	Not Applicable
(b)	Debt-Equity Ratio	3,262.12	14,165.05	3,615.56	12,034.50	0.23	0.30	-23.35%	Not Applicable
(c)	Debt Service Coverage Ratio (DSCR)	3,128.01	918.56	3,028.60	1,184.72	3.41	2.56	33.21%	The Increase in DSCR is due to repayment/ reduction of Debt from internal accruals and from IPO proceeds
(d)	Return on Equity Ratio	2,130.55	14,165.05	2,072.39	12,034.50	15.04	17.22	-12.66%	Not Applicable
(e)	Inventory Turnover Ratio	23,326.96	8,935.74	22,461.92	7,639.54	2.61	2.94	-11.21%	Not Applicable
(f)	Trade Receivables Turnover Ratio	31,965.98	3,368.24	30,483.93	3,102.86	9.49	9.82	-3.40%	Not Applicable
(g)	Trade Payables Turnover Ratio	24,858.98	4,269.29	26,433.27	4,254.81	5.82	6.21	-6.27%	Not Applicable
(h)	Net Capital Turnover Ratio	32,050.84	5,734.15	30,737.68	2,775.41	5.59	11.08	-49.53%	Decrease in net capital turnover ratio is due to increased inventory levels, higher Accounts receivable and cash & bank balance.
(i)	Net Profit Ratio	2,130.55	32,050.84	2,072.39	30,625.46	0.07	0.07	-1.77%	Not Applicable
(j)	Return on Capital Employed	3,155.76	17,887.12	3,052.30	13,116.26	17.64%	23.27%	-24.19%	Not Applicable
(k)	Return on Investment	2,130.55	14,165.05	2,072.39	12,034.50	15.04%	17.22%	-12.66%	Not Applicable

## Note 42 - Corporate Social Responsibility

Particulars	31 March 2025	31 March 2024
Amount required to be spent by the Company during the year as per section 135 for the Companies Act 2013	36.41	18.97
Amount approved by the Board	36.41	20.00
Amount of expenditure incurred during the period	26.35	18.97
Amount of shortfall for the period	10.06	-
Amount of cumulative shortfall at the end of the period	10.06	-

### **Details of CSR Expenses incurred**

Particulars	31 March 2025	31 March 2024
a) Contribution to School of Fitness and Personality Development (a Trust registered with ROC for undertaking CSR activities)	3.00	1.50
b) Contribution to Water Pump at Kharagpur Project	6.71	-
c) Contribution to Footstep Foundation for Promoting Education	0.45	0.45
d) Contribution to Bharat Sevashram Sangha	5.00	-
e) Contribution to Peoples Relief Committee	5.00	-
f) Contribution to Kolkata Animal Welfare Indian Foundation.	2.00	1.90
g) Contribution to Activity for Sankara Netralaya Camp.	2.09	-
h) Contribution to Activity for Jadavpur University Electronics Department	2.10	-
i) Contribution to Kharagpur Yuba Sangha Club for Social Work Project	-	1.50
j) Contribution towards Distribution of Helmet and cycles	-	0.48
k) Contribution to Life Safety and Awareness Institute	-	0.10
I) Contribution to Activity for Kolkata Swasthya Sankalp.	-	13.00
m) Other Overhead	-	0.04
	26.35	18.97

Note: Out of the total approved CSR expenditure, an amount of ₹ 26.35 Lac was spent during the year. The remaining unspent amount of ₹ 10.06 Lac has been transferred to a separate earmarked bank account with Indian Bank within the time stiplulated under Section 135(6) of the Companies Act, 2013, for payments towards ongoing CSR projects pertaining to FY 2024-25, within end of FY 2028.

### Note - 43 Utilisation of IPO Funds

During the FY 23-24, the company has completed the initial public offer(IPO) pursuant to which 49,92,000 Equity shares of 10 each were allotted, at an issue price of ₹ 108.00 per Equity Share under SME IPO, which got listed on NSE Emerge Platform on 05 February 2024 having NSE Scrip Code "MEGATHERM". The gross proceeds from the IPO aggregated to ₹ 5,391.36 lacs and the corresponding issue related expenses paid amounted to ₹ 491.88 lacs. The company has utilised ₹ 2,709.95 Lacs for the objects i.e to meet its procurement of fixed asset, working capital requirements and general corporate purpose, as mentioned in the Prospectus and the unutilized amount of ₹ 2,681.41 Lacs are held in current bank account/FDR of the Company.

## Note - 44 Utilisation of Borrowed funds and share premium:

- (i) The Company has not advanced or loaned or invested funds in current year or previous year to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries



- (ii) The Company has not received any fund in current year or previous year from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,"

#### Note 45 - Undisclosed income

The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the current year or previous year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

#### Note 46 - Audit Trail

The Company is using accounting software, SAP Business One, for maintaining its books of account which has a feature of recording audit trail (edit log) facility, except that the audit trail feature was not enabled in the accounting software throughout the year.

## Note 47- Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual Currency during the current year or previous year.

### Note 48 - Details of Benami Property held

The Company does not have any Benami property in current year or previous year, where any proceeding has been initiated or pending against the company for holding any Benami property.

# Note 49 - Segment information

### Primary Segment Information (Business Segment)

Segments have been identified in line with the Accounting Standard 17 - Segment Reporting, taking into account the nature of products and services, the different risks and returns, the organisational structure and the internal financial reporting system. The Company is engaged in the business of manufacturing and sale of induction. It has manufacturing location in India only. Based on the dominant source and nature of risk and returns of the Company, its internal organisation and management structure and its system of internal financial reporting, business segment has been identified as the primary segment. The Company has only one business segment.

### Secondary Segment Information (Geographical Segment)

Particulars	31 March 2025	31 March 2024
Revenue by Geographical Market		
In India	28,811.74	24,140.61
Outside India	3,239.10	6,484.85
Total	32,050.84	30,625.46
Carrying Amount of Segment Assets		
In India	28,654.06	27,015.21
Outside India	-	-
Total	28,654.06	27,015.21
Additions to Property, Plant and Equipment and Intangibles (including movement in CWIP)		
In India	2,043.77	1,113.27
Outside India	-	-
Total	2,043.77	1,113.27

# Note 50 - Unhedged foreign currency exposures

Foreign currency exposures on account of trade receivables / trade payables not hedged by derivative instruments are as follows:

Particulars	31 March 2025			March 31, 2024		
	Currency	Amount in FC*	Amount	Currency	Amount in FC*	Amount
Trade Receivables	USD	8.37	715.65	USD	4.50	355.49
Trade Payables	USD	7.08	605.40	USD	7.02	584.84
Trade Payables	EUR	1.12	103.86	EUR	0.14	12.17

<sup>\*</sup> In Lacs

## Note - 51 The Social Security Code, 2020

The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued. The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

#### Note - 52

### Subsequent events

No Significant Subsequent events have been observed which may require an adjustments to the financial statements

#### Note - 53

Previous year's figures have been regrouped / reclassified wherever necessary to conform to current year's classification/ disclosure.

As per our report of even date

#### For M S K A & Associates

Chartered Accountants Firm Registration No.:105047W

### **Dipak Jaiswal**

Partner Membership No 063682

### Shesadri Bhusan Chanda

Chairman & Managing Director DIN: 00961593

# Abanti Saha Basu

Company Secretary Membership No:- A69276

Place : Kolkata
Date: May 24, 2025

Place : Kolkata
Date: May 24, 2025

For and on behalf of the Board of Directors of **Megatherm Induction Limited**CIN: L31900WB2010PLC154236

### Satadri Chanda

Director & Chief Financial Officer DIN: 02302312





# **Megatherm Induction Limited**

Plot- L1 Block GP, Sector V, Electronics Complex Salt Lake City Kolkata-700091

https://megatherm.com