



A TRANSFORMATIVE  
**JOURNEY**  
TO GET FUTURE READY

# ANNUAL REPORT

---

**F. Y. - 2023 - 2024**





**GX SERIES**



**MX SERIES**



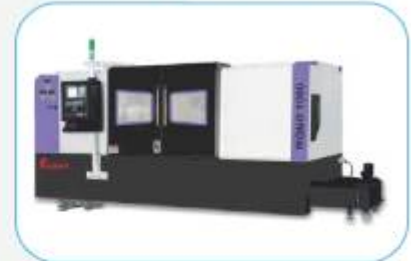
**VX SERIES**



**MONO SERIES**



**LX SERIES**



**LARGE SERIES**



**VIBRANT SERIES**



**JUMBO SERIES**



**VIBRANT APC SERIES**



**VTL SERIES**



**PRO VMC SERIES**



**PRO SERIES**



**HMC SERIES**



**DCM SERIES**

# CONTENTS

1	Corporate Overview	Page No.
01	ABOUT THE COMPANY	01
02	CORPORATE INFORMATION	02
03	PERFORMANCE HIGHLIGHTS	04
04	GLIMPSES ABOUT THE COMPANY	05
05	MACHINES AT GLANCE	10
06	AWARDS & RECOGNITION	12
07	CHAIRMAN MESSAGE	13
2	STATUTORY REPORTS	
01	AGM NOTICE	14
02	BOARD'S REPORT	34
03	CORPORATE SOCIAL RESPONSIBILITY REPORT	53
04	MANAGEMENT DISCUSSION AND ANALYSIS REPORT	61
05	CORPORATE GOVERNANCE REPORT	72
3	FINANCIAL REPORTS	
01	AUDITORS REPORT	100
02	BALANCE SHEET	117
03	PROFIT AND LOSS STATEMENT	119
04	CASH FLOW STATEMENT	120
05	STATEMENT OF CHANGES IN EQUITY	121
06	NOTES FORMING PART OF FINANCIAL STATEMENTS	122





## ABOUT THE COMPANY

More than one and half decades of experience and the vision towards creating a niche in India's fastest growing CNC Manufacturing Company, Macpower CNC Machines has been transforming to meet up to the potential demand in domestic markets as well as through import substitution. This growth is a result of Macpower's vision of par excellence to manufacture state of the art products and adopting the best in technology.

In 2003, Macpower Group started Macpower CNC Machines Private Limited with a CNC Machines manufacturing unit in an area of around 4 acres. Today Macpower has has 2 units in operation situated at Metoda G. I. D.C., Rajkot (India).

In 2017, the company was converted into a public company and in 2018; Macpower listed on the National Stock Exchange of India, SME Emerge platform while in August, 2020 the company migrated to the NSE Main board.

Macpower is ISO 9001(Design) certified, a universally accepted quality assurance designation.

The modern headquarters contain a spacious State of the Art Machine Shop, totally equipped Assembly Shops, all Modern Measuring and Testing Equipment's, Technologically Advanced Sheet Metal Unit and one of its kind Powder Coating Plant. The company today has a capacity to manufacture 2000 machine per annum.

Macpower is currently offering widest range of different product categories namely Turning Center, Twin Spindle Turning Center, VMC, Twin Spindle VMC, TurnMill Center, Automation, HMC, VTL, DTC, DCM with 315+ different variants & models serving 27 industry segment worldwide with 3000+ application solutions and 10555+ installations. We have our Sales & Service Team presence in 39 cities across the country with 195 qualified engineers and 9 business associates; establishment of multiple regional offices and technology centers across the country to have better connect with our valued customers.

To cater to various industrial segments and achieve deeper customer penetration, Macpower is putting in all efforts to expand it's current sales and service network as well use digital tools to address the target audience in an effective way.



## CORPORATE INFORMATION

### - BOARD OF DIRECTORS -



#### **Mr. Rupesh J. Mehta**

Chairman & Managing Director

#### **Mr. Nikesh J. Mehta**

Whole - Time Director & CEO

#### **Mrs. Riya R. Mehta**

Non - Executive & Woman Director

#### **Mr. Maulik R. Mokariya**

Independent Director

#### **Mr. Rajubhai R. Bhanderi**

Independent Director

#### **Mr. Deven J. Doshi**

Independent Director

#### **Mr. Rajnikant M. Raja**

Chief Financial Officer

### - AUDITORS -

#### **Statutory Auditor**

#### **M/s. S. C. Makhecha & Associates**

Chartered Accountants, Rajkot

#### **Secretarial Auditor**

#### **K. P. Rachchh & Co.**

Practicing Company Secretaries, Rajkot

#### **Internal Auditor**

#### **Mr. Vishal B. Mehta**

#### **Register & Share Transfer Agent**

#### **Link Intime India Pvt. Ltd.**

5th Floor, 506 to 508, Amarnath Business Centre - 1  
[ABC - 1], Beside Gala Business Center, Nr. St.  
Xavier's College Corner, Off C G Road, Ellisbridge,  
Ahmedabad - 380 006, Gujarat, India.

Email : ahmedabad@linkintime.co.in

#### **Banker**

#### **Axis Bank Limited**

Metoda Branch

#### **Mr. Kishor Kikani**

Company Secretary &  
Compliance Officer

#### **MACPOWER CNC MACHINES LIMITED**

Reg. Office : Plot No. 2234, Nr. Kranti Gate, GIDC Metoda - 360 021,  
Talu - Lodhika, Dist - Rajkot, Gujarat, India | Phone : 02827 287930,  
Email : [cs@macpowercnc.com](mailto:cs@macpowercnc.com) | Website : [www.macpowercnc.com](http://www.macpowercnc.com)  
CIN : L30009GJ2003PLC043419 | NSE Symbol : MACPOWER | ISIN : INE155Z010T1



## OUR VISION

- To provide best solutions in the machine tool industry.

## OUR MISSION

- Fostering a spirit of continuous learning and innovation.
- To offer world class products through continuous innovation.
- To reach new sectors of industry in particular and society at large by offering products which make changes in the present state of machine tools.
- To nurture best brains in the company to develop them into future leaders, to enhance the company's growth prospects to greater levels.
- To provide a quick and effective service base to enhance customer satisfaction index.

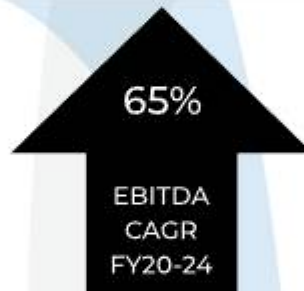
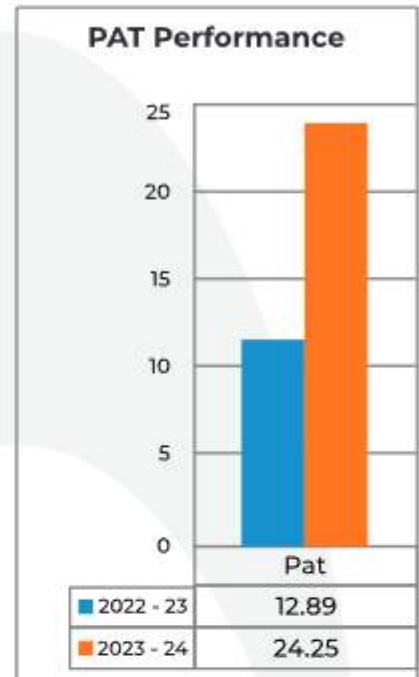
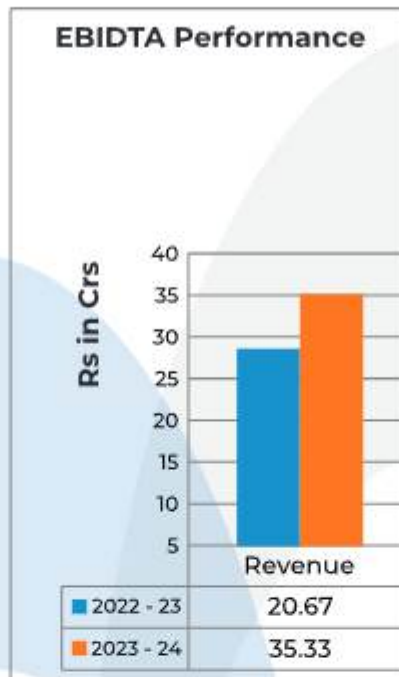
## OUR CORE PRINCIPLES

- Always serve with honesty, integrity and transparency.
- Always, first understand business needs and objectives
- Always think innovatively, deliver effectively!
- Always maintain client confidentiality, at all levels
- Always be accessible and responsive
- Always aim to bring better cost and operational efficiencies to our clients.
- Always meet the deadlines!



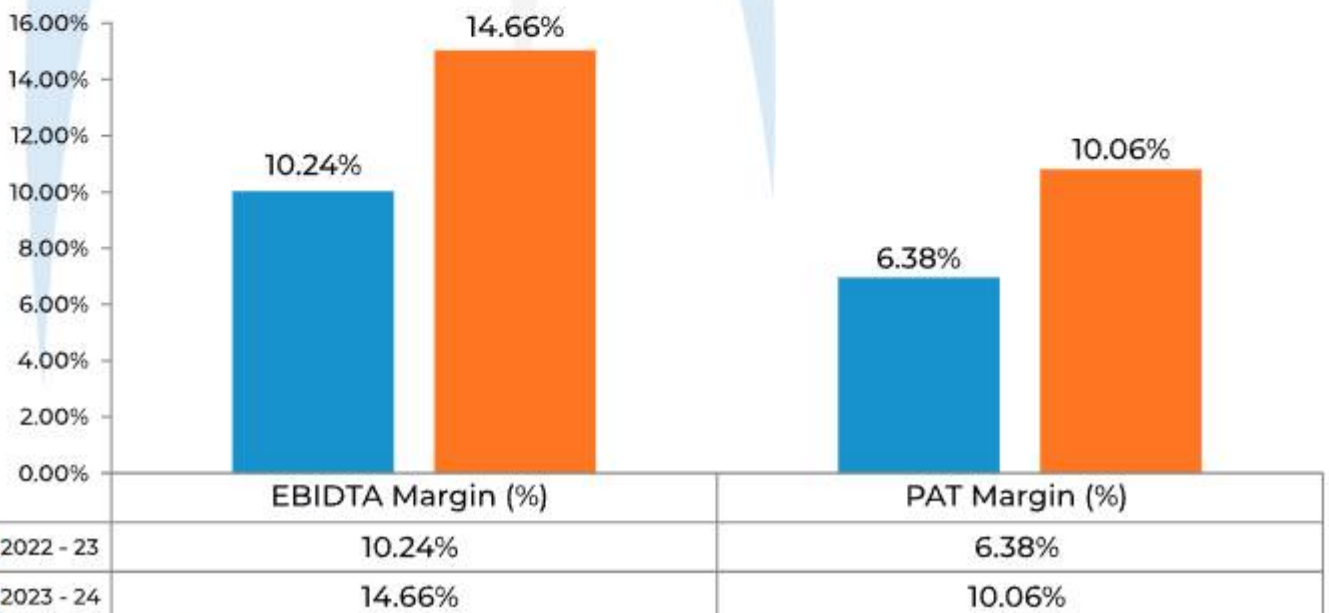
# OPERATING PERFORMANCE HIGHLIGHTS :

## Key Performance Indicators (in Crs)



## Key Performance Indicators Margin (in %)

■ 2022 - 23 ■ 2023 - 24



### Driven by Values

Values are the guiding principles that we use across our verticals to underpin decision - making, guide our conduct and define our culture. By working together with these values every day, we build a more successful and sustainable business.

#### **Integrity**

We will be fair, honest, transparent and ethical in our conduct; everything we do must stand the test of public scrutiny

#### **Unity**

We will invest in our people and partners, enable continuous learning, and build caring and collaborative relationships based on trust and mutual respect.

#### **Pioneering**

We will be bold and agile, courageously take on challenges, using deep customer insights to develop innovative solutions.

#### **Excellence**

We will be passionate about achieving the highest standards of quality, always promoting meritocracy

#### **Responsibility**

We will integrate environmental and social principles in our businesses, ensuring that what comes from the people goes back to the people many times over.

### Cultural Pillars

#### **Smart Thinking**

- Fact - Based Analysis
- Use logic and customer insights

#### **Winning Attitude**

- Take responsibility for customers
- Seize every opportunity

#### **Innovative**

- Look at things with fresh perspective
- Find alternative & better ways

#### **Flexible**

- Adapt to every change
- Be prepared to face surprises

#### **Teamwork**

- Act, think and work together
- Always in the Company's interest



## The Value We Generated

### OUR RESOURCES

Financial Capital :	Manufactured Capital :	Human Capital :	Intellectual Capital :	Social and Relationship Capital :
The financial resources that we seek are base on funds we mobilize from investors, promoters, bank and financial institutions, net worth or accruals.	Our manufacturing assets, technologies and equipment for production constitute our manufactured capital. The logistics for the transfer of raw materials and finished products are integral to our manufacturing competence.	Our management, employees and contract workers form a part of our workforce, the experience and competence enhancing value.	Our Focus on cost optimization and operational excellence, as well as our repository of proprietary knowledge account for our intellectual resources.	Our relationships with communities and partners (vendors, suppliers and customers) influence our role as a responsible corporate citizen.

### VALUE CREATED

Financial Capital :	Manufactured Capital :	Human Capital :	Intellectual Capital :	Social and Relationship Capital :
Rs. 242.54 crores Total Revenue	1235 No of Machines Produced & Sold	850+ Number of direct and indirect employees	More than 28 years Cumulative senior management experience	Number of vendors, suppliers, customers, Employees, Investors, Government and communities relationship with commitment passion and integrity
Rs. 24.25 Earnings per share		Rs. 22.99 crores Total remuneration.	High Status of company in India's organized Machine tools sector	
27.45% RoCE 20.36% RoC				

### VALUE SHARED WITH

Investors :	Suppliers :	Employees :	Customers :	Government and regulations :
The Company enriched investors through dividends (final Rs. 1.50 for FY23-24) and capital appreciation	The Company sourced Rs. 182.39 crores of material from suppliers	The Company Provided remuneration worth Rs. 22.99 crores and a stable employment.	The Company provided widest range of different product categories, generating Rs. 241.04 crores in revenues from customers.	The Company paid Rs. 7.82 crores in the form of income tax to the government; the employment catalyzed the local community through downstream economic benefits.

## VALUE - ENABLERS



### Environment and Communities

*We have two hands, one for helping ourselves and other for helping others.*

As a responsible and dedicated corporate citizen, we are committed towards a balance of economic, environmental and social imperatives. We undertake programs that support society's sustainable development on a regular basis. We emphasize on protecting the interests of the society and environment at large.

During 2023-24, we spent a total of Rs. 28.62 Lakhs towards CSR activities i.e Spent Rs. 1.12 lakhs towards promoting education regarding Cyber Security and Spent Rs. 27.50 lakhs towards Promoting Education & Health Care.

We also continuously focus on environment conservation and encourage using renewable energy and installation of energy - efficient equipment.

Existing 200 KW Installed roof top solar plants at factory and will also install another 600 KW rooftop solar power plant on new assembly building in FY25, totaling 800 KW which will help in 90% power savings during day time.

Steps undertaken towards energy conservation are as follows:

#### **SOLAR PLANT WITH CAPACITY OF 200KW**





## GLIMPSES ABOUT THE COMPANY

### Nurturing our Human Capital to Drive Growth

We focus on the development of our employees' over - all competence, health and safety. We aim to be a reliable employer and an encouraging working entity where every individual has the opportunity to hone their skills and abilities.

At Macpower, we aim to create a work environment where our employees flourish. Employees play a critical role in successfully running our business, creating value and supporting us in meeting the expectations of our stakeholders. Our employees proactively contribute to create a sustainable future through and we are committed to their wellbeing and safety.

### Industries Catered

We catered to various industrial segments like Automobile, Aerospace, Agriculture Equipments, Medical Instruments, Railways, Defence Equipments, Electrical Accessories, Pumps & Valves, Dia & Mould and General Engineering amongst others etc.





# GLIMPSES ABOUT THE COMPANY

## Infrastructure

Technologically Advance Machine Shop along with developing state of the art infrastructure facilities





## MACHINES AT GLANCE

We have widest range of 9 different product categories namely Turning Center, Twin Spindle Turning Center, VMC, Twin Spindle VMC, Turn Mill Center, HMC, VTL, DTC, Grinder with 315+ different models :

### AUTOMATION

Automation is mostly applicable and more adoptable where Human inputs needs to be minimize

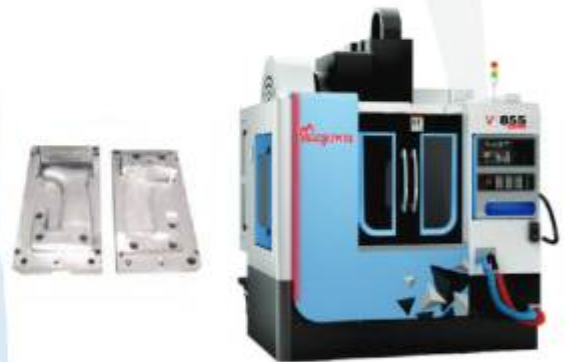


### TURNING CENTER

Bearing, Valve, Pump Industry, Tool Room, Automobile, Process Plant Components, Agriculture, Textile, Piping Industry

### VERTICAL MACHINING CENTRE

Tool Room, Dia and Mould, Automobile, Pattern, Defence, Power, Railways

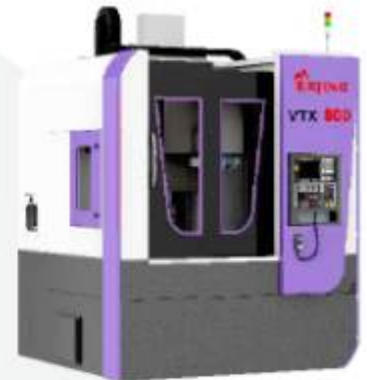


### TURN MILL CENTER

Special Purpose Components, Aeronautics, Defence, Agriculture, Medical

## VERTICAL TURNING LATHE

Valve Body, Motor Body, Engine Liner, Railways



## HORIZONTAL MACHINING CENTER

Automobile, Dia and Mould, Defence, Aeronautics, Textile, Medical, Railways



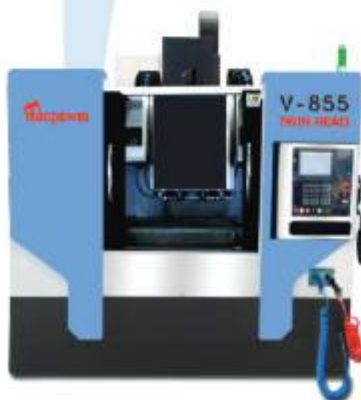
## DRILL TAP CENTRE

Electronics, Automobile, Textile



## TWIN HEAD VMC

Automobile & Tectile





## AWARDS AND RECOGNITION



FIE FOUNDATION AWARD AT  
IMTEX 2013, BANGALORE FOR  
DESIGNING EXCELLENCE FOR  
MODEL TURN 'O' MILL 200



FIE FOUNDATION AWARD  
AT IMTEX 2017 FOR  
TWIN SPINDLE VMC V855 .  
TWIN HEAD



FIE FOUNDATION AWARD AT  
IMTEX 2015 FOR  
MULTI TASKING MACHINE  
TURN O' MILL Y S



## MESSAGE FROM THE CHAIRMAN



### Dear Shareholders,

I hope you and your families are healthy and safe. I am pleased to present to you our 21st Annual report for the financial year 2023-24. I feel very proud that your company has demonstrated ability to adapt and work cohesively with all our stakeholders to deliver the targeted results as we promised. As a Chairman of Macpower CNC Machines Limited (Macpower), let me assure you that despite myriad challenges, your company has focused on maintaining the growth momentum and delivering value.

Macpower has once again demonstrated remarkable performance during the financial year 2023-24 by generating highest ever operating revenue of Rs. 241.04 Crore against Rs. 201.89 Crore of previous financial year, representing an increase of 19.39% Y-o-Y. The EBITDA of the Company has grown by 70.92% Y-o-Y from the last year and reached to Rs. 35.33 Crore in current year from Rs. 20.67 Crore in last year. This year your company's Net Profit came in at Rs. 24.25 Crore versus Rs. 12.89 Crore in last year, representing a growth of 88.13% Y-o-Y. EPS stands at Rs 24.24 per share in current year against Rs 12.89 per share in last year.

Your Company's Board has also recommended final dividend of Rs. 1.50 per share (15% of FV of Rs 10 per share) for FY 2023-24, which is equivalent to nearly 6.19% Dividend Payout for the FY 2023-24.

We have started FY2024-25 with a strong order book of Rs 262.38 crore and have continued to build on it in Q1FY25. Our order book as on 30th June, 2024 stands at Rs 283.41 crore, which is nearly 8% higher than our order book as of end of FY24. On a typical execution cycle of four to six months, this provides us reasonable growth visibility for the rest of the year assuming that we are targeting significant order inflows during FY2024-25. It's further heartening to see that our premium products, which forms a part of the NEXA vertical contributes as of today contributes to 26% of our order book as on 30th June 2024.

Your Company has enhanced its manufacturing capacity from 1500 to 2000 machines per annum in current year as per our commitment and also maintained its status as a debt free company having strong liquidity. Also parallel expansion of our distribution network for 39 cities was taken up by increasing distributors, which will help us strengthen our position in the market.



## MESSAGE FROM THE CHAIRMAN

To cater to various industrial segments in a more in-depth way, Macpower is putting in all efforts to expand its current sales force & network. We also use digital Social media tools like Instagram, FB & LinkedIn etc. to address our target audience in an efficient & effective way and also participating in the various Machine Tool Expo.

We also continuously focused on environment conservation and encourage the use of renewable green energy. For this we have installed 200 KW rooftop solar power plants, thereby supporting our efforts towards Green Energy and we will also install another 600 KW rooftop solar power plant on new assembly building in FY25, totaling 800 KW which will help in 90% power savings during day time.

Macpower has, for several years, been a key approved supplier of CNC and VMC machines to the defence sector and is proud to be associated with more than 50 companies across the defence and aerospace sectors such as ISRO, Indian Ordnance Factories, Gun and Shell Factory, HVF (Avadi), Ordnance Factory Medak, DRDO, TBRL, BHEL and Rifle Factory Ishapore amongst others etc. These CNC and VMC machines are used in the development of various parts used in the end product by these organizations.

Macpower has submitted its Memorandum of Understanding (MoU) to the Gujarat Government for the "The Tenth Vibrant Gujarat Summit 2024" and under the Gujarat Government Defence Policy for a project of up to Rs 100 crore to setup a CNC Machine manufacturing facility focused on aerospace and defence. Initial setup shall take 12-18 months post the land allocation being finalized by the state government.

We have a R&D Center at Bangalore for new kind of technology developing new generation machines like metal cutting, semiconductor ICEC, EMS which is the highest consumption – EMS like Mobile, Laptop Metal body, Watch, Medical Equipment and Electrical Vehicles etc. and 5 Axis & few other model which we develop in Bangalore R&D Center will be display in January 2025 at Bangalore Exhibition.

We are exploring discussions with different top global techno companies for co-manufacturing, transfer of technology or co-marketing partnerships for domestic and/or global markets for new technology of CNC Machines which is not present in our product basket.

We are working continuously to grow to the next level. Our efforts towards setting up a CNC Machine manufacturing facility focused on aerospace and defence, increasing our manufacturing capacity, expand our distribution network, increase our tech centres and expand our management team as well as our sales & marketing teams is aimed to help us to reach the Rs 500 crore turnover mark over the next 3-4 years. Manpower management, Material management, Resources management and New Product developments continue to be our mantra for growth. We aim to achieve 20-25% Revenue CAGR over the next 5 years (base year FY2023-24) adjusted for any external events outside our control.

At the Company level, we implemented several cost rationalization measures, ensuring optimal utilization of available capacity and continuous improvement in profitability through enhanced efficiency. In summary, Macpower stands in a very comfortable net cash surplus position, reflecting our commitment to financial stability and sustainable growth. Macpower maintains a debt-free status, a testament to our financial strength.

As an organization, we value our stakeholders and are deeply committed to serving society. Our unwavering focus remains on ensuring the safety of our workforce and safeguarding the environment.

With a strong foundation, we will continue executing our strategic priorities and accelerating our growth momentum. Lastly, I extend my heartfelt gratitude to everyone contributing to the Company's success.

Thank you and Jai Hind!  
Regards,

**Rupesh Mehta**  
**Chairman & Managing Director**  
**DIN: 01474523**



## NOTICE

NOTICE IS HEREBY GIVEN THAT THE **TWENTY FIRST [ 21<sup>st</sup> ] ANNUAL GENERAL MEETING** OF MACPOWER CNC MACHINES LIMITED WILL BE HELD ON **FRIDAY, SEPTEMBER 27, 2024 AT 02:00 P.M.** IST BE AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT PLOT NO. 2234, NR. KRANTI GATE, GIDC METODA, TAL : LODHIKA RAJKOT - 360021, GUJARAT. TO TRANSACT THE FOLLOWING BUSINESSES

## ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Standalone Financial Statements of the company for the financial year ended on March 31, 2024, together with the Report of the Board of Directors and Auditor's 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 statement of the Company for the financial year ended on March 31, 2024 and the report of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby considered and adopted."

2. To declare final dividend for the financial year ended March 31, 2024, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution** :

**"RESOLVED THAT** in terms of the recommendation of the Board of Directors of the Company be and is hereby granted for declaration and payment of final dividend @15% i.e. Rs. 1.50/- (Rupee one & Fifty Paiza only) each per equity shares on 1,00,04,160 Equity Shares, aggregating to Rs. 1,50,06,240/- (Rupees One crore Fifty lacs Six thousand Two hundred and Forty only) for the financial year ended March 31, 2024 and the said dividend be paid out of the profits of the Company to those Members whose names appear in the Company's Register of Members as on Record Date."

3. To appoint a Director in place of Mr. Rupesh Jagdishbhai Mehta (DIN: 01474523) who retires by rotation and, being eligible, offers himself for reappointment, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 and as per Articles of Association of the Company, Mr. Rupesh Jagdishbhai Mehta (DIN: 01474523), who retires by rotation at this meeting be and is hereby appointed as a Director of the Company whose period of office shall be liable to determination by retirement of Directors by rotation."



**SPECIAL BUSINESS :**

5. To ratify Remuneration of Cost Auditors for Financial Year 2024-25, to consider and if thought fit, to pass with or without modification(s), the following resolution as on **Ordinary Resolution** :

**“RESOLVED THAT** pursuant to the provisions of Section-148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies [Audit and Auditors] Rules, 2014 [including any statutory modification(s) or re-enactment thereof, for the time being in force], the remuneration of Rs. 35,000 [Rupee Thirty - Five Thousand only] plus GST, to be paid to M/s. Board Sanjay B & Associates [Firm Registration no. 102408], Cost Auditors of the Company, for the financial year 2024-25, as approved by the Board of Directors of the Company, be and is hereby ratified.”

**Place: Metoda, Rajkot**  
**Date: 13<sup>th</sup> August, 2024**

For and on behalf of the Board of  
**MACPOWER CNC MACHINES LIMITED**

---

**[ Rupesh J. Mehta ]**  
**Chairman & Managing Director**  
**DIN: 01474523**

**NOTES :**

1. The notice of AGM along with Annual Report for 2023-24 is being sent to all the members whose name appears in the Register of Members/ list of beneficiaries received from the depositories on the end of **30<sup>th</sup> August, 2024**. In Furtherance, as per the MCA and SEBI Circulars, the Notice of Annual General Meeting with annual report of the year 2023-24 required to send only through electronic mode to those members whose email addresses are registered with the Company/Depositories as on **30<sup>th</sup> August, 2024**. Members may note that the Notice and Annual Report of the year 2023-24 will also be available on the website of the Company at <https://macpowercnc.com/annual-report-financials> and on the website of stock exchange on which the securities of the company are listed i.e. [www.nseindia.com](http://www.nseindia.com)

Shareholders who have not registered their e-mail address and in consequence the Annual Report, Notice of AGM and e-voting notice could not be serviced, may also temporarily provide their email address and mobile number to the Company's Registrar and Share Transfer Agent, Link Intime India Private Limited at [ahmedabad@linkintime.co.in](mailto:ahmedabad@linkintime.co.in) for sending the same or can email to Company [cs@macpowercnc.com](mailto:cs@macpowercnc.com) In case of any Queries relating to availing soft copy can contact company at aforesaid mentioned E-mail id.

2. The relative Explanatory Statement for Item no. 4 pursuant to Section - 102 of the Companies Act, 2013 ["Act"] setting out material facts concerning the business is annexed hereto. The relevant details, pursuant to the Securities and Exchanges Board of India [Listing Obligations and Disclosure Requirements] Regulations, 2015 ["SEBI Listing Regulations"] and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India [ICSI], in respect to reappointment of Director at this Annual General Meeting ["AGM"] is also annexed as **Annexure-A**.
3. **A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company.**

A person can act as proxy on behalf of members not exceeding Fifty [50] and holding in the aggregate not more than 10% of total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less the FORTY EIGHT HOURS [48 hours] before the commencement of the AGM. Proxies submitted on behalf of limited companies, societies, etc. must be supported by appropriate resolutions/ authority, as applicable.

4. Institutional / Corporate Shareholders ("Body Corporates") intending to send their authorised representative to attend the AGM are requested to send a certified copy of its Board or governing body Resolution / Authorisation etc. to the Scrutiniser by e-mail through its registered e-mail address at [rachhkapesh@hmail.com](mailto:rachhkapesh@hmail.com) with a copy marked at [cs@macpowercnc.com](mailto:cs@macpowercnc.com) authorizing them to attend and vote on their behalf at the AGM.
5. Members, Proxies and Authorized Representatives are requested to bring the duly completed Attendance Slip enclosed herewith to attend the AGM. to ensure correct identity of each member and proxy holders attending meeting is expected to bring with him/her an appropriate ID document like Aadhar Card, Driving License, Passport, Voter ID card, etc. Members are requested to bring their copies of annual Report at the meeting.



**NOTES :**

6. To support the 'Green Initiative', members who have not yet registered their email address are requested to register the same with their Depository Participants ["DPs"] or RTAs.
7. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.:
  - I. with their Depository Participant(s) with whom they maintain their demat accounts if shares are held in dematerialised mode by submitting the requisite documents, and
  - II. with the Company / Link Intime India Private Limited or by emailing at [cs@macpowercnc.com](mailto:cs@macpowercnc.com) or [ahmedabad@linkintime.co.in](mailto:ahmedabad@linkintime.co.in), if shares are held in physical mode, by submitting (i) scanned copy of the signed request letter which shall contain shareholder's name, folio number, bank details (Bank account number, Bank and Branch Name and address, IFSC, MICR details), (ii) self-attested copy of the PAN card and (iii) cancelled cheque leaf.

OR

Members are requested to visit on the website of the Company's Registrar and Share Transfer Agent i.e. Link Intime India Private Limited (LINK INTIME) at [https:// www.linkintime.co.in/EmailReg/Email\\_Register.html](https://www.linkintime.co.in/EmailReg/Email_Register.html) and upload the documents required therein.

Members may please note that SEBI has made PAN as the sole identification number for all participants transacting in the securities market, irrespective of the amount of such transactions. Members may please note that SEBI has also made it mandatory for submission of PAN in the following cases:

- a. Deletion of name of the deceased shareholder(s);
  - b. Transmission of shares to the legal heir(s); and
  - c. Transposition of shares.
8. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
9. Members seeking any information with regard to the accounts are requested to write to the Company at an early date i.e. at least 10 days before the annual general meeting through mail at [cs@macpowercnc.com](mailto:cs@macpowercnc.com), so as to enable the Management to keep the information ready at the AGM.

**NOTES :**

10. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members/Claimants are requested to claim their dividends from the Company, within the stipulated timeline. The details of unpaid and unclaimed dividends are available on the Company's website at <https://macpowercnc.com/unpaid-or-unclaimed-dividend-details/>. Details of unpaid and unclaimed dividends up to March 31, 2024 are also uploaded on the website of the IEPF Authority and can be accessed through the link: [www.iepf.gov.in](http://www.iepf.gov.in). Due dates for transfer to IEPF, of the unclaimed/unpaid dividends for the financial year 2017-18 and thereafter, are given in Board's Report.
11. Members may pursuant to section 72 of the Companies Act, 2013 read with Rule 19 of the companies (Share Capital and Debentures) Rules, 2014 file nomination in prescribed form SH- 13 with the respective depository participant
12. Non-Resident Members: Non Resident Indian Members are requested to inform Registrar and Transfer Agents, immediately of:
  - a. Change in their residential status on return to India for permanent settlement.
  - b. Particulars of their bank account maintained in India with complete name, branch, account type, account number, IFSC Code, MICR No. and address of the bank, if not furnished earlier.
13. The route map showing directions to reach the venue of the 21<sup>st</sup> AGM is annexed.
14. Pursuant to the provisions of Section 91 of the Companies Act, 2013 the Register of Members and Share Transfer Books of the Company will remain close from **Saturday, 21<sup>st</sup> September, 2024 to Friday, 27<sup>th</sup> September, 2024** (both days inclusive) for the purpose of Annual General Meeting and final dividend.



**NOTES :**

15. Subject to approval of the Members at the AGM, The Dividend, if declared, will be paid within 30 days to those Equity Shareholders whose names stand on the Register of Members as at the close of business hours on **20<sup>th</sup> September, 2024** and in respect of shares held in the electronic form, the dividend will be payable to the beneficial owners as at the close of business hours on **20<sup>th</sup> September, 2024** as per details furnished by the Depositories for this purpose. Payment of dividend shall be made through electronic mode to the Shareholders who have updated their bank account details. Dividend warrants / demand drafts will be dispatched to the registered address of the shareholders who have not updated their bank account details, Members are requested to register / update their complete bank details as per note no 7.

**TAX DEDUCTIBLE AT SOURCE/ WITHHOLDING TAX:**

Pursuant to the requirement of Income Tax, 1961, the Company will be required to withhold taxes at the prescribed rates on the dividend paid to its shareholders. The withholding tax rate would vary depending on the residential status of the shareholder and documents submitted by shareholder with the Company/Link Intime/ Depository Participant.

❖ **RESIDENT SHAREHOLDERS:**

- a) Tax Deductible at Source for Resident Shareholders:

Sr. No.	Particulars	Withholding tax Rate	Documents required (if any)
1.	Valid PAN updated in the Company's Register of Members	10%	No document required If dividend does not exceed Rs. 5,000/-, no TDS withholding tax will be deducted. Also, please refer note (v) below.
2	No PAN/Valid PAN not updated in the Company's Register of Members	20%	TDS/ Withholding tax will be deducted, regardless of dividend amount, if PAN of the shareholder is not registered with the Company/Link Intime/ Depository Participant.  All the shareholders are requested to update, on or before <b>20<sup>th</sup> September, 2024</b> , their PAN with their Depository Participant (if shares are held in electronic form) and Company/Link Intime (if shares are held in physical form). Please quote all the folio numbers under which you hold your shares while updating the records. Please also refer note (v) below.
3	Availability of lower/nil tax deduction certificate issued by Income Tax Department u/s 197 of Income Tax Act, 1961	Rate specified in the certificate	Lower tax deduction certificate obtained from Income Tax Authority to be submitted on or before <b>20<sup>th</sup> September, 2024</b> .

**NOTES :**

- b) No Tax Deductible at Source on dividend payment to resident shareholders if the Shareholders submit and register following documents as mentioned in column no.4 of the below table with the Company /Link Intime/ Depository Participant on or before **20<sup>th</sup> September, 2024**.

Sr. No.	Particulars	Withholding tax Rate	Documents required (if any)
1.	Submission of form 15G/15H	NIL	Declaration in Form No. 15G (applicable to an Individual who is below 60 years)/ Form 15H (applicable to an Individual who is 60 years and above), fulfilling certain conditions.
2	Shareholders to whom section 194 of the Income Tax, 1961 does not apply such as LIC, GIC, etc.	NIL	Documentary evidence for exemption u/s 194 of Income Tax Act, 1961.
3	Shareholder covered u/s 196 of Income Tax Act, 1961 such as Government, RBI, corporations established by Central Act & mutual funds.	NIL	Documentary evidence for coverage u/s 196 of Income Tax Act, 1961
4	Category I and II Alternative Investment Fund	NIL	SEBI registration certificate to claim benefit under section 197A (1F) of Income Tax Act, 1961
5	<ul style="list-style-type: none"> <li>• Recognised provident funds</li> <li>• Approved superannuation fund</li> <li>• Approved gratuity fund</li> </ul>	NIL	Necessary documentary evidence as per Circular No. 18/2017 issued by Central Board of Direct Taxes (CBDT)
6	National Pension Scheme	NIL	No TDS as per section 197A (1E) of Income Tax Act, 1961
7	Any resident shareholders exempted from TDS deduction as per the provisions of Income Tax Act or by any other law or notification.	NIL	Necessary documentary evidence exemption from deduction of TDS substantiating.

❖ **NON-RESIDENT SHAREHOLDERS:**

The table below shows that withholding tax on dividend payment to non-resident shareholders who submit, on or before **20<sup>th</sup> September, 2024**, the following document(s), as mentioned in column no. 4 of the below table, to the Company / Link Intime. In case all necessary documents are not submitted, then the TDS/Withholding tax will be deducted @20% (plus applicable surcharge and cess).



**NOTES :**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Withholding tax Rate</b>	<b>Documents required (if any)</b>
1.	Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)/Other Non-Resident shareholders	20% (plus applicable surcharge and cess) or tax treaty rate whichever is beneficial	FPI registration certificate in case FIIs/ FPIs. To avail beneficial rate of tax treaty following tax documents would be required: 1. Tax Residency certificate issued by revenue authority of country of residence of shareholder for the year in which dividend is received 2. PAN or declaration as per Rule 37BC of Income Tax Rules, 1962 in a specified format. 3. Form 10F filled & duly signed 4. Self-declaration for non-existence of permanent establishment/ fixed base in India (Note: Application of beneficial Tax Treaty Rate shall depend upon the completeness of the documents submitted by the Non- Resident shareholder and review to the satisfaction of the Company)
2	Indian Branch of a Foreign Bank	Nil	Lower tax deduction certificate u/s 195(3) obtained from Income Tax Authority Self-declaration confirming that the income is received on its own account and not on behalf of the Foreign Bank and the same will be included in taxable income of the branch in India.
3	Availability of Lower/NIL tax deduction certificate issued by Income Tax Authority	Rate specified in certificate	Lower tax deduction certificate obtained from Income Tax Authority
4	Any non-resident shareholder exempt from WHT deduction as per the provisions of Income Tax Act or any other law such as The United Nations (Privileges and Immunities) Act, 1947, etc.	Nil	Necessary documentary evidence substantiating exemption from WHT deduction.

**NOTES :****Notes:**

- (i) The Company will issue soft copy of the TDS certificate to its shareholders through email registered with the Company / LINK INTIME post payment of the dividend, if requested. Shareholders will be able to download Form 26AS from the Income Tax Department's website <https://incometaxindiaefiling.gov.in>.
  - (ii) The aforesaid documents such as Form 15G/ 15H, documents under section 196, 197A, FPI Registration Certificate, Tax Residency Certificate, Lower Tax certificate etc. can be uploaded on the link [https://www.linkintime.co.in/formsreg/](https://www.linkintime.co.in/formsreg/submission-of-form-15g-15h.html) submission-of-form-15g-15h.html on or before **20<sup>th</sup> September, 2024** to enable the Company to determine the appropriate TDS/withholding tax rate applicable. Any communication on the tax determination/ deduction received after **20<sup>th</sup> September, 2024** shall not be considered.
  - (iii) Application of TDS rate is subject to necessary verification by the Company of the shareholder details as available in Register of Members as on the Record Date, and other documents available with the Company / Link Intime.
  - (iv) In case TDS is deducted at a higher rate, an option is still available with the shareholder to file the return of income and claim an appropriate refund.
  - (v) No TDS will be deducted in case of resident individual shareholders who furnish their PAN details and whose dividend does not exceed Rs. 5,000/-. However, where the PAN is not updated in Company/Link Intime/Depository Participant records or in case of an invalid PAN, the Company will deduct TDS u/s 194 without considering the exemption limit of Rs. 5,000/-. All the shareholders are requested to update their PAN with their Depository Participant (if shares are held in electronic form) and Company/Link Intime (if shares are held in physical form) against all their folio holding on or before **20<sup>th</sup> September, 2024**.
  - (vi) In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by the Member/s, such Member/s will be responsible to indemnify the Company and also, provide the Company with all information / documents and co-operation in any appellate proceedings. This Communication is not exhaustive and does not purport to be a complete analysis or listing of all potential tax consequences in the matter of dividend payment. Shareholders should consult their tax advisors for requisite action to be taken by them.
16. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant ('DP') and holdings should be verified from time to time.
- 17. PROCESS AND MANNER FOR MEMBERS OPTING FOR VOTING THROUGH ELECTRONIC MEANS**
- i. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014,



NOTES :

the Company is pleased to provide members facility to exercise their right to vote at the 21<sup>st</sup> Annual General Meeting (AGM) through electronic voting system of link Intime India Private Limited through their Insta vote platform:

- ii. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. **Friday, September 20, 2024** shall be entitled to avail the facility of remote e-voting. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
- iii. A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. **Friday, September 20, 2024** shall be entitled to exercise his/her vote though remote e-voting following the procedure mentioned in this part.
- Iv. The remote e-voting will commence on **9:00 A.M. on Tuesday, 24<sup>th</sup> September, 2024** and will end on **5:00 P.M. on Thursday, 26<sup>th</sup> September, 2024**. During this period, the members of the Company holding shares as on the Cut-off date i.e. **Friday, September 20, 2024** may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by Link Intime India Private Limited thereafter.
- v. Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.
- vi. The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the Cut-off date i.e., **Friday, September 20, 2024**.
- Vii. The Board of Directors has appointed Mr. Kalpesh P. Rachchh [Membership no. FCS 5156] proprietor of K. P. Rachchh & Co., Practicing Company Secretaries as a Scrutinizer to scrutinize the voting at the AGM and remote e-voting process in a fair and transparent manner.

The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company and make and submit, within 48 hours of conclusion of the meeting, a consolidated scrutinizer's report ( i.e. votes through E-voting and Votes cast at AGM through Ballot paper) of the total votes cast In favor or against, if any, to the Chairman or a person authorized by him in writing.

The facility for voting through ballot paper shall be made available at the AGM for the members who have not cast their vote by remote e-voting; The members who have casted their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again. A member can vote either by remote e-voting or at the AGM. In case a member votes by both the modes then the votes cast at the AGM shall be considered invalid.



**NOTES :**

The result declared along with the Scrutinizer's Report shall be placed on the Company's website <https://macpowercnc.com/> and on the website of NSE at [www.nseindia.com](http://www.nseindia.com)

**18. INSTRUCTIONS FOR CASTING VOTES BY REMOTE E-VOTING**

**Remote e-Voting Instructions for shareholders post change in the Login mechanism for Individual shareholders holding securities in demat mode, pursuant to SEBI circular dated December 9, 2020:**

Pursuant to SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode can 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 to access e-Voting facility.

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

Type Of Shareholders	LOGIN METHOD
<b>Individual Shareholders holding securities in demat mode with NSDL</b>	<ul style="list-style-type: none"> <li>• If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password.</li> <li>• After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be re-directed to e-Voting service provider website "InstaVote" for casting your vote during the remote e-Voting period or voting during the meeting.</li> <li>• If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS" "Portal" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>• 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</li> </ul>



**NOTES :**

	<p>new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to e-Voting service provider website “InstaVote” for casting your vote during the remote e-Voting period or voting during the meeting.</p>
<b>Individual Shareholders holding securities in demat mode with CDSL</b>	<ul style="list-style-type: none"> <li>Existing user of who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi./Registration/EasiRegistration">https://web.cdslindia.com/myeasi./Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the E Voting is in progress. i.e. LINKINTIME and you will be redirected to e-Voting service provider website “InstaVote” for casting your vote during the remote e-Voting period or voting during the meeting.</li> </ul>
<b>Individual Shareholders (holding securities in demat mode) &amp; login through their depository participants</b>	<ul style="list-style-type: none"> <li>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.</li> <li>Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to e-Voting service provider “InstaVote” website for casting your vote during the remote e-Voting period or voting during the meeting.</li> </ul>



**NOTES :****Institutional shareholders:**

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as '**Custodian / Mutual Fund / Corporate Body**'. They are also required to upload a scanned certified true copy of the board resolution / authority letter / power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the '**Custodian / Mutual Fund / Corporate Body**' login for the Scrutinizer to verify the same.

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022 - 4918 6000.

**Individual Shareholders holding securities in demat mode with NSDL/ CDSL have forgotten the password:**

• Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

**Helpdesk for Individual Shareholders holding securities in demat mode:**

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

<b>Login type</b>	<b>Helpdesk details</b>
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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 22-23058542-43.



**NOTES :****Explanatory Statement**

As required under Section – 102 of the Companies Act, 2013 [“Act”], the following explanatory statement sets out all material facts relating to business mentioned under item no. 4 of the accompanying Notice:

**Item No.: 4**

The Board of Directors of the Company, on the recommendation of the Audit Committee, at its Meeting held on May 27, 2024, has considered and approved the appointment of M/s. Board Sanjay, B & Associates, Cost Accountants, as the Cost Auditor of the Company for the financial year 2024-25 at a remuneration of Rs. 35,000/- [Rupees Thirty-Five Thousand only] plus GST.

Pursuant to Section – 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies [Audit and Auditors] Rules, 2014, the remuneration, as approved by the Board of Directors of the Company on the recommendation of the Audit Committee, is required to be subsequently ratified by the members of the Company.

The resolution as at item no. 4 of the Notice is therefore set out as Ordinary Resolution for approval and ratification by the members.

None of the directors and/or Key Managerial Personnel [KMP] of the Company and their relatives is concerned or interested financially or otherwise in the resolution set out at item no. 4 of the Notice.

**Place: Metoda, Rajkot**  
**Date: 13<sup>th</sup> August, 2024**

For and on behalf of the Board of  
**MACPOWER CNC MACHINES LIMITED**

**[Rupesh J. Mehta]**  
**Chairman & Managing Director**  
**DIN: 01474523**

**NOTES :****Annexure-A****Details of Directors seeking appointment/re-appointment at forthcoming 21<sup>st</sup> AGM**

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015] and clause 1.2.5 of Secretarial standard-2

<b>Name of Director</b>	<b>Mr. Rupesh J. Mehta</b>
Date of Birth (DOB) & AGE	DOB: 23/10/1968 & AGE: 55 Year
Date of Appointment	31/12/2003 Date of first appointment on the Board
Education Qualification	B.Com
Brief resume and Expertise in Specific functional area	Mr. Rupesh J. Mehta, Promoter, Chairman and Managing Director have over 28 years of experience in machine tool industry and have been the anchor person to craft out new avenues. His exposure related to machine tools industry adds tremendous value to Company
Disclosure of relationship between directors inter-se	Mr. Nikesh J. Mehta, Whole-time director and Chief Executive Officer (Brother) and Mrs. Riya R. Mehta, Women director (Wife)
Terms and conditions of appointment/ continuation of Directorship	Tenure as a Director is subject to retirement of Directors by rotation in terms of Section 152 of the Companies Act, 2013  Tenure as Managing Director of the Company for a period of three years w.e.f. 01-10-2022, subject to liable to retire by rotation.
Details of last remuneration drawn (FY24)	As Managing Director of the Company: Rs. 3 Lakhs +GST Per Month
Details of proposed remuneration	NA
Number of Board Meetings Attended	Attended 6 out of 6 Board Meetings and details of the same also given in the Board's Report.
Chairmanship/Membership of the Statutory Committee(s) of Board of Directors of the Company	Member of Corporate Social Responsibility Committee, Stakeholders Relationship Committee and Audit Committee
List of public Listed companies in which Directorship held	Macpower CNC Machines Limited
Chairmanship/Membership of the Statutory Committee(s) of Board of Directors of other Listed Companies	Nil
Shareholding in the Company	31,53,526 (31.52%)

**Place: Metoda, Rajkot**  
**Date: 13<sup>th</sup> August, 2024**

For and on behalf of the Board of  
**MACPOWER CNC MACHINES LIMITED**

**[Rupesh J. Mehta]**  
**Chairman & Managing Director**  
**DIN: 01474523**



**NOTES :****MACPOWER CNC MACHINES LIMITED**

CIN: L30009GJ2003PLC043419

Registered Office: Plot No. 2234, Near Kranti Gate, GIDC Metoda – 360 021, Talu-Lodhika, Dist.-Rajkot, Gujarat, India

Tel: +91 2827 287930; Email: [cs@macpowercnc.com](mailto:cs@macpowercnc.com); website: [www.macpowercnc.com](http://www.macpowercnc.com)**Form MGT-11****Proxy Form**

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

Name of the member(s)		Email ID	
Address		Folio No./ BO ID	

I / We, being the holder/s of \_\_\_\_\_ equity shares of Macpower CNC Machines Limited, hereby appoint:

Name		Signature	
Address			
Email			

or failing him/her;

Name		Signature	
Address			
Email			

or failing him/her;

Name		Signature	
Address			
Email			

and whose signature(s) is appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 21<sup>st</sup> Annual General Meeting of the Company, to be held on the **Friday, September 27, 2024 at 02:00 P.M.** at Plot No. 2234, Near Kranti Gate, GIDC Metoda – 360 021, Talu-Lodhika, Dist-Rajkot, Gujarat, India and at any adjournment thereof in respect of such resolutions as are indicated below:

**NOTES :**

\*\*I wish my above Proxy to vote in the manner as indicated in the box below:

Resolution No.	Particulars	For	Against
1.	To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended on March 31, 2024, together with the Report of the Board of Directors and Auditor's thereon.		
2.	To declare final dividend for the financial year ended March 31, 2024.		
3.	To appoint a Director in place of Mr. Rupesh Jagdishbhai Mehta (DIN: 01474523) who retires by rotation and, being eligible, offers himself for re-appointment.		
4.	To ratify Remuneration of Cost Auditor for F.Y. 2024-25.		

\*Applicable for investors holding shares in electronic form.

\*\*This is Optional

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2024

\_\_\_\_\_  
Signature of Member

\_\_\_\_\_  
Signature of Proxy Holder

Please affix  
Revenue Stamp  
of Re. 1

**Notes:**

- i. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- ii. \*\*It is optional to indicate your preference. If you leave the 'For' or 'Against' blank against any or all resolutions, your Proxy will be entitled to vote in the manner as he/she may deem appropriate.



**NOTES :****Macpower CNC Machines Limited**

Registered Office: Plot No. 2234, Near Kranti Gate, GIDC Metoda – 360 021, Talu-Lodhika, Dist-Rajkot, Gujarat, India

Tel: +91 2827 287930; Email: [cs@macpowercnc.com](mailto:cs@macpowercnc.com); website: [www.macpowercnc.com](http://www.macpowercnc.com)

CIN: L30009GJ2003PLC043419

**ATTENDANCE SLIP**

**PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL**

Name of the Member:			
Address of the Member:			
DP ID*:		Folio No:	
Client ID*:		No. of Shares	

I hereby record my presence at the 21<sup>st</sup> ANNUAL GENERAL MEETING of the Company held on **Friday, September 27, 2024** at **02:00 P.M.** at Plot No. 2234, Near Kranti Gate, GIDC Metoda – 360 021, Talu-Lodhika, Dist-Rajkot, Gujarat, India.

\_\_\_\_\_  
Signature of member/Proxy holder(s)

\*Applicable for investors holding shares in electronic form.

## NOTES :

### Route Map for the Venue of 21<sup>st</sup> Annual General Meeting



**Venue of AGM:** Plot No. 2234, Near Kranti Gate, GIDC Metoda – 360 021, Talu. -Lodhika, Dist.-Rajkot, Gujarat, India

**Date of AGM-** Friday, September 27, 2024

**Time of AGM:** 02:00 P.M.



To,  
**The Members**, of Macpower CNC Machines Limited

Your Directors have pleasure in presenting their 21<sup>st</sup> Annual Report on business and operation of your company together with the Financial Statements for the year ended on March 31, 2024.

## FINANCIAL RESULT

[INR in Lakh]

Particulars	Current Financial Year (2023-24)	Previous Financial Year (2022-23)
Revenue from Operations	24104	20189
Other Income	150	26
<b>Total Income</b>	<b>24254</b>	<b>20215</b>
Profit/Loss before depreciation, Finance Costs, Exceptional items and Tax Expense	3683	2093
Less: Depreciation/Amortization/ Impairment	413	337
Profit/(Loss) before Finance Costs, Exceptional items and Tax Expense	3270	1756
Less: Finance Costs	26	23
Profit/(Loss) before Exceptional items and Tax Expense	3244	1733
Add/(less): Exceptional items	0	0
Profit/(Loss) before Tax Expense	3244	1733
Less: Tax Expense [Current & Deferred]	819	444
Current Income Tax	782	371
Deferred Tax	37	73
<b>Profit/(Loss) for the year</b>	<b>2425</b>	<b>1289</b>

## OVERVIEW OF OPERATIONS (STATE OF THE COMPANY'S AFFAIRS)

Company has outperformed during the financial year 2023-24 by generating highest total operating revenue of Rs. 241.04 Crore against Rs. 201.89 Crore of previous financial year, representing an increase of 19.39% Y-o-Y. The EBITDA of the Company has grown by 70.92% Y-o-Y from the last year and reached to Rs. 35.33 Crore in current year from Rs. 20.67 Crore in last year. This year your company's Net Profit came in at Rs. 24.25 Crore versus Rs. 12.89 Crore in last year, representing a growth of 88.13% Y-o-Y. EPS stands at Rs 24.24 per share in current year against Rs 12.89 per share in last year.

## CHANGE IN NATURE OF BUSINESS

There has been no change in the Nature of Business during the year.

## TRANSFER TO RESERVE

No amount is proposed to be transferred to General Reserve out of the net profits of the Company for the FY24. Hence, the entire amount of profit has been carried forward to the Profit & Loss Reserve Account.

## DIVIDEND

Based on the performance of the Company for the year, the Board of Directors is pleased to recommend a final dividend of Rs.1.50/- per equity share of the face value of Rs. 10/- each (i.e. 15%), payable to those shareholders whose name appear in the Register of Members as on Record date, subject to approval of Shareholders at the ensuing Annual General Meeting, which if approved, will absorb Rs.1,50,06,240/- towards final dividend.

In view of the changes made under the Income-tax Act, 1961, by the Finance Act, 2020 and amendments thereof, dividends paid or distributed by the Company shall be taxable in the hands of the Shareholders. The Company shall, accordingly, make the payment of the final dividend after deduction of tax at source.

## MAJOR EVENTS OCCURRED DURING THE YEAR

During the year under review, there have been no events occurred in your company which management believes that having an impact on the affairs of your company;

## DISPATCH OF MACHINES

During the year, your company has dispatched total 1235 Machines to various sectors like Private sector, Defense sector, Education sector, Research sector etc.

## MATERIAL CHANGES AND COMMITMENTS/KEY DEVELOPMENTS

There have been no material changes and commitments affecting the financial position of the Company since the closure of financial year i.e. since March 31, 2024

## REVISION OF FINANCIAL STATEMENTS

None of Financial Statements of the Company, pertaining to previous financial years were revised during the financial year under review.

## EXTERNAL ENVIRONMENT AND ECONOMIC OUTLOOK

Disclosed in Management discussion and analysis report



## SHARE CAPITAL AND DEBT STRUCTURE

There was no change in Authorised and Paid up Share Capital of the Company and neither there was any reclassification nor sub-division of equity shares during the year under review. Your Company does not have Debt securities.

## CREDIT RATING OF SECURITIES

Your company only has Equity shares and Credit rating is not applicable to equity securities. So, during the year no credit rating certificate related securities is taken as it is not applicable.

## INVESTOR EDUCATION AND PROTECTION FUND [IEPF]

During the year under review, Company was not required to transfer any amount of dividend or any shares to Investor Education and Protection Fund.

The details of unpaid and unclaimed dividends are available on the Company's website at <https://macpowercnc.com/unpaid-or-unclaimed-dividend-details/>. Details of unpaid and unclaimed dividends up to March 31, 2024 are also uploaded on the website of the IEPF Authority and can be accessed through the link: [www.iepf.gov.in](http://www.iepf.gov.in).

Due dates for transfer to IEPF, of the unclaimed/unpaid dividends for the financial year 2017-18 and thereafter, are as under:

Financial year	Type of Dividend	Declaration Date	Due Date
2017-18	Final Dividend	22 <sup>nd</sup> Sep, 2018	29 <sup>th</sup> Oct, 2025
2018-19	Final Dividend	28 <sup>th</sup> Sep, 2019	4 <sup>th</sup> Nov, 2026
2021-22	Intrim Dividend	25 <sup>th</sup> Oct, 2021	1 <sup>st</sup> Dec, 2028
2021-22	Final Dividend	27 <sup>th</sup> Sep, 2022	3 <sup>rd</sup> Nov, 2029
2022-23	Final Dividend	22 <sup>nd</sup> Sep, 2023	29 <sup>th</sup> Sep, 2030

In Furtherance, Company has appointed Nodal Officer for and on behalf of the Company to Co-Ordinate with IEPF Authority pursuant to Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Second amendment Rules, 2019 and amendment thereto if any, Details of Nodal Officer is as under:

Name: Mr. Kishor Kikani

Designation: Company Secretary & Compliance Officer

Contact details: [cs@macpowercnc.com](mailto:cs@macpowercnc.com)

## MANAGEMENT

### i. Director and Key Managerial Personnel

#### Directors

Following are the Promoter/Promoter group Directors of the Company as on 31<sup>st</sup> March, 2024 and during the year under review, there has been no change in the Board of Directors of the Company:

Sr. No.	Names of Directors	Designation	DIN
1.	Mr. Rupesh J. Mehta	Managing Director	01474523
2.	Mr. Nikesh J. Mehta	Whole-Time Director& Chief Executive Officer	01603779
3.	Mrs. Riya R. Mehta	Non-Executive & Woman Director	01603726

#### Director retiring by rotation

Mr. Rupesh Jagdishbhai Mehta (DIN: 01474523), Managing Director of the Company retires at this ensuing Annual General Meeting pursuant to provision of section 152(6) of the Companies Act, 2013 and being eligible, offer himself for re-appointment.

The relevant details and Brief profile of Director seeking re-appointment is given in the Notes/Annexures to the Notice of the Annual General Meeting.

#### Key Managerial Personnel (KMP)

Pursuant to the provisions of Section 203 of the Companies Act, 2013, following are the Key Managerial Personnel of the Company as on March 31, 2024:

Sr. No	Names of KMP	Designation	DIN/PAN
1.	Mr. Rupesh J. Mehta	Managing Director	01474523
2.	Mr. Nikesh J. Mehta	Whole-Time Director(WTD) and Chief Executive Officer(CEO)	01603779
3.	Mr. Rajnikant Raja	CFO	ADEPR7853H
5.	Mr Kishor Kikani	CS	AVXPK4815H

#### Change in KMP during the year

During the year under review, there is no change in the KMP of the Company:



## ii. Independent Directors

Following are the Independent Directors of the Company and during the year under review there has been no change in the Independent Directors of the Company:

- 1) Mr. Maulik R. Mokariya [DIN: 05310868],
- 2) Mr. Rajubhai R. Bhandari [DIN: 07986563] and
- 3) Mr. Deven J. Doshi [DIN: 07994505]

Aforesaid all the Independent Directors were reappointed at 19<sup>th</sup> annual general meeting held on 27.09.2022 for a period of five (5) years for 2nd term from November 17, 2022 to November 16, 2027.

In terms of the Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, all Independent Directors of the Company have enrolled themselves on the Independent Directors Databank and also passed the online proficiency self-assessment test within the specified timeline.

## iii. Declaration by Independent Directors

Pursuant to the provisions of Section 149 of the Act, the independent directors have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and as per Regulation 16(1)(b) and Regulation 25 (8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") at the first meeting of the Board of financial year. In Furtherance, Company has also received confirmation that that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence and that they are independent of the management. There has been no change in the circumstances affecting their status as independent directors of the Company.

During the year under review, the non-executive director and Independent Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses, if any, incurred by them for the purpose of attending meetings of the Board/Committee of the Company. None of the Directors are disqualified to be continued to act as Director of the Company.

## iv. Board Meeting

Six meetings of the Board of Directors were held during the year under review and the gap between two meetings did not exceed one hundred and twenty days. For details of meetings of the Board, please refer below table:

## BOARD'S REPORT

<b>Board of Directors</b>	<b>Rupesh J. Mehta</b>	<b>Nikesh J. Mehta</b>	<b>Riya R. Mehta</b>	<b>Maulik R. Mokariya</b>	<b>Rajubhai R. Bhanderi</b>	<b>Deven J. Doshi</b>
<b>Meeting Date/ Designation</b>	Managing Director	Whole-Time Director	Non-Executive & Woman Director	Independent Director	Independent Director	Independent Director
27.05.2023	YES	YES	YES	YES	YES	YES
07.07.2023	YES	YES	YES	YES	YES	YES
11.08.2023	YES	YES	YES	YES	YES	YES
27.09.2023	YES	YES	YES	YES	YES	YES
22.10.2023	YES	YES	YES	YES	YES	YES
29.01.2024	YES	YES	YES	YES	YES	YES

During FY 2023-24, none of resolutions were passed by circulation. Meetings of the Independent Directors were held on 29/01/2024. The Independent Directors, inter-alia, reviewed the performance of Chairman of the Company and Board of Directors.

### v. Committees of the Board

There are 4 Board Committees as on March 31, 2024 that have been formed, considering the needs of the Company, details of which are as follows;

<b>Audit Committee Meeting</b>	<b>Rupesh J. Mehta</b>	<b>Rajubhai R. Bhanderi</b>	<b>Deven J. Doshi</b>
	Managing Director	Independent Director	Independent Director
<b>Date/Designation</b>	Member	Chairperson	Member
27.05.2023	YES	YES	YES
07.07.2023	YES	YES	YES
11.08.2023	YES	YES	YES
27.09.2023	YES	YES	YES
22.10.2023	YES	YES	YES
29.01.2024	YES	YES	YES
<b>Stakeholders' Relationship Committee (SRC) Meeting</b>	<b>Rupesh J. Mehta</b>	<b>Nikesh J. Mehta</b>	<b>Rajubhai R. Bhanderi</b>
	Managing Director	Whole-Time Director	Independent Director
<b>Date/Designation</b>	Member	Member	Chairperson
28.01.2024	YES	YES	YES
<b>Nomination Remuneration Committee (NRC) Meeting</b>	<b>Rajubhai R. Bhanderi</b>	<b>Deven J. Doshi</b>	<b>Riya R. Mehta</b>
	Independent Director	Independent Director	Non-Exe. Director
<b>Date/Designation</b>	Chairperson	Member	Member
27.05.2023	YES	YES	YES



Corporate Social Responsibility Committee Meeting	Rupesh J. Mehta	Nikesh J. Mehta	Rajubhai R. Bhanderi
	Managing Director	Whole-Time Director	Independent Director
Date/Designation	Member	Member	Chairperson
28.01.2024	YES	YES	YES

## vi. Company's Policy /Terms of Reference of committees

The Terms of Reference of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and corporate social responsible committee are disclosed in Corporate Governance report which forms part of this Annual Report. Further, all the recommendation of Audit committee have been approved by the Board of Directors of the Company.

## vii. Company's Policy on Directors' Appointment and Remuneration

Remuneration policy of the Company is designed to create a high-performance culture. It enables the Company to attract, retain and motivate employees to achieve results. Our business model promotes customer centricity and requires employee mobility to address project needs. The remuneration policy supports such mobility through pay models that are compliant to local regulations.

The Company pays remuneration to its Managing Director & the Executive Directors as professional fees/consultancy fees. Annual increments are recommended by the Nomination and Remuneration Committee.

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, decides the commission/remuneration payable to the Managing Director and the Executive Directors out of the profits for the financial year and within the ceilings prescribed under the Act, based on the Board evaluation process considering the criteria such as the performance of the Company as well as that of the Directors. The said commission/remuneration is decided each year by the Board of Directors, on the recommendation of the Nomination and Remuneration Committee and paid to the Managerial personnel based on the Board evaluation process, considering criteria such as their attendance and contribution at the Board and Committee meetings, as well as the time spent on operational matters other than at meetings. The Company may reimburse the out-of-pocket expenses incurred by the Directors for attending the meetings. Remuneration paid is approved by members of the Company

Nomination and Remuneration policy is placed on the website of the Company at <https://macpowercnc.com/wp-content/uploads/sites/395/2023/06/NominationandRemunerationpolicy.pdf>



**viii. Board Evaluation**

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The performance of the board was evaluated by the Board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

In a separate meeting of independent directors, performance of non-independent directors, the board as a whole and the Chairman of the Company were evaluated, taking into account the views of executive directors and non-executive directors.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

As per Companies Act, 2013, Board has made annual evaluation of its own performance and also of its committees and Individual Directors. The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. Board of Directors is actively taking an action for evaluation.

**ix. Remuneration of Directors and Employees**

Details of Remuneration of Executive Directors for the year ended on March 31, 2024:

<b>Name of Director</b>	<b>Designation</b>	<b>Amount of Remuneration</b>
Mr. Rupesh J. Mehta	Managing Director	*36 Lakhs
Mr. Nimesh J. Mehta	Whole-Time Director	*20, Lakhs

\* Board of directors has based upon the recommendation of nomination and remuneration committee and subject to approval of members of the company (which later approved by members at their AGM held on 27.09.2022) has reappointed and revised managerial remuneration as follows:

*Mr. Rupesh J. Mehta having monthly remuneration byway of professional/Management Consultancy Fee of Rs.3 Lakhs plus 18% GST with effect from 01st October, 2022 and Mr. Nimesh J. Mehta having*



*monthly remuneration byway of professional/Management Consultancy Fee of Rs.2 Lakhs 18% GST with effect from 01st October, 2022.*

The Company has not paid any remuneration/commission/sitting fees to Non-Executive director and Independent Directors.

### **Particulars of employees:**

Disclosure pertaining to remuneration and other details as required under the Act read with Rule 5 of the Companies [Appointment and Remuneration of Managerial Personnel] Rules, 2014 and amendments thereof are provided in the Annual Report. Particulars of Employees in terms of the provisions of Section – 197(12) of the Act read with Rule 5 is attached with this report as **Annexure - 1**.

### **x. Directors' Responsibility Statement**

Pursuant to the provisions of Section 134(3)(C) and 134(5) of the Companies Act, 2013, Your directors confirm, to the best of their knowledge and belief:

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

### **INTERNAL FINANCIAL CONTROLS AND INTERNAL CONTROL SYSTEMS:**

"Internal financial controls" means the policies and procedures adopted by the company 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.



Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and external consultants, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant board committees, including the audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2023-24.

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious lapses have been observed by the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

The Company's internal control procedure, which includes internal financial controls, ensures compliance with various policies, practices and statutes keeping in view the organization's pace of growth and increasing complexity of operations. The Internal Auditors carry out extensive audits throughout the year across all functional areas and submit their reports to the Audit Committee. The said Reports have not included any observation of any serious lapses in the system during the year under review.

Based on its evaluation [as defined in section 177 of Companies Act 2013 and Clause 18 of SEBI Regulations 2015], our audit committee has concluded that, as of March 31, 2024 our internal financial controls were adequate and operating effectively.

### **DISCLOSURES RELATING TO SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES**

Your company has no holding/subsidiary/associate company. So, disclosure in AOC-1 required under section 129 of the Act is not applicable to your company.

### **DETAILS OF DEPOSITS**

Your company has not accepted any deposits and as such no amount of Principal or Interest was outstanding as of the Balance Sheet.

### **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

Your Company has not made any transaction that was falling under the ambit of section-186 of the Companies Act, 2013.

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

Your Company has entered into transaction with Related Parties at Arm's Length Basis. Particulars of contracts or arrangements with related parties referred to section – 188(1) of the Companies Act, 2013, in the prescribed Form AOC-2, is appended as **Annexure - 2** to the Board's Report.



## CORPORATE SOCIAL RESPONSIBILITIES

Your Company is falling under the ambit of Section 135 of the Companies Act, 2013 i.e. Corporate Social Responsibility. During the year 2023-24, company has spent total amount of Rs. 28.62 Lacs as CSR expenditure.

The brief outline of the Corporate Social Responsibilities [CSR] policy of the Company and the initiatives undertaken by your company on CSR activity during the year under review are set out in **Annexure -3** of this report in the format prescribed in the Companies [Corporate Social Responsibility Policy] Rules, 2014 i.e. Annual Report on CSR Activities. The CSR policy is available on the website of the company at <https://macpowercnc.com/wp-content/uploads/sites/395/2023/06/CorporateSocialResponsibilitypolicy.pdf>

Further, the details relating to the Composition of CSR Committee and Meetings of CSR Committee disclosed in above point of Board's Report relating to Committees of Board and also disclosed in the Annual Report on CSR Activities.

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

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2015 is furnished in **Annexure - 4** attached to this report.

## RISK MANAGEMENT

The Company was not required to frame Risk Management Committee pursuant to Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and accordingly not constituted, however, the board of directors is responsible for framing, implementing and monitoring the risk management plan for the listed entity and Audit Committee of the Company also evaluating Risk Management Systems.

## VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has a Whistle Blower Policy and has established the necessary vigil mechanism for directors and employees to report concerns about unethical behavior and to report instances of leak of unpublished price sensitive information. No person has been denied access to the Chairman of the Audit Committee. The said policy has been uploaded on the website of the Company at <https://macpowercnc.com/wp-content/uploads/sites/395/2023/06/VigilMechanismorWhistleBlowerpolicy.pdf>

The Audit Committee is continuously verifying the Whistle Blower policy (vigil mechanism) which provides a format mechanism for all stakeholders, employees and



directors of the Company to approach the Chairman of the Audit Committee of the Company and make protective disclosures about the unethical behavior towards stakeholder/employee of the company, leak of UPSI, actual or suspected fraud or violation of the Company's Code of Conduct.

## MATERIAL ORDERS OF JUDICIAL BODIES /REGULATORS

During the year under review, there are no significant or material orders passed by the Regulators/Courts/Tribunals that could impact the going concern status of the company and its future operations.

## DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

During the year under review, there was no application made or no proceeding pending under the insolvency and bankruptcy code, 2016.

## AUDITORS AND AUDITORS' REPORT

The Details of the Auditors of the Company are as stated below:

Name of Auditor	Type of Auditor	FY 23-24	FY 24-25
M/s. S.C. Makhecha & Associates (FRN: 120184W)	Statutory Auditor, Rajkot	Appointed in 20 <sup>th</sup> AGM [i.e. AGM for 2022-23] for a 2 <sup>nd</sup> term of 5 Consecutive years i.e. till the conclusion of AGM pertaining to financial year ending on 31 <sup>st</sup> March, 2028	Appointed in 20 <sup>th</sup> AGM [i.e. AGM for 2022-23] for a 2 <sup>nd</sup> term of 5 Consecutive years
M/s. K. P. Rachchh & Co. FCS: 5156	Secretarial Auditor	Appointed to conduct Secretarial audit for FY 2023-24.	Re-appointed to conduct Secretarial audit for FY 2024-25.
M/s. Borad Sanjay B & Associates	Cost Auditor	Appointed to conduct cost audit for FY 2023-24.	Re-appointed to conduct cost audit for FY 2024-25.
Mr. Vishal B. Mehta	Internal Auditor	Appointed to conduct Internal Audit for FY year 2023-24.	Re-appointed to conduct Internal audit for FY 2024-25.

### A. STATUTORY AUDITORS:

M/s. S. C. Makhecha & Associates, Chartered Accountants (FRN: 120184W) were Appointed in 20<sup>th</sup> AGM [i.e. AGM for 2022-23] for a 2<sup>nd</sup> term of 5 consecutive years from 20<sup>th</sup> AGM until the Conclusion of 25<sup>th</sup> AGM (i.e. from FY 2023-24 to F.Y 2027-28). They have given consent and confirmed that they are not disqualified from continuing as Auditors of the Company. Further, as required under SEBI (LODR) Regulations, 2015, they hold valid peer review certificate No. 015108.



The Auditors' Report for the financial year ended March 31, 2024 does not contain any reservation, qualification or adverse remark. The notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

### **NO FRAUD REPORTING**

No fraud has been reported by the Auditors under section 143(12) of the Companies Act, 2013 requiring disclosure in the Board's Report.

### **B. SECRETARIAL AUDITORS:**

Pursuant to the provisions of Section 204 of the Act and Rules made there under, the Board of Directors had appointed M/s. K. P. Rachchh & Co., Practicing Company Secretaries for conducting Secretarial Audit of the Company for the FY 2023-24.

The Secretarial Audit Report obtained pursuant to the provisions of Section 204 of the Act and Rules made there under, from M/s. K. P. Rachchh & Co., Practicing Company Secretaries for the FY 2023-24 is set out at '**Annexure- 5**' forming a part of this Report.

The Secretarial Auditors Report for the financial year ended March 31, 2024 is self-explanatory and does not call for any further clarifications.

Further, the Company has re-appointed M/s. K. P. Rachchh & Co., Practicing Company Secretaries for conducting Secretarial Audit of the Company for the FY-2024-25 under the Companies Act, 2013 and under regulation 24A of the SEBI (LODR) Regulations, 2015.

### **C. COST AUDITORS:**

The Board has appointed M/s. Borad Sanjay B & Associates, Cost Accountants for conducting the audit of cost records of the Company for single segment for the financial year 2023-24 as recommended by the Audit Committee.

Further, the Company has re-appointed M/s. Borad Sanjay B & Associates, Cost Accountants for the year 2024-25 at a remuneration of Rs. 35,000/- and As required under Section-148 and Rule 14 of the Companies [Audit and Auditors] Rules, 2014, Necessary resolution for ratification of payment of remuneration to the said Cost Auditors forms part of the Notice of the ensuing Annual General Meeting

### **D. INTERNAL AUDITORS:**

Mr. Vishal B. Mehta has been appointed by the Board of Directors at their meeting held on July 7, 2023, as Internal Auditors of the Company for the financial 2023-24 w.e.f July 8, 2023 upon resignation of Mr. Vishal Kadia as an internal auditor of the Company with effect from July 7, 2023 due to his preoccupation in other assignments.



## COMPLIANCE WITH SECRETARIAL STANDARDS

We, the Directors of the Company, hereby state the Company has complied all applicable Secretarial Standards to the applicable extend.

## ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2024 is available on the website of the Company at <https://macpowercnc.com/annual-return/>

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT (MDAR)

Management Discussion & Analysis Report for the year under review, under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), is presented in a separate section and forms a part of this Report.

## CORPORATE GOVERNANCE REPORT

Your directors reaffirm their continued commitment to good corporate governance practices. During the year under review, your company was in compliance with the provisions of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, relating to Corporate Governance.

The Report on Corporate Governance as stipulated under Regulation 34 of the SEBI Listing Regulations forms an integral part of this Report. The requisite certificate on Corporate Governance availed from M/s. K. P. Rachchh & co. Practicing Company Secretaries, confirming compliance with the conditions of corporate governance as stipulated under Schedule V of the SEBI Listing Regulations is enclosed to the Report on Corporate Governance presented in a separate section and forms a part of this Report

## DISCLOSURES PERTAINING TO THE SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has adopted a policy on prevention, prohibition and Redressal of Sexual harassment at workplace and has duly constituted an Internal Complaints Committee in line with the provisions of the Sexual Harassment of Women at Workplace [Prevention, Prohibition and Redressal] Act, 2013 and the Rules thereunder. The said policy is uploaded on the website of the Company at <https://macpowercnc.com/wp-content/uploads/sites/395/2023/06/POLICYONSEXUALHARASSMENTATWORKPLACE.pdf>

There have been no complains related sexual harassment reported during the year under review.



### INSURANCE

The assets of the company including buildings, plant & machinery, stocks, etc. wherever necessary and to the extent required have been adequately insured against various risks.

### SEGMENT REPORTING

The Company is engaged in the business of manufacturing of CNC Turning Centers, Vertical Machining Centers [VMC], Horizontal Machining Centers [HMC], Cylindrical Grinder, Vertical Turret Lathe [VTL], Turn Mill Centers, Drill Tap Center [DTC], Twin Spindle Turning & VMC along with robotic automation solutions. Considering the nature of the Business and Financial Reporting of the Company, the segment reporting is not applicable to company as your company's business in single segment.

### HUMAN RESOURCE DEVELOPMENT

Your Company continued to focus on attracting new talent while investing in organic talent development to help employees acquire new skills, explore new roles and realize their potential.

The Company's relation with human resource continued to be cordial during the year under review. The Board wishes to take place on record its appreciation for the valuable services rendered by its entire workforce. During the year there was no instance of Strike, Lock out or another issues related to Human Resources.

### GENERAL

The Board of Directors confirms that no disclosure or reporting is required in respect of the below matters as there were no transactions on these matters during the FY24:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise;
2. Issue of shares (including sweat equity shares or Stock options) to employees of the Company;
3. non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014;
4. Material or serious instances of fraud falling within the purview of Section 143(12) of the Act and Rules made there under.

### ACKNOWLEDGMENTS

The Directors thank the Company's employees, customers, vendors, investors and academic partners for their continuous support.

The Directors also thank the Government of India, Governments of various states in India, Governments of various countries and concerned Government departments and agencies for their co-operation.

The Directors appreciate and value the contribution made by every member of the work family.

Stakeholders support is also acknowledged by the Management of the Company.

**Place: Metoda, Rajkot**  
**Date: 13<sup>th</sup> August, 2024**

**For and on behalf the Board of  
MACPOWER CNC MACHINES LIMITED**

---

**[Rupesh J. Mehta]**  
**Chairman & Managing Director**  
**DIN: 01474523**



## ANNEXURE -1

### PARTICULARS OF EMPLOYEES

The information required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration (Managerial Personnel) Rules, 2014 are given below:

- a. **The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year and the percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year:**

Name of Director/KMP	Designation	Ratio to median remuneration [annually]
Rupesh J. Mehta	MD	22.50x
Nikesh J. Mehta	WTD & CEO	14.43x
Riya R. Mehta	Non-executive & Woman Director	Not applicable as no Remuneration
Rajnikant M. Raja	CFO	7.22x
Kishor Kikani	CS	4.52x

*No sitting fees and commission paid to Non-Executive Directors & Independent Directors during the year under review.*

- b. **The percentage increases in the median remuneration of employees in the financial year:** 7% to 9%.
- c. **The number of permanent employees on the rolls of the company:** 770+
- d. **The explanation on the relationship between average increase in remuneration and Company performance:** The average increase in the managerial remuneration for the F.Y 2023-24 is 8% to 12% and the average increase in the salary of employees other than managerial personnel for the FY 2023-24 is upto 6 to 10%.

*On an average, employees received an annual increase of upto 7%. The individual increments varied from 3% to 31% based on individual performance.*

*In order to ensure that remuneration reflects Company performance, the performance pay is also linked to organization performance, apart from an individual's performance.*

- e. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:** NA
- f. **Affirmation:** The Company affirms that the remuneration of the Director and the employees of the Company are as per the remuneration policy of the Company.

The Statement of particulars of employees under Section 197(12) read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014 is not provided with as during the financial year under review, no employee of the Company including Managing Director was in receipt of remuneration in excess of the limits set out in the said rules.

**Place: Metoda, Rajkot**  
**Date: 13<sup>th</sup> August, 2024**

For and on behalf of the Board of  
**MACPOWER CNC MACHINES LIMITED**

---

**[Rupesh J. Mehta]**  
**Chairman & Managing Director**  
**DIN: 01474523**



### Form No. AOC-2

[Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts/arrangements entered into by the 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: NOT APPLICABLE

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

Name(s) of the related party and nature of relationship:	Nature of contracts/ arrangements /transactions	Duration of the contracts/ arrangement/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any
<b>Modern Machine Tools</b> [Proprietorship of Mrs. Raxaben Jagdish Mehta] [Relative of Directors]	Purchases [Repair, Parts and Tools/ Machinery]	Ongoing but Approved by Board of Directors Yearly	4 Lakhs	27.05.2023	---
	Sale [Repair, Parts and Tools/ Machinery]		13 Lakhs	27.05.2023	---
<b>Macpower Industries</b> [Proprietorship of Mr. Rupesh. J. Mehta] [Directors]	Purchases [Repair, Parts and Tools/ Machinery]	Ongoing but Approved by Board of Directors Yearly	25 Lakhs	27.05.2023	---
	Sale [Repair, Parts and Tools/ Machinery]		-	27.05.2023	---

**Place: Metoda, Rajkot**  
**Date: 13<sup>th</sup> August, 2024**

For and on behalf of the Board of  
**MACPOWER CNC MACHINES LIMITED**

**[Rupesh J. Mehta]**  
**Chairman & Managing Director**  
**DIN: 01474523**

## ANNEXURE -3

### CORPORATE SOCIAL RESPONSIBILITY REPORT

#### 1. Brief outline on CSR Policy of the Company:

The company considers itself as Responsible Corporate and as a Responsible Corporate, Company's Philosophy is not just to abide by the Legal Laws but actively contribute to the social, environmental and economic development of the society in which company operates.

#### 2. Composition of CSR Committee:

Sl. 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. Rajubhai Bhandari	Chairman of the Committee & ID	1	1
2.	Mr. Rupesh Mehta	Member of the Committee & MD	1	1
3.	Mr. Nikesh Mehta	Member of the Committee & CEO and WTD	1	1

#### 3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: The Company has framed a CSR Policy in compliance with the provisions of Section 135 of the Companies Act, 2013 and the same is placed on the website of the Company and the web links for the same is as under:

- CSR Committee: <https://macpowercnc.com/board-committee-details/>
- CSR Policy: <https://macpowercnc.com/wp-content/uploads/sites/395/2023/06/CorporateSocialResponsibilitypolicy.pdf>
- CSR projects approved by the Board: <https://macpowercnc.com/wp-content/uploads/sites/395/2023/06/CSR-projects-approved-by-the-Board-for-FY-2023-24.pdf>

#### 4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): **Not Applicable**

- Average net profit of the company as per section 135(5): **14,28,23,886/-**
  - Two percent of average net profit of the company as per section 135(5): **28,56,478/-**
  - Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **Not Applicable**
  - Amount required to be set off for the financial year, if any: **Not Applicable**
  - Total CSR obligation for the financial year (7a+7b-7c): **28,56,478/-**
- CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)					
	Total Amount transferred to Unspent CSR Account as per section 135(6).			Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.	
28,62,000/-	NIL					

(b) details of CSR amount spent against ongoing projects for the financial year: **Nil**



## BOARD'S REPORT

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. 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 Rs.).	Mode of implementation on Direct (Yes/No).	Mode of implementation Through agency.	
				State.	District			Name.	CSR Registration number.
1.	Promoting Education	ii	YES	Gujarat	Rajkot	1,12,000	No	Rajkot City Cyber Security Society	CSR00058623
2.	Promoting Education & Health Care	i & ii	YES	Gujarat	Ahmedabad	27,50,000	No	Shree Hiraba Cheritable Trust	CSR00018900
	<b>TOTAL</b>					<b>28,62,000</b>			

(d) Amount spent in Administrative Overheads: **NIL**

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

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **28,62,000/-**

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	28,56,478
(ii)	Total amount spent for the Financial Year	28,62,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	5,522
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	5,522

7. Details of Unspent CSR amount for the preceding three financial years: **Nil**

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **No**

In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (Asset-wise details): **Not Applicable**

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): **Not Applicable**

Sd/-  
Rupesh Mehta  
Chairman and Managing Director  
DIN: 01474523

Sd/-  
Rajubhai Bhandari  
Chairman – CSR Committee  
DIN: 07986563

**Date: 13<sup>th</sup> August, 2024**  
**Place: Metoda, Rajkot**

**CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY  
ABSORPTION AND FOREIGN EARNING & OUTGO**

**A. CONSERVATION OF ENERGY:**

- The steps taken or impact on conservation of energy: **200KW Solar Plant was installed during the FY 2020-21.**
  - Installation of solar plant is company's one step towards self-reliance for captive power consumption
  - Solar Plant installation will help to reduce carbon footprint which leads to prevent greenhouse effects.
- The steps taken by the company for utilizing alternate sources of energy: **Solar Plant installation**
- The capital investment on energy conservation equipment's: **Nil**

**Total Energy Consumption**

<b>A. Power &amp; Fuel Consumption</b>		
<b>Particulars</b>	<b>2023-24</b>	<b>2022-23</b>
<b>a) Electricity</b>		
Purchased (KWH)(Units)	10,71,474	10,32,273
Total Amount	1,06,43,603	91,41,153
Average Rate Rs.	9.93	8.86
<b>b) Coal</b>	<b>N.A.</b>	<b>N.A.</b>
Quantity (MT)		
Total Amount (Rs. In Lacs)		
Average Rate Rs.		
<b>c) Furnace Oil</b>	<b>N.A.</b>	<b>N.A.</b>
Quantity (MT)		
Total Amount (Rs. In Lacs)		
Average Rate Rs.		
<b>d) Solar Energy</b>		
Generated (Units) during the year	2,31,000	2,40,000
<b>B. Consumption for Unit of Production</b>		
<b>Particulars</b>	<b>2023-24</b>	<b>2022-23</b>
<b>Production (Nos)</b>	1235	1047
Consumption per unit [Electricity (KWH)& Solar (Units)]	1054.63	1215.16



### B. TECHNOLOGY ABSORPTION –

- (i) the efforts made towards technology absorption: Nil
- (ii) the benefits derived like product improvement, cost reduction, product development or import substitution: Nil
- (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the year under reference) –
  - a) Details of the technology imported;
  - b) The year of import;
  - c) Whether the technology has been fully absorbed and if not, areas where absorption has not taken place, and the reasons thereof: No technology Imported in last three years
- (iv) the expenditure incurred on Research and Development : NIL

### C. FOREIGN EXCHANGE EARNING AND OUTGO:

- (i) Total foreign Exchange Earnings (FOB) during the year: 83,35,756/-
- (ii) Total foreign Exchange outgo (CIF) during the year: INR 11,03,70,588/-

**Place: Metoda, Rajkot**  
**Date: 13<sup>th</sup> August, 2024**

For and on behalf of the Board of  
**MACPOWER CNC MACHINES LIMITED**

---

**[Rupesh J. Mehta]**  
**Chairman & Managing Director**  
**DIN: 01474523**

**Form No. MR-3  
SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2024  
[Pursuant to section 204(1) of the Companies Act, 2013 and rule  
No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
**MACPOWER CNC MACHINES LIMITED**  
(CIN: L30009GJ2003PLC043419)  
Plot No. 2234, Nr. Kranti Gate, GIDC Metoda,  
Tal. Lodhika, Dist. Rajkot- 360021

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2024, has generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by MACPOWER CNC MACHINES LIMITED ("the Company") for the financial year ended on 31<sup>st</sup> March, 2024, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder and further amendments thereto and as per applicability to the company;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA'), Securities Contracts (Regulation) Amendment Act, 2007 and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, transfer and transmission of shares;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments thereto;



- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amendments thereto;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments thereto; **Not Applicable** during the Audit period.
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not Applicable** during the Audit period.
- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **Not Applicable** during the Audit period.
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client. **Not applicable** during the Audit period.
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not Applicable** during the Audit period and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable** during the Audit period.
- (vi) The Company has identified the following laws as specifically applicable to the Company:
  1. Explosive Act, 1884

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.
- (ii) The Listing Agreement as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereto entered into by the Company with National Stock Exchange of India Limited and Compliances to be made as per SEBI (Listing of Obligations and Disclosure Requirement) Regulations, 2015 were complied within the time prescribed under the SEBI (Listing of Obligations and Disclosure Requirement) Regulations, 2015.

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

### **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. Further, During the year under review, there were no changes in the composition of Board of Directors and Key Managerial Personnel of the Company.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and at Committee Meetings have been carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be. There were no dissenting views on any matter.

**We further report that** based on review of compliance mechanism established by the Company and on the basis of the Management representation letter, we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

For: K. P. Rachchh & Co.  
Company Secretaries

Place : Rajkot  
Date : 13<sup>th</sup> August, 2024  
UDIN: F005156F000968965

Kalpesh P. Rachchh  
Proprietor  
FCS No. : 5156  
C P No.: 3974

Peer Review Certificate No.:737/2020

This Report is to be read with our letter of even date which is annexed as Annexure A and Forms an integral part of this report.



## ANNEXURE A TO SECRETARIAL AUDIT REPORT

To,  
The Members,  
**MACPOWER CNC MACHINES LIMITED**  
(CIN: L30009GJ2003PLC043419)  
Plot No. 2234, Nr. Kranti Gate, GIDC Metoda,  
Tal. Lodhika, Dist. Rajkot- 360021

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express as opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records.

We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, Rules, Regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For: K. P. Rachchh & Co.  
Company Secretaries

Place : Rajkot  
Date: 13<sup>th</sup> August, 2024  
UDIN: F005156F000968965

Kalpesh P. Rachchh  
Proprietor  
FCS No. : 5156  
C P No.: 3974  
Peer Review Certificate No.:737/2020



Pursuant to Regulation 34(2)(e) of SEBI LODR Regulations 2015, a Management Discussion and Analysis report is given below:-

## 1. BUSINESS OVERVIEW

Your Company is engaged in manufacturing of CNC Turning Centers, Vertical Machining Centers, Horizontal Machining Centers, Cylindrical Grinder, Vertical Turret Lathe, Turn Mill Centers, Drill Tap Center, Twin Spindle VMC and also Multi-Tasking with sub-spindle and Robotic Automation. Adding to the solution capabilities, Macpower has also offered Robotic Automation integrated with CNC machines to cope up the demand of technology driven machining excellence. CNC Machining is a process used in the manufacturing sector that involves the use of computers to control machine tools. Tools that can be controlled in this manner include lathes, mills, routers and grinders. CNC stands for Computer Numerical Control. On the surface, it may look like a normal PC that control the machines, but the computer's unique software and control console are what really set the system apart for use in CNC machining. Under CNC Machining, machine tools function through numerical control, a computer program is customized for an object and the machines are programmed with CNC machining language (called G-code) that essentially controls all features like feed rate, coordination, Position and RPM. With CNC machining, the computer can control exact positioning and speed.

Company's in house research and development approach allows us to offer customized solutions to our customers. Macpower CNC Machines Limited is an ISO 9001:2015 certified Company for Manufacture and Supply of CNC Metal Cutting Machines Our Company is well equipped with the latest infrastructure and equipment, well qualified skilled intellectual capital to support the manufacturing of high end technology driven machines.

We have expanded our capacity to nearly 2000 machines per annum. This will help us to continue delivering growth at 20% to 25% CAGR for the next 3 to 5 years.

Further, as we have also been indicating, we have continuously been growing our order book in spite of strong revenue execution. This has led to our unexecuted order book as of 31<sup>st</sup> March, 2024, to grow to Rs. 262.38 crores, which at the beginning of the year was Rs. 152.77 crores.

For more information please go through our website <https://macpowercnc.com/about-us/>



## 2. ECONOMY OUTLOOK

### a. WORLD ECONOMY

The baseline forecast is for the world economy to continue growing at 3.2 percent during 2024 and 2025, at the same pace as in 2023. A slight acceleration for advanced economies—where growth is expected to rise from 1.6 percent in 2023 to 1.7 percent in 2024 and 1.8 percent in 2025—will be offset by a modest slowdown in emerging market and developing economies from 4.3 percent in 2023 to 4.2 percent in both 2024 and 2025. The forecast for global growth five years from now—at 3.1 percent—is at its lowest in decades. Global inflation is forecast to decline steadily, from 6.8 percent in 2023 to 5.9 percent in 2024 and 4.5 percent in 2025, with advanced economies returning to their inflation targets sooner than emerging market and developing economies. Core inflation is generally projected to decline more gradually. The global economy has been surprisingly resilient, despite significant central bank interest rate hikes to restore price stability.

#### **WORLD ECONOMY OUTLOOK:**

There are signs that the global outlook has started to brighten, though growth remains modest. The impact of tighter monetary conditions continues, especially in housing and credit markets, but global activity is proving relatively resilient, inflation is falling faster than initially projected and private sector confidence is improving. Supply and demand imbalances in labour markets are easing, with unemployment remaining at or close to record lows. Real incomes have begun to improve as inflation moderates and trade growth has turned positive. Developments continue to diverge across countries, with softer outcomes in many advanced economies, especially in Europe, offset by strong growth in the United States and many emerging market economies.

Emerging and developing economies are forecast to grow at a notably faster pace compared to advanced countries, with 4.0% in 2024 and 4.1% in 2025. Emerging Asian countries such as India, Indonesia, Vietnam and the Philippines are expected to witness some of the fastest growth rates globally, reflecting their continuing strength in domestic consumption and in attracting investments

Widening global geopolitical tensions could also lead to a deeper fragmentation of the global economy, with negative spillover impacts on growth, as reflected by the Global Fragmentation scenario. Other downside risks to global outlook include a deeper economic slowdown in China, as well as in the eurozone. On the upside, the global economy could see a stronger bounce-back on falling commodity prices and increased stimulus spending, while faster-than-expected growth in India would also give a marginal boost to global growth.



## b. INDIAN ECONOMY

India economy has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next few years, backed by its robust democracy and strong partnerships.

### **Recent economic developments in India are as follows:**

Over the years, the Indian government has introduced many initiatives to strengthen the nation's economy. The Indian government has been effective in developing policies and programmes that are not only beneficial for citizens to improve their financial stability but also for the overall growth of the economy. Over recent decades, India's rapid economic growth has led to a substantial increase in its demand for exports. Besides this, a number of the government's flagship programmes, including Make in India, Start-up India, Digital India, the Smart City Mission, and the Atal Mission for Rejuvenation and Urban Transformation, are aimed at creating immense opportunities in India.

The Centre has also incentivised the State Governments through interest-free loans and enhanced borrowing ceilings to prioritise their spending on Capex. With an emphasis on infrastructure-intensive sectors like roads and highways, railways, and housing and urban affairs, the increase in Capex has large-scale positive implications for medium-term growth.

In line with market expectations, the RBI maintained its status quo on the benchmark interest rate (repo rate) at 6.5 percent during its second bi-monthly policy announcement for the financial year 2024–25

### **INDIAN ECONOMY OUTLOOK:**

The Reserve Bank of India, in its June monetary policy, has raised its real GDP growth forecast for the current financial year 2024–25 (FY25) to 7.2 percent from 7 percent earlier. This comes after, in the fiscal year 2023–24 (FY24), the GDP growth expanded to 8.2 percent, exceeding analysts' expectations.

The significant impetus to infrastructure creation in the Union Budget 2024 is expected to have a significant positive impact cascading on multiple sectors that support infrastructure creation.

The expansion of public digital platforms and measures such as PM GatiShakti, the National Logistics Policy, and the Production-Linked Incentive schemes will support economic growth and boost manufacturing output.



### 3. **INDUSTRY STRUCTURE AND DEVELOPMENT**

#### **Machine Tools Industry**

The machine tool industry is a fundamental pillar of Indian engineering's industrial sector. Machine tools are widely utilized by businesses in a variety of applications, including die molding, component production, aircraft, shipbuilding, electricals and electronics, healthcare, and consumer durables. Machine tool segment produces mother machines therefore plays a vital role in the technological up gradation, quality control and cost in the engineering & manufacturing sector.

Machine tools industry is a critical part of the manufacturing sector. The machine tools industry in India has been serving the need for manufacturing through the production of machine tools, accessories/attachments, subsystems and parts.

India stands 10th in production and 8th in the consumption of machine tools in the world. The country is set to become a key player in the global machine tools industry and is likely to see substantial high-end machine tool manufacturing. Studies have rated India higher in terms of manufacturing capability and availability of quality engineers. This design strength gives the Indian machine tools industry a competitive advantage, in terms of special purpose machine tools.

Government initiatives of “Make in India” and “China+1” is driving the change in the manufacturing landscape in India, ultimately leading to sharp growth in demand for CNC Machines.

The Indian machine tool industry is growing at a steady pace and, with the continuous support of the government, aims to grow even further and steadily positioned itself in the global market.

If the government target to increase share of manufacturing to GDP from 17% to 25% was to be achieved, the machine tool manufacturing industry in India will have to move from the current ~Rs.12,000 cr to ~Rs.45,000-50,000 cr over the next decade.

The India machine tools market is expected to reach US\$ 3.2 Billion by 2032, exhibiting a growth rate (CAGR) of 8.2% during 2024-2032.

#### **Developments/ Road ahead:**

##### **Technology and Product Development**

Having access to the latest technology is a key imperative for success in the Indian manufacturing sector. As companies look to source manufactured products from India, they expect the same level of technology and product



development capability in India that is prevalent in other global markets. Indian machine tool manufacturers have responded to this challenge by focusing on improvement in capabilities and performance in technology, design and product development.

### **Productivity Improvement and Cost Reduction**

The Indian manufacturing sector is highly competitive and continuous improvement in productivity and costs is imperative for players to sustain in the global market. Indian machine tool manufacturers have been focusing on critical areas such as, reduction of idle time, increased asset utilization; productivity through quality improvement; optimizing processes; leveraging IT to increase productivity and better management of productivity through appropriate performance metrics.

### **Design and Innovation Capability**

With user industries becoming more demanding, the machine tools sector faces the need to develop increasingly complex machine tools, to meet their customized requirements. At the same time, product development cycle times need to be crunched. This indicates that it is imperative for players to invest in R&D and develop robust design and innovation capabilities.

### **Rising Adoption of Internet of Things (IoT) Technologies to Fuel Growth**

One of the most prominent machine tools market trends is expected to be the increasing uptake of IoT in the manufacturing sector. This will be a result of escalating demand for information and access to information. Furthermore, producers are looking to bring down their production costs, streamline processes, and raise the safety quotient in their units. As a result, there is growing investment in IoT by manufacturers for improved management and control, which is propelling the machine tool market, especially CNC Machine tools

### **Adoption of CNC Machine Tools in Medical Sector:**

CNC machines are capable of producing sophisticated surgical instruments, tiny screws and everything in between. In addition medical machined parts for the most complex devices require tight tolerances, which is capable through CNC machine tools. Adding to this, multi-tool and multi-axis machines, such as CNC Swiss turning centers, improve the manufacturing of medical parts with shorter cycle times and owing to the features allowing versatility during production. Moreover several medical equipment manufacturers such as Pulse systems are focusing on adopting CNC machine tools for advancements in manufacturing.



**The Future of Machine Tool industry:**

Machine tool industry has emerged in the new avatar courtesy of Digitalization and Industry 4.0. One of the oldest and traditional industries, the machine tool industry has walked many miles to achieve the current status.

In the coming years, digitalization will completely transform the Machine tool industry and the merger of these dynamic elements will result in process efficiency and productivity. Although the industry is flooded with numerous solutions, it is essential to identify the space, which requires transformation and adopt solutions accordingly. The industry is witnessing innovative technological solutions in every aspect of the processes.

The sensor integration, utilization of artificial intelligence (AI), and the integration of sophisticated simulation features, enable the advancements in machine performance and overall equipment effectiveness (OEE). Additionally, the advanced sensors and modern ways of communication, controlling, and monitoring systems allows creating new opportunities for smart services and new business models in the machine tool market. The digitally enhanced services are about to become part of each OEM's portfolio in the future.

Along with various innovative technologies, the market is laden with new trends, which will help to boost the machine tool industry. In the current digital age, mass customization, reduced time-to-consumer, error proofing using latest technologies are a few trends that require enhanced machine flexibility. It is essential to comprehend the new machines and utilize them to achieve maximum efficiency. Additionally, core aspects such as price, usability, longevity, process speed, quality, and greater machine flexibility are few characteristics of new machines.

Currently, data security, open communication interfaces, new information & communication technology (ICT) are essential elements to integrate digital applications and prominent automation solutions. This process will help to transform the machine tools into user friendly tools in the future.

Advancements in hardware and software are changing the Machine Tool Industry. Industry trends in the coming years are likely to focus on these advancements, especially as they pertain to automation.

The machine tool industry is expected to see advancements in:

- a. CNC software advancements
- b. Automated and IoT-ready machines
- c. Artificial intelligence (AI)
- d. Inclusion of smart features and networks



## 4. **SWOT ANALYSIS:**

### **STRENGTH**

- Robust Team of Research & Development.
- Ever-growing production capacity.
- Wide range of products.
- Satisfied and prestigious Client base.
- Experienced and Visionary Management.
- Trained Workforce.
- Debt Free culture.
- Strong Operational and Financial Strength.
- Delivering value to end users
- Strong tender/ Government Business
- Dispatching Machines to defence sector, educational sector etc.

### **WEAKNESS**

- Long manufacturing cycle.
- Inventory Maintenance of critical components.

### **OPPORTUNITIES**

- High opportunities in defence sector:  
Invoking Atmanirbhar Bharat (Self-Reliant India) initiative, the Ministry of Defence (MOD) has announced ban on the import of 101 items of defence equipment. As an equipment type comes under the import embargo, the military will be required to buy it from Indian defence manufacturers. This decision will offer great opportunity to the Indian defence industry to manufacture items on the negative list by using its own design and development capabilities or adopting the technologies designed and developed by the Defence R&D Organization to meet the requirements of the Armed Forces.
- Introducing PPP model in Indian Railways and privatization of trains helps to boost some changes in the Railway sector as a whole, with a positive impact on machine tool industry.
- Growing demand of capital goods in the market.
- Presence of fewer major players in the machine tools industry.
- Automation and artificial intelligence opening doors for machine tools manufactures to manufacture high end machines with specifications.
- 'Make in India' and 'Aatmanirbhar Bharat' abhyan are triggering concepts for Indian Manufacturer and which will enhance in-house manufacturing and reduces burden of imports.
- There is opportunity and potentiality for Exporting of Machines and Machining components



**THREAT**

- Entry of global players in the machine tools industry.
- Mobilization of funds in various segments of industry is very essential for demand pull in capital goods sector. This is to be maintained on macro-economic level otherwise poses a threat to capacity utilization of any machine tool company since, majority of machines roll out based on end user's loan facilities.
- External factors such as political, environmental, technical etc
- Competition from international players manufacturing/supplying in India.

**Disclaimer:** This information has been collected through secondary research and Company is not responsible for any errors in the same. All figures are approx.

**Approach of Macpower**

- Your company is also taking all the stated points into consideration to take necessary steps to enter into newer industry segments, newer geographical markets, making changes in current product portfolio and incorporating feasible IoT to maintain the growth trajectory for it.
- Your company is vigilant enough with above factors and use to have internal restructuring mechanism to counter the above mentioned conditions to maximum extent.

**5. PRODUCT WISE PERFORMANCE IN FY-2023**

Sales in value – Product wise in 2023-24

PARTICULARS	(INR in Lakh)
CNC	15655.56
VMC	7834.48
VTL	256.15

**Note:** Revenue from operations in the balance sheet is total of Sales + Selling of Parts + Selling of Scrap. Your company operates in single segment and that's why segment wise performance reporting is not applicable to your company.

**6. RISKS & CONCERNS**

The Company has adopted a comprehensive and integrated risk appraisal, mitigation and management process. The risk mitigation measures of the Company are placed before the Board of Directors' periodically for review and improvement.

## 7. INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY

Your Company has an effective internal control and risk-mitigation system, which are constantly assessed and strengthened with new/revised standard operating procedure. The Company's internal control system is commensurate with its size, scale and complexities of its operations. The main trust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same, if needed. The Company has a robust Management Information System, which is an integral part of the control mechanism.

The Audit Committee of the Board of Directors, Statutory Auditors and Heads are periodically apprised of the internal audit findings and corrective actions taken. Audit plays a key role in providing assurance to the Board of Directors. To maintain its objectivity and independence, the Internal Audit functions reports to the Chairman of the Audit Committee.

## 8. OPERATIONAL PERFORMANCE

The following table gives an overview of the financial results of the Company:

[INR in Lakh]

Particulars	2023-24	2022-23	Change in %
Total Operating Revenue	24104	20189	19.39 %
EBITDA [Earnings before Interest, Tax, Depreciation and Amortization]	3533	2067	70.92 %
PBT [Profit Before Tax]	3244	1733	87.19 %
PAT [Profit After Tax]	2425	1289	88.13 %
EPS [Earning Per Share]	24.24	12.88	88.13 %

## 9. HUMAN RESOURCES

Your Company enjoys the support of committed and well satisfied human capital. Compensation packages offered by the company, recruitment process, training, motivation and performance appraisal, attract and retain the best talent. The Company had 770+ permanent employees as on March 31, 2024. Industrial relations remained cordial throughout the year. Further, during the year there has been no complaints from employees and there are no strike/lockout/any such bitter event which effects the relationship between the Company and employees.



# 10. DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS ALONG WITH EXPLANATIONS.

Ratios	Units	FY 23-24	FY 22-23	Change in %	Reason
Debtors Turnover	Times	13.97	21.61	-35%	During the year proportion of sales to Government & Semi-government organization in comparison to Non-government buyer is more. Credit period of the sales to Government & Semi-government organization remains on higher side, ratio in question is increased substantially in comparison with previous year.
Inventory Turnover	Times	2.02	1.92	5%	-
Debt Service Coverage Ratio	Times	0	0	0%	-
Current Ratio	Times	2.24	2.37	-5%	-
Debt-to-Equity Ratio	Is to	0	0.00	0%	-
Operating Profit Margin	%	13.57%	8.70%	56%	Increase in sales and cost cutting has led to the increase in operating Profit which enhanced the ratio.
Net Profit Margin	%	10.06%	6.39%	58%	Increase in sales and cost cutting has led to the increase in Net Profit which enhanced the ratio.
Return on Equity	%	20.30%	13.44%	51%	The profit has increased due to increase in sales and cutting of costs which has increased the Earnings which enhanced the ratio.
Return on Net Assets	%	51.72%	31.01%	67%	Earning after tax and Average Total assets have increased which has enhanced the ratio.

# 11. DETAILS OF CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR ALONG WITH A DETAILED EXPLANATION THEREOF

As stated aforesaid there is change in return on net worth as compared to the immediately previous financial year Net worth is increased due to increase in Profitability of the Company

Net worth of the as in the year 2022-23 was Rs. 9661 Lakhs and in the year 2023-24 it is Rs. 11911 Lakhs.

**12. DISCLOSURE OF ACCOUNTING TREATMENT:**

The Company has followed all relevant Ind AS while preparing the financial statements.

**Cautionary Statement:-**

*This document contains statements about expected events and financial and operational results of Company which are forward-looking. By their nature, forward-looking statements require the Company to make assumption; predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place under reliance on forward-looking statements as a number of factors could cause assumptions, and actual results and events to differ materially from those expressed here.*

**Place: Metoda, Rajkot**

**Date: 13<sup>th</sup> August, 2024**

For and on behalf of the Board of  
**MACPOWER CNC MACHINES LIMITED**

---

**[Rupesh J. Mehta]**  
**Chairman & Managing Director**  
**DIN: 01474523**



A report on corporate governance is set out in compliance with the corporate governance requirements as stipulated in SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015.

## **I. COMPANY'S PHILOSOPHY ON THE CORPORATE GOVERNANCE.**

The Company's philosophy on Corporate Governance is embedded in the rich legacy of ethical governance practices. This includes its corporate and other structures, its culture, policies and the manner in which it deals with various stakeholders. Accordingly timely and accurate disclosure of information regarding the financial situation, performance, ownership and governance of the company is an important part of corporate governance.

Integrity, accountability, transparency and compliance with laws which are the columns of good governance are connected in the Company's robust business practices to ensure ethical and responsible leadership both at the Board and the Management Level.

Your company has complied with the requirement of corporate governance as laid down under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## **II. BOARD OF DIRECTORS**

The Board of Directors of the Company is duly constituted. The Composition of Board of Directors of the Company comprises of Executive and Non-Executive directors as on 31<sup>st</sup> March, 2024, the board of directors of the company consists of six directors out of which four (4) are Non-Executive and amongst the four (4) Non-Executive Directors Three (3) are independent directors and one (1) is Woman Non-Executive director which is in conformity with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015("Listing Regulations") and the Company's Act, 2013 ("ACT").

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management. Further, the Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

**a. Composition/ Category of Directors/ Attendance at Meetings/ Directorships and Committee Memberships in other companies:**

The composition of Board of Directors is as follows:

Sr. No	Name of Directors	Category	Number of Board Meetings Attended out of 6 (Six) Meetings held in 2023-24	Whether attended last AGM	Number of Directorships and Committee Membership / Chairmanship (Including Macpower CNC Machines Ltd.)		
					Directorship *	Committee Membership **	Committee Chairmanship **
1.	Mr. Rupesh J. Mehta	Promoter/ MD	6	Yes	1	2	-
2.	Mr. Nikesh J. Mehta	Promoter/ WTD&CEO	6	Yes	1	1	-
3.	Mrs. Riya R. Mehta	Promoter/N ED-Woman	6	Yes	1	-	-
4.	Mr. Rajubhai Bhandari	ID	6	Yes	1	2	2
5.	Mr. Devenbhai Doshi	ID	6	No	1	1	-
6.	Mr. Maulik Mokariya	ID	6	No	3	-	-

\* This excludes Directorship held in Private & Foreign Companies and Companies incorporated under Section 8 of the Companies Act, 2013.

\*\* Committees include only details of Audit Committee and Stakeholders' Relationship Committee of Public Company.

None of the Directors is a director in more than 20 Companies and more than 10 public limited Companies, in terms of Section 165 of the Companies Act, 2013. Also, none of the Directors is a member of neither more than 10 Committees, nor acts as Chairman of more than 5 Committees across all Companies in which they are Directors, as required under Regulation 26 of the Listing Regulation. The Independent Directors fulfill the requirements stipulated in Regulation 25 (1) of the Listing Regulations.

**b. Disclosures pertaining to directors:**

The SEBI (Listing Obligations & Disclosure Requirements) (Amendment) Regulations, 2018 introduced requirement to disclose separately the names of the listed entities, where the persons is a director and the category is of directorship. The details of all directors are as below:



Sr. No	Name of Directors	Name Company in which he/she is Director	Type of Directorship
1.	Mr. Rupesh J. Mehta	Macpower CNC Machines Limited	MD
2.	Mr. Nikesh J. Mehta	Macpower CNC Machines Limited	WTD
3.	Mrs. Riya R. Mehta	Macpower CNC Machines Limited	NED
4.	Mr. Rajubhai Bhandari	Macpower CNC Machines Limited	ID
5.	Mr. Devenbhai Doshi	Macpower CNC Machines Limited	ID
6.	Mr. Maulik Mokariya	Macpower CNC Machines Limited	ID

## **Skills / expertise / competencies of Directors**

As per the Listing Regulations, The Board of Directors has identified certain parameters in the context of Company's business to measure the skills, expertise and competence of the directors. These parameters include:

- Business Leadership
- Operational Experience
- Strategic Planning
- Risk Management
- Corporate Governance
- Research Development and Innovation
- Human Resource Management
- Financial, Regulatory and Legal

The Board of Macpower CNC Machines Limited has a diversified board. The directors hold adequate qualification and experience and possess specialization in their respective fields. Each of the Directors is skilled, expert and competent in the area of his/her specialization and provides considerable contribution and support in operations of your Company.

Sr. No.	Name of Directors	Skills/ Expertise
1	Mr. Rupesh J. Mehta	<ul style="list-style-type: none"> <li>• Business Leadership</li> <li>• Operational Experience</li> <li>• Strategic Planning</li> <li>• Risk Management</li> <li>• Corporate Governance</li> <li>• Research Development and Innovation</li> <li>• Human Resource Management</li> <li>• Financial, Regulatory and Legal</li> </ul>
2	Mr. Nikesh J. Mehta	<ul style="list-style-type: none"> <li>• Operational Experience</li> <li>• Strategic Planning</li> <li>• Risk Management</li> <li>• Corporate Governance</li> <li>• Research Development and Innovation</li> </ul>

3	Mrs. Riya R. Mehta	<ul style="list-style-type: none"> <li>• Risk Management</li> <li>• Corporate Governance</li> <li>• Human Resource Management</li> </ul>
4	Mr. Rajubhai Bhanderi	<ul style="list-style-type: none"> <li>• Corporate Governance</li> <li>• Financial, Regulatory and Legal</li> <li>• Risk Management</li> </ul>
5	Mr. Devenbhai Doshi	<ul style="list-style-type: none"> <li>• Corporate Governance</li> <li>• Risk Management</li> <li>• Human Resource Management</li> </ul>
6	Mr. Maulik Mokariya	<ul style="list-style-type: none"> <li>• Corporate Governance</li> <li>• Financial, Regulatory and Legal</li> <li>• Risk Management</li> <li>• Human Resource Management</li> </ul>

**c. No. of Board Meetings held during the Financial Year 2023-24 and dates on which held:**

The Board held Six (6) meetings during the Financial Year 2023-24 on:

Sr. No.	Date of Board Meetings	Place
1	27.05.2023	Registered Office
2	07.07.2023	
3	11.08.2023	
4	27.09.2023	
5	22.10.2023	
6	29.01.2024	

During FY 2023-24, none of resolutions were passed by circulation.

**d. Disclosure of relationships between directors inter-se.**

Mr. Rupesh Mehta, Chairman and Managing director of the Company is brother of Mr. Nikesh Mehta, Whole time director of the Company and husband of Mrs. Riyaben Mehta. Other directors as per their category are independent and not related with in any way.

**e. Number of share and convertible instruments held by each director as on 31<sup>st</sup> March, 2024:**

Name of director	Number of shares held	Number of convertible instruments held
Mr. Rupesh J. Mehta	3153526	Nil
Mr. Nikesh J. Mehta	1341062	Nil
Mrs. Riyaben Mehta	1814982	Nil
Mr. Rajubhai Bhanderi	Nil	Nil
Mr. Devenbhai Doshi	Nil	Nil
Mr. Maulikbhai Mokariya	Nil	Nil



**f. Independent Directors:**

The Independent Directors, who are from diverse fields of expertise and have long standing experience and expert knowledge in their respective fields are very relevant as well as of considerable value for the Company's business. As a part of familiarization programme as required under Listing Regulations, the Directors have been appraised during the Board Meetings about the amendments to the various enactments viz., Companies Act, 2013 (the Act), Listing Regulations, Code of Conduct for Prevention of Insider Trading and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information etc.

During the year, a separate meeting of the Independent Directors was held on 29.01.2024, without the presence of Non-Executive Directors / Managing Director/ Management to discuss the matter as required/agreed amongst them.

Further familiarization programmes and the terms & conditions of appointment of the Independent Directors as required under the Companies Act, 2013 & Listing Regulations are updated on the Company's website at [www.macpowercnc.com](http://www.macpowercnc.com). i.e. <https://macpowercnc.com/wp-content/uploads/sites/395/2023/06/TermsandConditionsofappointmentofindependentdirectors.pdf>

In the opinion of the Board of Directors, the Independent Directors fulfill the conditions specified in SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 and are Independent of the Management.

No independent director has resigned during the financial year 2023-24.

**g. Formal annual evaluation:**

The Board of Directors, Nomination & Remuneration Committee and Independent Director has carried out an annual evaluation of its own performance, its Committees and individual Directors pursuant to the requirements of the Act and the Listing Regulations.

**h. Function and Procedure of Board:**

Board meets regularly to make and review policies. Board's role, functions and responsibility are well defined. All relevant information as required under the Listing Regulation and Companies Act, 2013 as amended from time to time is regularly placed before the Board. Further the Board periodically reviews the compliance reports submitted by the management in respect of all laws applicable to the Company.

**COMMITTEES OF THE BOARD**

- III. AUDIT COMMITTEE:** Your Company has an Audit Committee at the Board level with the powers and role that are in accordance with Listing Regulations and Companies Act, 2013.



## a. Terms of Reference:

The Audit Committee acts on the terms of reference given by the Board pursuant to Section 177 of the Act and Regulation 18 of the Listing Regulations. The Committee acts as a link between the Management, the Statutory Auditors, the Internal Auditors, the Cost Auditors, Secretarial Auditors and the Board of Directors. The scope of functioning of the Audit Committee is to review, from time to time, the internal control system & procedures and its adequacy. The Committee reviews accounting policies and financial reporting system & procedures of the Company. It ensures that the financial statements are correct, sufficient and credible and also such other functions as may prescribe from time to time by Regulatory Authorities. The Audit Committee is vested with the necessary powers to achieve its objectives.

## b. Composition, name of Members & Chairman, Meetings held during the year and attendance at meetings:

The Audit Committee presently consists of Two Non-executive Independent Directors and one Executive Director. The Audit Committee meets regularly as stipulated in Regulation 18 of the Listing Regulations. The Executive Directors, Internal Auditors and the Statutory Auditors are permanent invitees to the meetings of the Committee. The Secretarial Auditors and Cost Auditor are also invited to attend the Audit Committee Meetings, as and when required.

The details of composition of the Audit Committee, meetings held during the year and attendance of members are as under:

Sr. No.	Name of Director	Category	Member/ Chairman	No. of Meetings attended out of Six (6) meetings held during the year 2023-24
1.	Mr. Rajubhai Bhanderi	Independent Director	Chairman	6
2.	Mr. Devenbhai Doshi	Independent Director	Member	6
3.	Mr. Rupesh Mehta	Executive Director	Member	6

During the financial year 2023-24, Six (6) meetings of the Audit Committee were held as per details given below:

Sr. No.	Date of Meetings	Place
1	27.05.2023	Registered Office
2	07.07.2023	
3	11.08.2023	
4	27.09.2023	
5	22.10.2023	
6	29.01.2024	



**IV. NOMINATION AND REMUNERATION COMMITTEE::****a. Terms of Reference:**

The terms of reference and Role of the Nomination and Remuneration Committee are as per the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations, which includes Devising a policy on Board diversity, Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal, determination of qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees and also formulating performance evaluation criteria. The Committee also ensures equity, fairness and consistency. The recommendations of the Nomination and Remuneration Committee are considered and approved by the Board, subject to the approval of Members, wherever necessary.

The policy is framed by the Nomination and Remuneration Committee and approved by the Board, which includes performance evaluation criteria for Independent Directors is disclosed on the website of the Company at

<https://macpowercnc.com/wp-content/uploads/sites/395/2023/06/NominationandRemunerationpolicy.pdf>

The powers, role and terms of reference of the nomination and remuneration committee covers the areas as contemplated under regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 178 of the Company's Act, 2013, besides other terms as may be referred by the Board of Directors.

**b. Composition, name of Members & Chairman, Meetings held during the year and attendance at meetings:**

The Nomination and Remuneration Committee presently consist of two Independent Non-Executive Directors and one Non-Executive Director. The Chairman is an Independent Non-Executive Director.

The details of composition of the Nomination and Remuneration Committee, meetings held during the year and attendance of members are as under:

Sr. No.	Name of Director	Category	Member/ Chairman	No. of Meetings attended out of One (1) meetings held during the year 2023-24
1.	Mr. Rajubhai Bhanderi	Independent, Non-executive	Chairman	1
2.	Mr. Devenbhai Doshi	Independent, Non-executive	Member	1
3.	Mrs. Riyaben Mehta	Non-Executive Director	Member	1



During the financial year 2023-24, One (1) meetings of the Nomination and Remuneration Committee were held as per details given below:

Sr. No.	Date of Meetings	Place
1	27.05.2023	Registered Office

**c. Policy for selection and appointment of Directors and their remuneration:**

The Nomination and Remuneration (N&R) Committee has adopted a Policy which, inter alia, deals with the manner of selection of Board of Directors and Key Managerial Personnel and their remuneration are as under:

**i. Appointment criteria and qualification:**

The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director in terms of Diversity Policy of the Board and recommend to the Board his / her appointment.

A person should possess adequate qualification, expertise and experience for the position he / she is considered for the appointment of KMP (other than Managing / Whole time Director) or Senior Management Personnel. Further, for administrative convenience, the appointment of KMP (other than Managing / Whole time Director) or Senior Management, the Managing Director is authorized to identify and appoint a suitable person for such position. However, if the need be, the Managing Director may consult the Committee / Board for further directions / guidance.

**ii. Remuneration Policy:**

The Company has a standard remuneration policy for the Executive and Non-Executive Directors, which is periodically reviewed by the Nomination and Remuneration Committee, are as under.

The remuneration / commission / sitting fees, as the case may be, to the Non-Executive / Independent Director, shall be in accordance with the provisions of the Act and the Rules made thereunder for the time being in force or as may be decided by the Committee / Board / Shareholders.

An Independent Director shall not be entitled to any stock option of the Company unless otherwise permitted in terms of the Companies Act, 2013 and Listing Regulation, as amended from time to time

- The remuneration / compensation / commission, etc., as the case may be, to the Managing / Whole Time Director will be determined by the Committee and recommended to the Board for approval. Subject to the prior / post approval of the shareholders of the Company and Central Government, wherever required and shall be in accordance with the provisions of the Act and Rules made thereunder.



- Further, the Managing Director of the Company is authorized to decide the remuneration of KMP (other than Managing / Whole time Director) and Senior Management, and which shall be decided by the Managing Director based on the standard market practice and prevailing HR policies of the Company
- The Board has approved Nomination and Remuneration Policy which has been uploaded on the website of the Company at <https://macpowercnc.com/wp-content/uploads/sites/395/2023/06/NominationandRemunerationpolicy.pdf>

## d. Details of Remuneration to all the Directors:

The Details of remuneration/sitting fees paid/payable to the Directors for the financial year 2023-24 are as under:

Name of director	Salary, Allowance, Perquisites and other benefits	Performance-linked Income/Bonus / Commission Paid or Payable***	Stock Option**	Pension	Sitting Fees Paid
<b>Executive Directors</b>					
Mr. Rupesh J. Mehta*	36 Lakhs	-	-	-	-
Mr. Nikesh J. Mehta*	20 Lakhs	-	-	-	-
<b>Non-Executive Directors</b>					
Mrs. Riyaben Mehta	-	-	-	-	-
Mr. Rajubhai Bhandari	-	-	-	-	-
Mr. Devenbhai Doshi	-	-	-	-	-
Mr. Maulik Mokariya	-	-	-	-	-

\* Service Contract/Notice Period/Severance Fees are as per Agreement entered with Managing Director and Whole Time Director.

Mr. Rupesh J. Mehta having monthly byway of professional/Management Consultancy Fee of Rs.3 Lakhs plus 18% GST with effect from 01st October, 2022 and Mr. Nikesh J. Mehta having monthly remuneration byway professional/Management Consultancy Fee of Rs.2 Lakhs plus 18% GST with effect from 01st October, 2022.

\*\*The Company is not having stock option scheme therefore the same is not applicable.

\*\*\*Commission is payable to Managing Director and Whole Time Director only, as per the terms of Contract entered into between the Company and the Managing Director & Whole Time Director, if any.



## **e. Pecuniary Relationship with Non-Executive Directors:**

None of the Non-executive Directors has any pecuniary relationship or transactions with the Company except as per requirements of Indian Accounting Standard are disclosed in the notes to accounts annexed to the financial statements.

## **f. Performance evaluation criteria for independent directors:**

Each Independent director shall be evaluated by all other directors of the Board BUT not by HIM/HER

### **Evaluation criteria based on professional conduct**

- 1) Whether ID upholds ethical standards of integrity and probity?
- 2) Whether ID acts objectively and constructively while exercising their duties?
- 3) Whether ID exercises his/her responsibilities in a bona fide manner in the interest of the Company?
- 4) Whether ID devotes sufficient time and attention to his/her professional obligations for informed and balanced decision making?
- 5) Whether ID not allow any extraneous considerations that will vitiate his/her exercise of objective independent judgment in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making?
- 6) Whether ID does not abuse his/her positions to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person?
- 7) Whether ID refrains from any action that would lead to loss of his/her independence?
- 8) Where circumstances arise which make an independent director lose his/her independence, whether the independent director has immediately informed the Board accordingly?
- 9) Whether ID assists the Company in implementing the best corporate governance practices?

### **Evaluation criteria based on Role and functions:**

- 10) Whether ID helps in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct?
- 11) Whether ID brings an objective view in the evaluation of the performance of Board and management?
- 12) Whether ID scrutinises the performance of management in meeting agreed goals and objectives and monitor the reporting of performance?
- 13) Whether ID satisfies himself/herself on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible?



- 14) Whether ID has taken actions to safeguard the interests of all stakeholders, particularly the minority shareholders?
- 15) Whether IDs balances the conflicting interest of the stakeholders?
- 16) Whether ID during the Board/ Committee meetings along with other members determines appropriate levels of remuneration of executive directors, key managerial personnel and senior management have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management?
- 17) Whether ID moderates and arbitrates in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest?

## **Evaluation criteria based on Duties**

- 18) Whether ID undertakes appropriate induction and regularly update and refresh his/her skills, knowledge and familiarity with the Company?
- 19) Whether ID seeks appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts?
- 20) Whether IDs strive to attend all meetings of the Board of Directors and of the Committees of which he/she is a member?
- 21) Whether ID participates constructively and actively in the Committees of the Board in which he/she is chairperson or member?
- 22) Whether ID strives to attend the general meetings of the Company?
- 23) Where ID has concerns about the running of the Company or a proposed action, whether he/she ensures that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting?
- 24) Whether ID does not unfairly obstruct the functioning of an otherwise proper Board or Committee of the Board?
- 25) Whether ID gives sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure himself/herself that the same are in the interest of the Company?
- 26) Whether ID ascertains and ensures that the Company has an adequate and functional vigil mechanism and also ensures that the interests of a person who uses such mechanism are not prejudicially affected on account of such use?
- 27) Whether ID reports concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct?
- 28) Whether ID acts within his/her authority, assist in protecting the legitimate interests of the Company, shareholders and its employees?
- 29) Whether ID does not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law?



## V. STAKEHOLDER RELATINSHIP COMMITTEE:

The Stakeholders Relationship Committee, amongst the areas, mentioned in Regulation 20 of the Listing Regulations and Section 178 of the Act is ensuring expeditious redressal of shareholders' and investors' complaints like non-receipt of annual report, non-receipt of share certificates upon transfer of shares, dematerialization/re-materialization, transfer/ transmission, split/consolidation of shares etc.

The details of Composition of the Committee are as under:

Sr. No.	Name of Director	Category	Member/ Chairman	No. of Meetings attended out of One (1) meetings held during the year 2023-24
1.	Mr. Rajubhai Bhandari	Independent, Non-executive	Chairman	1
2.	Mr. Nikesh Mehta	Executive Director	Member	1
3.	Mr. Rupesh Mehta	Executive Director	Member	1

During the financial year 2023-24, One (1) meetings of the Stakeholders Relationship Committee were held as per details given below:

Sr. No.	Date of Meetings	Place
1	28.01.2024	Registered Office

Mr. Kishor Kikani, Company Secretary is the Compliance Officer.

The details of investors' complaints received and resolved during the Financial Year 2023-24 are as under:

No. of investors' complaints received during the Year	No. of investors' complaints Resolved during the year	Investors' complaints pending at the end of the year
--	--	--

## VI. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee was constituted in accordance with the provisions of the Companies Act, 2013 and rules made there under. Amongst the areas, mentioned under the Companies Act, 2013, is to formulate policy and monitoring activities of Corporate Social Responsibility spending.

The terms of reference and role of the Corporate Social Responsibility Committee are as mentioned in policy formulated in line with schedule VII to the Companies



Act, 2013 and Rules made thereunder, same is disclosed on the website of the Company at

<https://macpowercnc.com/wp-content/uploads/sites/395/2023/06/CorporateSocialResponsibilitypolicy.pdf>

The details of composition of the Corporate Social Responsibility Committee meeting held during the year and attendance of members are as under:

Sr. No.	Name of Director	Category	Member/ Chairman	No. of Meetings attended out of One (1) meetings held during the year 2023-24
1.	Mr. Rajubhai Bhandari	Independent, Director	Chairman	1
2.	Mr. Rupesh Mehta	Executive Director	Member	1
3.	Mr. Nikesh Mehta	Executive Director	Member	1

During the financial year 2023-24, One (1) meeting of the Corporate Social Responsibility Committee was held as per details given below:

Sr. No.	Date of Meetings	Place
1.	28.01.2024	Registered Office

## VII. RISK MANAGEMENT COMMITTEE

The Company was not required to frame Risk Management Committee pursuant to Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and accordingly not constituted, however the board of directors is responsible for framing, implementing and monitoring the risk management plan for the listed entity and Audit Committee of the Company also evaluating Risk Management Systems.

## VIII. SENIOR MANAGEMENT:

There is no changes therein since the close of the previous financial year.

Sr. No	Names	Designation
1.	Mr. Rupesh J. Mehta	Managing Director
2.	Mr. Nikesh J. Mehta	Whole-Time Director(WTD) and Chief Executive Officer(CEO)
3.	Mr. Rajnikant Raja	CFO
4.	Mr. Kishor Kikani	CS
5.	Mr. P. Prabhu Shankar	V.P. Sales & Marketing
6.	Mr. Ashish Nakum	V.P. Design/R&D
7.	Mr. Rajiv Raichura	AGM
8.	Mr. Gaurav. Bhatt	Sr. Manager HR

## IX. SUBSIDIARY COMPANIES:

The requirement of formulating a specific policy on dealing with material subsidiaries doesn't arise as the Company has no Subsidiary as on date.

## X. GENERAL BODY MEETINGS:

### a. Details of last three AGM/general meetings are as under:

YEAR	AGM/ EGM	LOCATION	DATE	TIME	Special Resolutions passed for
2020-21	AGM	At Registered office of the company	29 <sup>th</sup> September, 2021	2:00 p.m.	<ol style="list-style-type: none"> <li>1. Increase/revision in remuneration of Mr. Rupesh Mehta (DIN: 01474523), managing director of the company.</li> <li>2. increase/revision in remuneration of Mr. Nikesh Mehta (DIN:01603779), Whole-Time Director (WTD) of the company</li> </ol>
2021-22	AGM	At Registered office of the company	27 <sup>th</sup> September, 2022	2:00 p.m.	<ol style="list-style-type: none"> <li>1. Reappointment of Mr. Rupesh Jagdishbhai Mehta (DIN: 01474523) as a Managing director of the Company and to fix his remuneration.</li> <li>2. Reappointment of Mr. Nikesh Jagdish Mehta (DIN: 01603779) as a Whole-time director (WTD) of the Company and to fix his remuneration.</li> <li>3. Reappointment of Mr. Rajubhai Ranchhodbhai Bhandari (DIN: 07986563) as an Independent Director of the Company for a second term of five consecutive years</li> <li>4. Reappointment of Mr. Deven Jasvantra Doshi (DIN: 07994505) as an Independent Director of the Company for a second term of five consecutive years.</li> <li>5. Reappointment of Mr. Maulik Rambhai Mokariya (DIN: 05310868) as an Independent Director of the Company for a second term of five consecutive years.</li> </ol>
2022-23	AGM	At Registered office of the company	22 <sup>nd</sup> September, 2023	2:00 p.m.	Nil

\*Registered office address: Plot No. 2234, Nr.Kranti Gate, GIDC Metoda, Tal-Lodhika, Gujarat, Rajkot-360021.



## **b. Passing of Resolution by Postal Ballot:**

None of special resolution was passed by way of postal ballot during the financial year ended March 31, 2024. As on date, the Company does not have any proposal to pass any special resolution by way of postal ballot.

## **XI. DISCLOSURES:**

### **a. Related Party Transactions:**

Transactions with related parties, as per requirements of Indian Accounting Standard (Ind AS) 24 are disclosed in the notes to accounts annexed to the financial statements. All the transactions with related parties were in the ordinary course of business and on arm's length basis. In terms of Regulation 23 of Listing Regulations the Company has obtained prior approval of the Audit Committee for entering into any transaction with related parties. The Audit Committee granted omnibus approval for certain transactions to be entered into with the related parties which are repetitive in nature, during the year. Statement giving details of all related party transactions entered into pursuant to the omnibus approval so granted is placed before the Audit Committee and the Board of Directors for their approval on a quarterly basis.

Policy on dealing with Related Party Transactions can be viewed on the Company's website at

<https://macpowercnc.com/wp-content/uploads/sites/395/2023/06/Policyonmaterialityofrelatedpartytransactionsanddealingwithrelatedpartytransactions.pdf>

### **b. Details of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authorities or any matter related to capital markets during the last three years:**

No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets in the last three years. Except NSE has levied fine of Rs. 23,600/- for delayed Compliance with Regulation 23(9) of SEBI (LODR) Regulations, 2015 due to late submission of disclosures of related party transactions for half year ended on 31<sup>st</sup> March, 2022 in specified format by 4 days and Company has paid fine of Rs. 21,600 after deducting TDS of Rs. 2000/- within given time period.

*"Board at their next board meeting noted the notice received from NSE regarding imposition of fine amount of Rs. 23600 (including GST) and payment of fine by the Company and in this regard, the Board of Directors called upon the management/Compliance team to be vigilant and sensitive of such compliance matters and ensure that there will be no instances of such non/delay-compliance*



going forward. Delayed submission of related party transactions statement was occurred due to oversight regarding changed happen in filing period from 30 days to 15 days of result published. The Company shall ensure that submission regarding the subjects enumerated in Regulation 23(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is to be submitted timely in the future and no such lapses occur.”

## c. **Whistleblower Policy:**

The Company has formulated Whistleblower Policy in conformity with the Regulation 22 of the Listing Regulation and Section 177 of the Companies Act, 2013, to provide a mechanism for directors and employees of the company to approach the Chairman of the Audit Committee of the Company for the purpose of dealing with instance of fraud and mismanagement, if any and also ensure that whistleblowers are protected from retribution, whether within or outside the organization. No personnel have been denied access to the Audit Committee, if any, during the year.

The Company's Whistleblower Policy is on the Company's website at

<https://macpowercnc.com/wp-content/uploads/sites/395/2023/06/VigilMechanismorWhistleBlowerpolicy.pdf>

## d. **Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of Listing Regulation:**

**Mandatory:** During the year, the Company has fully complied with the mandatory requirements as stipulated in Listing Regulations. Further Company has disseminated report on compliance with corporate governance requirements as specified in regulation 17 to 27 and 46(2) on it's website at <https://macpowercnc.com/> and also submitted with NSE.

**Non-Mandatory:** The Company has adopted Non- Mandatory requirements of C & E of the Non-Mandatory requirements as provided in Part E of Schedule II to the Listing Regulations and not adopted A, B and D since they are discretionary requirements.

## e. **Commodity Price Risk and Hedging activities:**

Company is a sizable user of various commodities, which exposes it to the price risk on account of procurement of commodities. The company has not drawn a hedging policy for activities exposed to foreign exchange fluctuations including for imports of goods.

## f. **Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):** Not applicable.



- g. **Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount':** Not applicable.
- h. **Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries – Not Applicable as Company has no subsidiaries:** Not applicable.
- i. **Disclosure of certain types of agreements binding listed entities:** There is no such type of agreements binding company.

## **XII. RISK MANAGEMENT:**

The management of the Company has identified some of the major areas of concern having inherent risk, viz. Foreign Currency Fluctuation, Client Concentration, Technology Risks, noncompliance risk and Credit Control. The processes relating to minimizing the above risks have already been put in place at different levels of management. The management of the Company reviews the risk management processes and implementation of risk mitigation plans periodically. The processes are continuously improved.

## **XIII. GENERAL CODE OF CONDUCT:**

The Company has formulated and implemented a General Code of Conduct (Copy available on Company's website at <https://macpowercnc.com/wp-content/uploads/sites/395/2023/06/PolicyonCodeofConduct.pdf> for all its Directors and Senior Management of the Company in compliance with Listing Regulation. All the Board Members and Senior Management of the Company have affirmed compliance with the Said Code of Conduct for the financial year ended March 31, 2024. A declaration by the Whole-Time Director & CEO affirming compliance with the said Code of Conduct by Board Members and Senior Management is annexed at the end of the Report and forms part of this Report.

## **XIV. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING:**

The Board of Directors has framed a policy for code of practices and procedures for fair disclosure of unpublished price sensitive information as per SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 and the Rules made thereunder. The said policy can be accessed on the Company's website at <https://macpowercnc.com/wp-content/uploads/sites/395/2023/06/Code-of-Conduct-for-prevention-of-Insider-Trading-and-Fair-Disclosure-of-Unpublished-Price-Sensitive-Information.pdf>. The necessary preventive actions, including Closure of Trading Window around the time of any price sensitive events or information, are taken. All the Designated Persons have given declaration affirming compliance with the said Code for the year ended 31 March, 2024.



**XV. CEO & CFO CERTIFICATION:**

In accordance with the requirements of Regulation 17 (8) of Listing Regulation, a certificate from Whole-Time Director & CEO and Chief Financial Officer of the Company, on the financial statements of the Company was placed before the Board in the Meeting held on May 27, 2024 and the same is annexed to this report, also forms part of this Annual Report.

**XVI. REPORT ON CORPORATE GOVERNANCE:**

This Corporate Governance Report forms part of the Annual Report. Certificate obtained from the Secretarial Auditor M/s. K.P. Rachchh & Co. practicing company secretary confirming compliance with the conditions of Corporate Governance as stipulated in Listing Regulations and the same is annexed to this report, also forms part of this Annual Report.

**XVII. MEANS OF COMMUNICATION:**

The Company has a practice to publish Quarterly\Annual results in at least 1 English language National Daily newspaper circulating in the whole or substantially the whole of India and in one daily newspaper published in the language of the region, where the registered office of the Company is situated i.e. in Gujarati Language and also to put the same on its website at [www.macpowercnc.com](http://www.macpowercnc.com). The aforesaid financial results are also disclosed on ([www.nseindia.com](http://www.nseindia.com)) website of NSE where the Company's securities are listed, immediately after these are approved by the Board. Moreover, a direct communication is also made to the shareholders by the Managing Director as and when required and same is available at <https://macpowercnc.com/investor-presentation/>. Further, there is separate General Shareholder Information section in this Annual Report and forms part of it.

Your Company follows a robust process of communicating with its stakeholders, security holders and investors through multiple channels of communications such as dissemination of information on the website of the stock Exchanges, the annual reports and uploading relevant information on its website.

The website of the company also displays the information of the company's products, dealers, availability among others presentations made to the institutional investor and analysts are also disseminated on the website of the Company.

**XVIII. DISCLOSURES OF RELATED PARTY TRANSACTIONS (RPTS):**

The SEBI (Listing Obligations & Disclosure Requirements) (Amendment) Regulations, 2018 have introduced, as a part of the "related party disclosure" in the annual report, disclosures of transactions of the listed entity with any person or entity belonging to the promoter or promoter group which hold(s) 10 % or more



shareholding in the listed entity. The details of related party transactions entered during the financial year 2023-24 are as below:

Name of the Related Party	Nature of Transaction	Amount Rs. in Lakhs
Modern Machine Tools	Purchases [Repair, Parts and Tools]	4
	Sales [Repair, Parts and Tools]	13
Macpower Industries	Purchases [Repair, Parts and Tools]	25
	Sales [Repair, Parts and Tools]	-
Mr. Rupesh J. Mehta	Remuneration	*36
Mr. Nikesh J. Mehta	Remuneration	*20
Mr. Rajnikant M. Raja	Remuneration	10
Mr. Kishor M. Kikani	Remuneration	5

*\*Mr. Rupesh J. Mehta having monthly remuneration byway of professional/Management Consultancy Fee of Rs.3 Lakhs plus 18% GST with effect from 01st October, 2022 and Mr. Nikesh J. Mehta having monthly remuneration byway of professional/Management Consultancy Fee of Rs.2 Lakhs plus 18% GST with effect from 01st October, 2022.*

## **XIX. DISCLOSURE ON AUDIT AND NON-AUDIT SERVICES RENDERED BY THE AUDITOR:**

The SEBI (Listing Obligations & Disclosure Requirements) (Amendment) Regulations, 2018 requires to disclose total fees paid to auditors for audit and non-audit services to improve transparency. The total fee paid to the Statutory Auditor during the FY 2023-24 is as under:

Fee paid for audit services:	Rs. 6 lakhs
Fee paid for Non-Audit Service:	-
<b>Total fee paid:</b>	<b>Rs. 6 lakhs</b>

## **XX. DISCLOSURE PERTAINING TO CREDIT RATING:**

[SEBI (LODR) (Amendment) Regulations, 2018, Para 3(t)(ii) and Para 3(x)(c)(ii)] require listed entity to disclose as a part of the Corporate Governance Report, a list of all credit ratings obtained by the listed entity for all debt instruments or for any fixed deposit program, or any scheme or proposal involving mobilization of funds, needs to be disclosed along with any revisions thereto during the relevant financial year. There is no requirement of obtaining credit rating by your company as there are no such types of debts.

## **XXI. DISCLOSURES IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**



The Company has framed a policy for prevention of sexual harassment at work. This provides a mechanism to prevent or deter the commission of acts of sexual harassment or inappropriate behavior at work and to ensure that all employees are treated with respect and dignity. Under the said policy, the procedures for the resolution, settlement or prosecution of acts or instances of sexual harassment have also been provided for.

Disclosure under the 'Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, during the financial year ended on March 31, 2024, we report as follows:

1. No. of complaints received in the year : **Nil**
2. No. of complaints disposed off in the year : **Nil**
3. Cases pending as on end of the financial year : **Nil**

## **XXII. DISCLOSURES PERTAINING TO DISQUALIFICATION OF DIRECTORS:**

The SEBI (Listing Obligations & Disclosure Requirements) (Amendment) Regulations, 2018 introduced requirement to disclose a certificate from a Company Secretary in practice that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as the directors of companies by the Board/MCA or any such statutory authority. In this regard, Company have obtained a certificate from **M/s. K. P. Rachhh& Co**, Practicing Company Secretary that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as the directors of companies by the Board/MCA or any such statutory authority and the same is annexed to this report, also forms part of this Annual Report.

## **XXIII. VIEWS OF COMMITTEES NOT ACCEPTED BY THE BOARD OF DIRECTORS:**

The SEBI (Listing Obligations & Disclosure Requirements) (Amendment) Regulations, 2018 introduced requirement to disclose along with the reasons thereof, where the Board has not accepted any recommendation of any committee of the Board which is mandatorily required. We hereby confirm that the Board has accepted all the recommendations received from committee of the Board which is mandatorily required and there is no recommendation which has not been accepted by the Board to comment on required to disclose.



## XXIV. GENRAL SHAREHOLDER INFORMATION:

### a. Information about Annual General Meeting, Financial Year, Book Closure & Dividend Payment Date, Stock Exchanges & Stock Code:

Particulars	Details			
Financial Year:	From April 1 to March 31			
AGM (as indicated in the Notice)	Date	Time	Venue	
	27.09.2024	02:00 PM	Registered office of company situated at Plot No.2234, Nr. Kranti Gate, Gidc Metoda, Tal Lodhika Rajkot GJ 360021	
Date of Book Closure (both days inclusive)	From	To		
	21.09.2024	27.09.2024		
Dividend payment date	Credit/Dispatch of Dividend Warrants/Demand Draft within 30 days of AGM.			
Listing on Stock Exchange	Name of Stock Exchange	Symbol	ISIN	Listing Fees paid upto
	National Stock Exchange of India Limited, Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex Bandra (E) Mumbai - 400 051	MACPOWER	INE155Z01011	March 31, 2025
Plant Locations & Address for Correspondence	Plot No. 2234, Nr.Kranti Gate, GIDC Metoda, Tal-Lodhika, Gujarat, Rajkot-360021.			
Investor Contacts	Mr. Kishor Kikani, Company Secretary and Compliance officer Plot No. 2234, Nr. Kranti Gate, GIDC Metoda, Tal-Lodhika, Gujarat, Rajkot-360021. Email Id: <a href="mailto:cs@macpowercnc.com">cs@macpowercnc.com</a> Ph No: 72111 44413			

### b. Registrar and share transfer agent:

**Link Intime India Private Limited**, 5<sup>th</sup> Floor, 506 to 508, Amarnath Business Centre-1, (ABC-1), Beside Gala Business Centre, Nr. st.Xavier's Collage Corner, Off C G Road, Ellisbridge, Ahmedabad-380006,  
Ph-079-26465179 E-mail- [Ahmedabad@linkintime.co.in](mailto:Ahmedabad@linkintime.co.in)

### c. Share Transfer system:

There are no members holding shares in physical form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company.

**d. Market Price data and Performance in comparison to broad-based indices viz., NSE Nifty:**

Month	Quotations on NSE		NSE Nifty 50	
	High	Low	High	Low
April 2023	324.90	270.25	18,089.15	17,312.75
May 2023	353.45	278.00	18,662.45	18,042.40
June 2023	358.30	274.90	19,201.70	18,464.55
July 2023	326.45	279.50	19,991.85	19,234.40
August 2023	309.00	207.40	19,795.60	19,223.65
September 2023	346.90	285.00	20,222.45	19,255.70
October 2023	529.55	288.50	19,849.75	18,837.85
November 2023	625.75	448.90	20,158.70	18,973.70
December 2023	677.20	597.70	21,801.45	20,183.70
January 2024	924.65	567.85	22,124.15	21,137.20
February 2024	1,020.75	878.80	22,297.50	21,530.20
March 2024	1,126.95	836.05	22,526.60	21,710.20

**e. Distribution of shareholding as on March 31, 2024:**

S.N.	No. of equity shares	No of shareholders	% of shareholders	No of shares held	% of shareholding
1	1 to 500	11461	93.8119	735582	7.3528
2	501 to 1000	376	3.0777	289391	2.8927
3	1001 to 2000	213	1.7435	300881	3.0076
4	2001 to 3000	58	0.4747	147861	1.478
5	3001 to 4000	25	0.2046	90030	0.8999
6	4001 to 5000	22	0.1801	100526	1.0048
7	5001 to 10000	32	0.2619	220297	2.2021
8	10001....	30	0.2456	8119592	81.1622
	<b>TOTAL :</b>	<b>12217</b>	<b>100</b>	<b>10004160</b>	<b>100</b>

Note: All the Shares of the Company are in Demat form

**f. Shareholding pattern as on March 31, 2024:**

Sr. No.	Category	No of Shareholders	No of shares held in demat form	% of shareholding	% of shareholders
<b>1.0</b>	<b>Promoters and promoter group</b>	<b>7</b>	<b>7320294</b>	<b>73.17</b>	<b>0.06</b>
<b>2.0</b>	<b>Public Shareholding</b>				
2.1	Alternate Invst Funds - III	1	17840	0.18	0.01
2.2	Public	11535	2201050	22.00	96.25
2.3	Foreign Portfolio Investor-I	1	465	0.01	0.01
2.4	Foreign Portfolio Investor-II	1	65625	0.65	0.01
2.5	Bodies Corporate-LLP	9	9415	0.09	0.08
2.6	Other Bodies Corporate	49	242673	2.43	0.41
2.7	Hindu Undivided Family	171	57839	0.58	1.43
2.8	Non-Resident Indians	210	88959	0.89	1.75
	<b>Total Public Shareholding</b>	<b>11977</b>	<b>2683866</b>	<b>26.83</b>	<b>99.94</b>
	<b>Grand Total (1+2)</b>	<b>11984</b>	<b>10004160</b>	<b>100.00</b>	<b>100.00</b>



## **g. Dematerialization of Shares and Liquidity:**

The equity shares of the Company are available in dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL). The Company's equity shares are traded compulsorily in the dematerialized form. As on date, All the Shares of the Company are in Demat form.

## **h. Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, conversion date and likely impact on equity:**

As on date, the Company has not issued GDRs, ADRs or any other Convertible Instruments and as such, there is no impact on the equity share capital of the Company.

## **i. Commodity Price Risk/Foreign Exchange Risk and Hedging Activities:**

Company is exposed to foreign exchange risk on account of import and export transactions entered into. Also it is a sizable user of various commodities, which exposes it to price risk on account of procurement of commodities. The Company did not hedged Foreign Currency for import of goods and did not hedge commodities that company imported during the year.

## **j. Disclosure with respect to demat suspense account/unclaimed suspense account of shares:**

As on date, there is no requirement to transfer the share into demat suspense account/unclaimed suspense account of shares.

## **k. Discretionary Requirements:**

- The position of the Chairman and Managing Director are not separate but there is separate post for chairman and CEO in the company. Chairman is managing director and Whole-time director is Chief Executive officer of the company.
- The quarterly/yearly financial results are published in the newspapers of wide circulation and are not sent to individual shareholders. Further, the financial results are available on the website of the Company and of the Stock Exchange where the shares of the Company are listed,
- The Auditors' Opinion on the Financial Statements is unmodified.
- Internal Auditor reports to the Audit Committee.

## **1. Disclosure of the Compliance with Corporate Governance requirement as specified in Listing Regulation:**

During the Financial Year under review, SEBI issued new Listing Regulations viz., Securities and Exchange Board of India (Listing Obligations and Disclosure

Requirements) Regulations 2015 which is effective from December 1, 2015. As required under the said Regulations, the Company has complied with the following requirements:

- (i) Adopted Policy on Preservation of Documents and Policy on Materiality of Event/Information,
- (ii) Executed Listing Agreements with NSE. Further the Company affirms that all the requirements applicable under Listing Regulations (effective from December 1, 2015) are complied with. Company has also disseminated, report on compliance with corporate governance requirements as specified in regulation 17 to 27 and 46(2) of Listing Regulation (effective from December 1, 2015) on it's website and also submitted with NSE.

**Place: Metoda, Rajkot**  
**Date: 13<sup>th</sup> August, 2024**

For and on behalf of the Board of  
**MACPOWER CNC MACHINES LIMITED**

---

**[Rupesh J. Mehta]**  
**Chairman & Managing Director**  
**DIN: 01474523**



**PRACTICING COMPANY SECRETARY'S CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

**(Pursuant To Regulation 34(3) And Clause (10)(i) Of Part C Of Schedule V Of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015)**

**To,  
The Members,  
MACPOWER CNC MACHINES LIMITED  
(CIN:L30009GJ2003PLC043419)**

Plot No. 2234, Nr. Kranit Gate, GIDC Metoda,  
Tal. Lodhika, Rajkot – 360021

Based on the examination of records and documents and written representations received from the Directors of the Company and according to the verifications including Director Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in), it is hereby certified that as on 31st March, 2024, none of the directors on the board of the Company as mentioned below have been debarred or disqualified from being appointed or continuing as directors of company by the Board/Ministry of Corporate Affairs or any such statutory authorities:

Sr. No.	Name of Director	Director Identification Number (DIN)
1	Mr. Rupesh Jagdishbhai Mehta	01474523
2	Mr. Nikesh Jagdish Mehta	01603779
3	Mrs. Riyaben Rupeshkumar Mehta	01603726
4	Mr. Rajubhai Ranchhodbhai Bhandari	07986563
5	Mr. Deven Jasvantrai Doshi	07994505
6	Mr. Maulik Rambhai Mokariya	05310868

Ensuring the eligibility of the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Rajkot  
Date: 13<sup>th</sup> August, 2024  
UDIN: F005156F000969504  
Peer Review Certificate No. 737/2020

For, K. P. Rachchh & Co.  
Company Secretaries

Kalpesh P. Rachchh  
Proprietor  
FCS No- 5156  
C P No – 3974

**DECLARATION FOR COMPLINACE WITH CODE OF CONDUCT**

To the members of **MACPOWER CNC MACHINES LIMITED**

Pursuant to Regulation 34(3) read with Schedule V Para D of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that all Board members and Senior Management Personnel are aware of the provisions of the Code of Conduct laid down by the Board. All board members and Senior Management Personnel have affirmed compliance with the Code of Conduct.

For: Macpower CNC Machines Limited

**Nikesh J. Mehta**

Chief Executive Officer

Date: 27<sup>th</sup> May, 2024

**CERTIFICATION BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL  
OFFICER OF THE COMPANY**  
**(Pursuant to Regulations 17(8) of SEBI (LODR) Regulations, 2015)**

To,  
The Board of Directors  
Macpower CNC Machines Limited  
Gujarat/Rajkot

27<sup>th</sup> May, 2024

We Mr. Nilesh J. Mehta, Chief Executive Officer (CEO) and Whole-Time Director (DIN: 01603779) of the Company and Mr. Rajnikant M. Raja, Chief Financial Officer (CFO) hereby certify to the Board that:

1. We have reviewed financial statements and the cash flow statement for the year ended on 31.03.2024 and that to the best of our knowledge and belief:
  - I. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - II. These statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
3. We are responsible for establishing and maintaining internal controls for financial reporting in the Company and we have evaluated the effectiveness of



the internal control system of the Company pertaining to financial reporting. We have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps we have taken or propose to take to rectify these deficiencies.

4. We have indicated to the auditors and the Audit committee
- I. significant changes in internal control over financial reporting during the year;
  - II. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - III. That there were no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Rajnikant Raja  
Chief Financial Officer

Nikesh j. Mehta  
Whole-time director and  
Chief Executive Officer  
(DIN: 01603726)

## **PRACTICING COMPANY SECRETARY'S CERTIFICATE** **ON CORPORATE GOVERNANCE**

**Certificate on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To,  
The Members,  
**MACPOWER CNC MACHINES LIMITED**  
(CIN: L30009GJ2003PLC043419)  
Plot No.2234, Nr. Kranti Gate,  
GIDC Metoda, Tal Lodhika Dist  
Rajkot 360021

We have examined the compliance of the conditions of Corporate Governance by MACPOWER CNC MACHINES LIMITED ('the Company') for the year ended on March 31, 2024, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The Compliance of the conditions of Corporate Governance is the responsibility of the Management of the Company.

Our responsibility is limited to examining the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2024.

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

The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For, K. P. Rachchh & Co.  
Company Secretaries

Place: Rajkot  
Date: 13<sup>th</sup> August, 2024  
UDIN: F005156F000969130  
Peer Review Certificate No.737/2020

Signature: \_\_\_\_\_  
Kalpesh P. Rachchh  
Proprietor  
FCS No.5156  
C P No.: 3974



## To The Member of Macpower CNC Machines Limited

### Opinion

We have audited the accompanying standalone Ind AS Financial Statements of Macpower CNC Machines Limited("the Company"), which comprises the Balance Sheet as at 31st March 2024, the statement of Profit & Loss (including statement of Other Comprehensive Income), the Cash Flow Statements and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a material accounting policy information and other explanatory information, (herein after referred to as "the standalone Ind AS Financial Statement")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2024, the Profit and other comprehensive Income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing, as specified under section 143(10) of the act. Our responsibilities under those Standards are further described in the 'Auditor's responsibilities for the audit of the standalone Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the act and rules there under, 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 audit opinion on the standalone Ind AS financial statements.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended 31<sup>st</sup> March, 2024. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	Response to Key Audit Matter
<p><b>Revenue recognition.</b></p> <p>As disclosed in note 2.3 Revenue in respect of sale of goods is recognized when control of the products being sold is transferred to our customer and measured at contracted price, after deduction of any trade discounts, and any taxes or duties collected on behalf of the Government such as goods and services tax, etc.</p> <p>The application of the revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period. Additionally, revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.</p>	<p>We assessed the Company's process to identify the impact of adoption of the revenue accounting standard.</p> <p>Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:</p> <ul style="list-style-type: none"> <li>• Evaluated the design of internal controls relating to implementation of the revenue accounting standard.</li> <li>• It is observed that in majority of the cases, transaction price is charged at ex-works price and revenue is booked at the time of dispatch of the goods.</li> <li>• The above method followed by the company is in line the provisions of Ind AS 115 - 'Revenue from contracts with customers'</li> </ul> <p>Conclusion:</p> <p>We agree with the management's evaluation.</p>
<p><b>Contingent liabilities relating to taxation, litigations and claims (refer Note 30)</b></p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>• Understanding the process followed by</li> </ul>



The contingent liabilities relate to ongoing litigations and claims with various authorities and third parties. These relate to direct tax, indirect tax, transfer pricing arrangements, claims, general legal proceedings, environmental issues and other eventualities arising in the regular course of business.

The determination of contingent liability requires significant judgement by the Company because of the inherent complexity in estimating future costs. The contingent liabilities are subject to changes in the outcomes of litigations and claims and the positions taken by the Company. It involves significant judgement and estimation to determine the likelihood and timing of the cash outflows and interpretations of the legal aspects, tax legislations and judgements previously made by authorities.

the Company for assessment and determination of the amount of contingent liabilities relating to taxation, litigations and claims.

- Evaluating the design and implementation and testing operating effectiveness of key internal controls around the recognition and measurement of re-assessment of contingent liabilities.
- Involving our tax professionals with specialised skills and knowledge to assist in the assessment of the value of significant contingent liabilities relating to taxation matter, on sample basis, in light of the nature of the exposures, applicable regulations and related correspondence with the authorities.
- Inquiring the status in respect of significant contingent liabilities with the Company's internal tax and legal team, including challenging the assumptions and critical judgements made by the Company which impacted the computation of the provisions and inspecting the computation.
- Assessing the assumptions used and estimates of outcome and financial effect, including considering judgement of the Company, supplemented by experience of similar decisions previously made by the authorities and, in some cases, relevant opinions given by the Company's advisors.
- Testing data used to develop the estimate for completeness and accuracy.
- Evaluating judgements made by the Company by comparing the estimates of prior year to the actual outcome.
- Evaluating the Company's disclosures in the standalone financial statements in respect of provisions and contingent liabilities

Conclusion:  
We agree with the management's evaluation



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

The company's board of directors and management is responsible for the preparation of the other information. The other information comprises the information included in Management discussion and analysis, Board's report including Annexure to board's report, business responsibility reports, corporate governance and shareholder's information, but doesn't include standalone financial statements and our auditor's report thereon.

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

In connection with our audit of standalone financial statement, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the standalone financial statement or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

## Management's and Board of Director's Responsibility for the Standalone Ind AS Financial Statement

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



In preparing the standalone financial statements, the Management and Board of Directors are 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.

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's and board of director's use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



## Report on Other Legal and Regulatory Requirements

1. As required by 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 the "Annexure A" a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, based on our audit we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Cash Flows and the Standalone Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors as on 31st March, 2024 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164(2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- A. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer Note 30 to the standalone financial statements;
- B. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- C. There have been no delays in transferring the amounts, required to be transferred to the Investor Education and Protection Fund by the Company.
- D. (i) The Management of the Company has represented that, to the best of its knowledge and belief, 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, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (ii) The Management of the Company has represented that, that, to the best of its knowledge and belief, 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, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (iii) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has



caused us to believe that the representations under sub-clause (i) and (ii) above contain any material mis-statement.

E. The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.

F. 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 and the same has operated throughout the year for all relevant transactions recorded in the software.

**3. With respect to the matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:**

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197 (16) which are required to be commented upon by us.

**For, S.C. Makhecha & Associates**

Chartered Accountants

FRN Reg. No.: 120184W

**CA. Jay R. Khara**

Partner

Mem. No.: 182933

Date: 27/05/2024

Place: Rajkot

UDIN: 24182933BKCLZX3904

**ANNEXURE(A) REFERRED TO IN PARAGRAPH 1 OF INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF MACPOWER CNC MACHINES LIMITED ON THE FINANCIAL STATEMENTS OF THE COMPANY FOR THE YEAR ENDED 31ST MARCH, 2024.**

In terms of Companies (Auditor's Report) Order 2020, issued by the Central Government of India, in terms of section 143(11) of The Companies Act, 2013, we further report, on the matters specified in paragraph 3 and 4 of the said Order, that: -

- (i) (a) A The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipments.
- (i) (a) B The company has maintained proper records showing full particulars of intangible assets.
- (i) (b) The company has program of physical verification of Property, Plant and Equipment by management in a phased manner at reasonable intervals so as to cover all items over a period of 3 years which in our opinion is reasonable considering the size of the company and nature of its assets. Pursuant to the program, some of the Property, Plant and Equipment were physically verified by the management during the year and no material discrepancies were noticed on such verification when compared to the book figures.
- (i) (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 disclosed in the financial statements are held in the name of the company (Other than immovable properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee).
- (i) (d) The company has not revalued its Property, Plant & Equipment or Intangible assets or both during the year. Accordingly clause 3(i)(d) of the order is not applicable.
- (i) (e) According to the information and explanation provided to us and on the basis of our examination of the records of the Company, no proceedings have been initiated during the year or are pending against the Company as at 31st March 2024, for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) as (amended in 2016) and rules thereunder.
- (ii) (a) According to the information and explanations given to us and on the basis of our examination of the records, Company has divided & classified inventory into A, B & C category depending upon its value. A & B category consists of almost 80% of the total Inventory Value & the same have been physically verified during the year by the Store Manager at reasonable intervals. In our opinion, the coverage and procedure by the management is appropriate. During physical verification no material discrepancies noticed.



## INDEPENDENT AUDITOR'S REPORT

- (ii) (b) According to the information and explanations given to us and the records produced to us for our verification, the company has been sanctioned working capital limit in excess of five crore rupees, in aggregate from bank or financial institution on the basis of security of current assets and the quarterly returns filed by the company with such bank or financial institution are in agreement with the books of account except in below cases:

Quarter ended on	Particulars	Amount as per Books	Amount reported in quarterly return	Difference	Reason
Jun-23		7,961.20	7,951.51	9.69	
Sep-23		8,008.30	8,008.30	-	
Dec-23	Inventories and Trade Receivables	8,892.45	8,870.48	21.97	Provisional Stock Statement to the bank had been provided due to which the actual book stock differs when compared to the stock statement provided to the bank.
Mar-24		9,045.45	8,773.98	271.48	

- (iii) (a) During the year, company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships, or any other parties.
- (iii) (b) The company does not have investments made, guarantees provided, security given and terms and conditions of the grant of loans and advances in the nature of loans and guarantees provided which are not prejudicial to the company's interest.

- (iii)(c) As the company does not have loans and advances granted in the nature of loans, the circumstance of repayment schedule of principal and payment of interest being stipulated and the repayment or receipts during the year being regular does not arise.
- (iii)(d) As there are no loans and advances granted in the nature of loans, the circumstance of the payment being overdue does not arise.
- (iii)(e) As the company has no such loans and advances granted in the nature of loans, the circumstance of existing loan being extended or renewed or fresh loan being granted to settle existing loan does not arise.
- (iii)(f) As the company has no such loans or advances in the nature of loans, the circumstance of specifying the terms or period of repayment does not arise.
- (iv) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not given any loans or guarantees, made any investments within the meaning of sections 185 & 186 of The Companies Act, 2013.
- (v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public in terms of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013.
- (vi) In our opinion and according to the information & explanations given to us and on the basis of our examination of record, Company has maintained cost records as prescribe under section 148(1) of the Act for the notified products.
- (vii) a According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employee State Insurance, Income-Tax, Sales Tax/Value added Tax, Goods and Services Tax, Excise Duty, Duty of Customs, cess and other material statutory dues have been deposited regularly during the year by the Company with the appropriate authorities.
- (vii) b According to the information and explanation given to us, no undisputed amounts payable in respect of aforesaid dues were outstanding as on 31 March 2024 for a period of more than six months from the date of become payable.
- (vii) c According to the information and explanations given to us, there are no material statutory dues of Provident Fund, Employee State Insurance and wealth Tax which have not been deposited with the appropriate authorities on account of any dispute. However, according to the information and explanation given to us, the following dues of the Gujarat Value Added Tax & Central Sales Tax which have not been deposited by the Company on account of disputes are as follows:



## INDEPENDENT AUDITOR'S REPORT

Sr. No.	Name of the Statute	Nature of Dues	Amount (Rs in Lacs)	Period to which the amount relates	Forum where dispute is pending	Amount (in Lacs) paid under Protest
1	Gujarat Value Added Tax Act, 2003	VAT	3.27	2017-18	Deputy State Tax Commissioner of Appeals	-
2	Gujarat Value Added Tax Act, 2003	VAT	1.21	2016-17	Deputy State Tax Commissioner of Appeals	1.22
3	Central Sales Tax Act, 1956	CST	7.57	2016-17	Deputy State Tax Commissioner of Appeals	4.51

(viii) According to the information and explanations given to us and based on our examination of the records of the Company, the company has not surrendered or disclosed previously undisclosed transactions as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, 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 any repayment of loans or other borrowings or interest to any lender.

(ix) (b) According to the information and explanations given to us and on the basis of our examination of the records of the company, The company has not been declared as a wilful defaulter by any bank or financial institution or other lender.

(ix) (c) According to the information and explanations given to us and on the basis of our examination of the records of the company, during the year company has not borrowed or is not using any term loans therefore question of its utilisation does not arise.

(ix) (d) According to the information and explanations given to us and on the basis of our examination of the records of the company, the funds raised on a short term basis have not been utilised for long term purposes.

(ix) (e) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(ix) (f) Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

(x) (a) The company has not made any initial public offer or further public offer during the year.

(x) (b) The company has not made any preferential allotment or private placement of shares/debentures during the year.

## INDEPENDENT AUDITOR'S REPORT

- (xi)(a) Based on examination of the books and records of the company and according to the information and explanation given to us, considering the principles of materiality outlined in the standard on auditing, we report that no fraud by the company or on the company has been noticed or reported during the year.
- (xi)(b) According to the information and explanations given to us and on the basis of our examination of the records of the company, no report under sub-section (12) of Section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules 2014 with the Central Government.
- (xi)(c) According to the information and explanations given to us and on the basis of our examination of the records of the company, No complaints have been received from the whistle-blower during the year by the Company.
- (xii) As company is not Nidhi Company, Reporting to clause (xii) (a)/(b)/(c) is not applicable.
- (xiii) According to information and explanation given to us and on the basis of books of accounts and other relevant records of the company, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to Financial Statements as required by applicable IND AS.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (xiv) (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) According to information and explanation given to us and on the basis of examination of books of accounts and other relevant records of the company, the company has not entered into any non-cash transactions with directors or persons connected with directors, during the year.
- (xvi) (a) The company is not required to be registered under section 45-IA of The Reserve Bank of India Act, 1934.
- (xvi) (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act 1934.
- (xvi) (c) The Company is not a Core Investment Company (CIC) as defined under the Regulations by the Reserve Bank of India.
- (xvi) (d) Reporting to this clause is not applicable as company is not CIC.



- (xvii) The company has not incurred cash losses during the year or the immediately preceding Financial Year.
- (xviii) There has not been any resignation of the statutory auditors during the year.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, 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.
- (xx) (a) According to information and explanation given to us and on the basis of examination, we state that there is no unspent amount as per section 135 for the year in respect of other than ongoing projects.
- (xx) (b) As per the information and explanation given to us and on the basis of examination, there is no ongoing projects. Therefore reporting to this clause is not applicable.
- (xxi) As the company is not subsidiary or holding company, reporting on qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements is not required.

**For S. C. Makhecha & Associates**

Chartered Accountants  
Firm Reg. No. 120184W

**Jay Rajeshbhai Khara**

Partner  
Membership no. 182933  
UDIN : 24182933BKCLZX3904  
Date: 27.05.2024  
Place: Rajkot



## ANNEXURE-B

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

We have audited the internal financial controls over financial reporting of **Macpower CNC Machines Limited** as of 31<sup>st</sup> March, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

#### **Auditors' Responsibility:**

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting:**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial



statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

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

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

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

## **Opinion:**

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

## **For, S.C. Makhecha & Associates**

Chartered Accountants  
Firm Reg No: 120184W

## **CA. Jay R. Khara**

Partner

Mem. No.: 182933

Date: 27/05/2024

Place: Rajkot

UDIN: 24182933BKCLZX3904

# BALANCE SHEET

## Macpower CNC Machines Limited

CIN: L30009GJ2003PLC043419

Balance Sheet as at March 31, 2024

Particulars	Note no.	As at March 31,2024	As at March 31,2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, Plant and Equipment	3	4,664.41	4,303.28
(b) Right to use asset	3	43.86	37.99
(c) Capital work-in-progress	3	270.85	8.74
(d) Other Intangible Assets	3	8.30	15.54
(e) Intangible Assets under Development	3	-	-
(f) Financial Assets			
(i) Investments		-	-
(ii) Loans		-	-
(ii) Other Financial Assets		-	-
(g) Deferred Tax Assets	4	-	-
(h) Other non-current assets	5	81.22	58.67
<b>Sub-Total</b>		<b>5,068.64</b>	<b>4,424.22</b>
<b>Current assets</b>			
(a) Inventories	6	9,045.45	7,101.18
(b) Financial Assets			
(i) Investments	7	516.16	500.00
(ii) Trade Receivables	8	2,179.51	1,271.33
(iii) Cash and cash equivalents	9	931.72	381.89
(iv) Other Bank Balance	10	142.64	135.39
(iv) Loans & Advances	11	46.78	52.21
(c) Current Tax Assets (Net)	12	-	3.42
(d) Other current assets	5	90.79	73.72
<b>Sub-Total</b>		<b>12,953.05</b>	<b>9,519.14</b>
<b>Total Assets</b>		<b>18,021.69</b>	<b>13,943.36</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	13	1,000.42	1,000.42
(b) Other Equity	14	10,911.31	8,660.69
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	15	-	-
(i) Lease Liabilities	16	34.92	31.53
(ii) Other financial liabilities		-	-
(b) Provisions	19	65.89	34.80
(c) Deferred Tax Liability (NET)	4	228.65	194.51



# BALANCE SHEET

## Macpower CNC Machines Limited

CIN: L30009GJ2003PLC043419

### Balance Sheet as at March 31, 2024

Particulars	Note no.	As at March 31,2024	As at March 31,2023
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	15	0.30	1.71
(ii) Lease Liabilities	16	12.63	7.19
(iii) Trade Payables	17		
(a) total outstanding dues of micro enterprises and small enterprise		1,407.42	572.15
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		2,922.83	2,240.16
(iv) Other Financial Liabilities		-	-
(b) Other current liabilities	18	1,026.41	990.54
(c) Provisions	19	246.87	209.66
(d) Current Tax Liability	20	164.04	-
<b>Total Equity and Liabilities</b>		<b>18,021.69</b>	<b>13,943.36</b>

As per our report of even date

**For S. C. Makhecha & Associates**

Chartered Accountants

Firm Reg. No. 120184W

**Jay Rajeshbhai Khara**

Partner

Membership no. 182933

Signed at Rajkot on 27/05/2024

UDIN:24182933BKCLZX3904

**For and on behalf of Board of Directors of  
Macpower CNC Machines Ltd.**

CIN: L30009GJ2003PLC043419

**Mr. Rupeshbhai J. Mehta**

(Managing Director)

DIN: 01474523

**Mr. Rajnikant M. Raja**

(Chief Financial Officer)

**Mr. Nikeshbhai J. Mehta**

Time Director & Chief Executive

DIN: 01603779

**Mr. Kishor Kikani**

(Company Secretary)

Mem. No. A58545

## STATEMENT OF PROFIT & LOSS

**Macpower CNC Machines Limited**

**CIN: L30009GJ2003PLC043419**

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

Particulars	Note No.	For the year ended March 31,2024	For the year ended March 31,2023
INCOME FROM OPERATIONS			
Net Sales	21	24,103.65	20,189.11
Other Operating Income	21	-	-
Total Revenue from Operations (a+b)		24,103.65	20,189.11
Other Income	22	149.24	25.56
<b>TOTAL INCOME (1+2)</b>		<b>24,252.89</b>	<b>20,214.67</b>
EXPENSES			
Cost of materials consumed	23	17,396.12	14,371.12
Purchase of Stock in Trade		-	-
Changes in inventories of finished goods, work-in-progress and stock-in-trade	24	-1,101.86	-300.33
Employee benefits expenses	25	2,298.63	2,060.97
Finance Costs	26	25.02	23.47
Depreciation and amortisation expenses	3	413.57	336.57
Other expenses	27	1,978.02	1,989.56
<b>TOTAL EXPENSES</b>		<b>21,009.50</b>	<b>18,481.36</b>
Profit before exceptional items		3,243.39	1,733.31
Exceptional items		-	-
<b>Profit Before tax (5-6)</b>		<b>3,243.39</b>	<b>1,733.31</b>
<b>Tax expenses</b>	<b>28</b>	<b>818.19</b>	<b>443.82</b>
Current Tax		781.75	370.70
Deferred tax		36.44	73.12
<b>Profit for the period</b>		<b>2,425.20</b>	<b>1,289.49</b>
<b>Other Comprehensive Income, Net of Tax</b>		<b>-6.74</b>	<b>9.08</b>
Items that will be reclassified to profit or loss		-	-
Items that will not be reclassified to profit or loss		-6.74	9.08
<b>Total Comprehensive Income for the Period (9+10)</b>		<b>2,418.46</b>	<b>1,298.57</b>
<b>Earning Per Share Basic &amp; Diluted</b>	<b>29</b>	<b>24.24</b>	<b>12.89</b>

As per our report of even date

**For S. C. Makhecha & Associates**

Chartered Accountants

Firm Reg. No. 120184W

**Jay Rajeshbhai Khara**

Partner

Membership no. 182933

Signed at Rajkot on 27/05/2024

UDIN:24182933BKCLZX3904

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

**Macpower CNC Machines Ltd.**

**CIN: L30009GJ2003PLC043419**

**Mr. Rupeshbhai J. Mehta**

(Managing Director)

DIN: 01474523

**Mr. Rajnikant M. Raja**

(Chief Financial Officer)

**Mr. Nikeshbhai J. Mehta**

(Whole Time Director & Chief Executive Officer)

DIN: 01603779

**Mr. Kishor Kikani**

(Company Secretary)

Mem. No. A58545



# STATEMENT OF CASH FLOW

Macpower CNC Machines Limited			
CIN: L30009GJ2003PLC043419			
Statement of Cash Flow for the year ended March 31, 2024			
(Rs. in lakhs)			
Sr. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A.</b>	<b>Cash flow from operating activities</b>		
	<b>Net profit before taxation</b>	3,243.39	1,733.31
	<u>Adjustment for:</u>		
	Depreciation & Impairment	413.56	336.59
	Finance Cost	25.02	23.48
	Interest Income	(69.68)	-
	Net Gain on Lease Modification	-	0.30
	Short Term Capital Gain (On Mutual Fund)	(46.65)	(0.93)
	Provision Written Back	(17.79)	-
	<b>Operating Profit before working capital changes</b>	<b>3,547.85</b>	<b>2,092.75</b>
	<u>Movements in working capital:</u>		
	Decrease/-Increase in Trade & Other Receivables	(908.18)	(674.30)
	Decrease/-Increase in Inventories	(1,944.27)	456.21
	Decrease/-Increase in Deferred Tax	34.14	76.18
	Decrease/-Increase in Other Assets	(30.77)	268.37
	Increase/-Decrease in Trade Payables, Liabilities & Provisions	1,786.15	(1,298.34)
	Sub-Total Movement in Working Capital	(1,062.93)	(1,171.88)
	<b>Cash generated from operations</b>	<b>2,484.92</b>	<b>920.87</b>
	Taxes and OCI	(824.93)	(442.47)
	<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>1,659.99</b>	<b>478.40</b>
<b>B.</b>	<b>Cash flow from investing activities</b>		
	Increase in Current Investments	(16.16)	(29.94)
	Purchase of fixed assets	(1,054.70)	(692.50)
	Sale proceeds of fixed assets	19.27	-
	(Increase)/Decrease in Other Bank Balances	(7.24)	21.97
	Short Term Capital Gain (On Mutual Fund)	46.65	0.93
	Interest Income	69.68	-
	<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(942.50)</b>	<b>(699.54)</b>
<b>C.</b>	<b>Cash flow from financing activities</b>		
	Increase/(Decrease) in Lease Liabilities	8.83	25.61
	Increase/(Decrease) in Borrowing	(1.41)	1.71
	Dividend Paid	(150.06)	(100.04)
	Tax on Dividend	-	-
	Finance Cost	(25.02)	(23.47)
	<b>NET CASH CLOW FROM FINANCING ACTIVITIES</b>	<b>(167.66)</b>	<b>(96.19)</b>
	<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>549.83</b>	<b>(317.33)</b>
	<b>Cash and cash equivalents at the beginning of the year</b>	<b>381.89</b>	<b>699.22</b>
	<b>Cash and cash equivalents at the end of the year</b>	<b>931.72</b>	<b>381.89</b>
	<b>Components of cash and cash equivalents as at the end of the year</b>	<b>(0.00)</b>	<b>(0.00)</b>
	Cash and cheques on hand	2.89	4.59
	With bank	-	-
	- In current account	928.83	377.30
	<b>TOTAL</b>	<b>931.72</b>	<b>381.89</b>
<b>Notes:</b>			
on Cash Flow Statement.			
As per our report of even date			
<b>For S. C. Makhecha &amp; Associates</b>		<b>For and on behalf of Board of Directors of</b>	
Chartered Accountants		<b>Macpower CNC Machines Ltd.</b>	
Firm Reg. No. 120184W		CIN: L30009GJ2003PLC043419	
<b>Jay Rajeshbhai Khara</b>		<b>Mr. Rupeshbhai J. Mehta</b>	<b>Mr. Rajnikant M. Raja</b>
Partner		(Managing Director)	(Chief Financial Officer)
Membership no. 182933		DIN: 01474523	
Signed at Rajkot on 27/05/2024		<b>Mr. Nikeshbhai J. Mehta</b>	<b>Mr. Kishor Kikani</b>
UDIN:24182933BKCLZX3904		(Whole Time Director & Chief Executive Officer)	(Company Secretary)
		DIN: 01603779	Mem. No. A58545

## STATEMENT OF CHANGES IN EQUITY

**Macpower CNC Machines Ltd.**

**CIN: L30009GJ2003PLC043419**

**Statement of Changes in Equity for the year ended March 31,2024**

**(A) EQUITY SHARE CAPITAL**

(Rs. In Lakhs)

Particulars	Note No.	31-Mar-24	31-Mar-23
Balance at the beginning of the reporting period		1,000.42	1,000.42
Changes in equity share capital during the year	13	-0.00	-
At the end of the year		1,000.42	1,000.42

**(B) OTHER EQUITY**

Particulars	Note No.	Security Premium	General Reserve	Retained earnings	Total Other Equity
Balance at the beginning of the reporting period i.e. 01/04/2022		3,704.30		3,765.59	7,469.89
Total Comprehensive Income for the year		-	-	9.08	9.08
Dividends				-100.04	-100.04
Profit during the year				1,289.49	1,289.49
Prior Period Income Tax				-7.73	-7.73
Balance at the end of the reporting period i.e. 31/03/2023		3,704.30	-	4,956.39	8,660.69

Balance at the beginning of the reporting period i.e. 01/04/2023	14	3,704.30	-	4,956.39	8,660.69
Total Comprehensive Income for the year				-6.82	-6.82
Dividends				-150.06	-150.06
Profit during the year				2,425.20	2,425.20
Income Tax				-17.70	-17.70
Balance at the end of the reporting period i.e. 31/03/2024		3,704.30	-	7,207.01	10,911.31

As per our report of even date

**For S. C. Makhecha & Associates**

Chartered Accountants

Firm Reg. No. 120184W

**Jay Rajeshbhai Khara**

Partner

Membership no. 182933

Date: 27.05.2024

Place: Rajkot

**UDIN : 24182933BKCLZX3904**

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

**Macpower CNC Machines Ltd.**

**CIN: L30009GJ2003PLC043419**

**Mr. Rupeshbhai J. Mehta**

(Managing Director)

DIN: 01474523

**Mr. Nikeshbhai J. Mehta**  
(Whole time Director & Chief  
Executive Officer)

DIN 01603779

**Mr. Rajnikant M. Raja**

(Chief Financial Officer)

**Mr. Kishor Kikani**  
(Company Secretary)

Mem. No. A58545



Macpower CNC Machines Ltd.

CIN: L30009GJ2003PLC043419

**Notes forming part of the Financial Statements:**  
**For the year ended on March 31, 2024**

## Corporate Information :

Macpower CNC Machines Limited was incorporated in 2003. The Company is situated at Plot No. 2234, Near Kranti Gate, GIDC Metoda, Rajkot - 360021 Gujarat. The Company is engaged in the business of manufacturing and sale of CNC and VMC Machines.

## 1 Basis of Preparation and presentation

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards ("Ind AS") notified under section 133 of the Companies Act 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended and presentation requirements of Division II of schedule III to the Companies Act, 2013 (as amended), other relevant provisions of the act, and other accounting principles generally accepted in India, on the historical cost basis except for certain financial instruments that are measured at fair values, as explained in the accounting policies below.

The financial statements have been prepared on accrual basis and under historical cost convention except certain financial assets and liabilities which are measured at fair value.

The Company has prepared the financial statements on the basis that it will continue to operate as a going concern.

## 2 Summary of significant accounting policies followed by the Company

### 2.1 Accounting Charges:

- (i) The Company follows the mercantile system of accounting and recognises income and expenditure on an accrual basis except in case of significant uncertainties.
- (ii) The Company maintains its accounts on accrual basis following historical cost convention, except for certain assets and liabilities that are measured at fair value in accordance with Ind AS.
- (iii) Estimates and assumptions used in the preparation of these financial statements and disclosures made therein are based upon Management's evaluation of the relevant facts and circumstances as on the date of the financial statements, which may differ from the actual results at a subsequent date.

### Key Estimates

The preparation of standalone financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

#### A. Estimate of Tax

Recognition of provision of current tax and deferred tax refer- Note 2.5

#### B. Estimation of useful lives and residual value of Property, Plant and equipment and intangible assets

#### C. Lease

Measurement of Right of Use Asset and Lease liabilities refer-Note-2.10

#### D. Long term Employee benefit plan

Estimation of Long term Employee benefit plan refer Note 2.9

#### E. Provision, Contingent Liabilities and Contingent Assets;

Estimating amount of provisions refer Note 2.13

Macpower CNC Machines Ltd.

CIN: L30009GJ2003PLC043419

## Notes forming part of the Financial Statements:

For the year ended on March 31, 2024

### 2.2 Current vs Non Current Classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:-

- a. Expected to be realized or intended to sold or consumed in normal operating cycle
- b. held primarily for the purpose of trading;
- c. expected to be realized within twelve months after the reporting period; or
- d. cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when

- a. expected to be settled in normal operating cycle
- b. held primarily for the purpose of trading;
- c. due to be settled within twelve months after the reporting period; or
- d. there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred Tax Assets and Liabilities are classified as noncurrent assets and liabilities respectively.

### 2.3 Revenue Recognition:

- a Revenue from sale of goods is recognised when control of the machine being sold is transferred to the customer and when there are no longer any unfulfilled obligations. The Performance Obligations in the contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.
- b Revenue is measured on the basis of contracted price, after deduction of any trade discounts, and any taxes or duties collected on behalf of the Government such as goods and services tax, etc. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.
- c Income from services rendered is recognised based on agreements/arrangements with the customers as the service is performed and there are no unfulfilled obligations.
- d Revenue in respect of other income is recognised when no significant uncertainty as to its determination or realisation exists.

### 2.4 Property, plant and equipment and Intangible Assets

#### **Property, plant and equipment**

- a Property, plant and equipment are stated at cost less accumulated depreciation / amortisation and impairment loss, if any, except freehold land which is carried at cost. The cost comprises its purchases price, borrowing cost and any cost directly attributable to the bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustment arising from exchange rate variations attributable to the assets. Subsequent expenditures related to an item of Property, plant and equipment are added to its book value only if they increases the future benefits from the existing asset beyond its previously assessed standard of performance.
- b Property, plant and equipments which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress".
- c Own construction or manufactured PPE is capitalised at cost including administrative and other general overhead expenses that are specifically attributable to construction or acquisition of PPE or bringing the PPE to working condition are allocated and capitalised as a part of the cost of the PPE.
- d All other expenses on Property, plant and equipment, including repair and maintenance expenditure and replacement expenditure of parts, are charged to Statement of Profit and Loss for the period during the which such expenses are incurred.



**Macpower CNC Machines Ltd.**

**CIN: L30009GJ2003PLC043419**

## Notes forming part of the Financial Statements:

**For the year ended on March 31, 2024**

- e Gains or losses that arise on disposal or retirement of an asset are measured as the difference between net disposal proceeds and the carrying value of an asset and are recognised in the statement of profit and loss when the asset is derecognised.
- f Depreciation methods, estimated useful lives and residual value:  
The management of the company believes that the useful lives as given below best represent the useful lives of these assets based on internal assessment and supported by technical advice wherever necessary which is as prescribed under Part C of Schedule II of the Companies Act 2013.

Sr. No.	Assets Category	Useful Life (Years)
1	Building	30 Years
2	Computers	3 Years
3	Furniture & Fixtures	10 Years
4	Office Equipment	5 Years
5	Plant & Machinery	15 Years
6	Vehicle	8 Years

### Intangible Assets

- a Intangible assets purchased are initially measured at cost. The cost of an intangible asset comprises its purchase price including duties and taxes and any costs directly attributable to making the asset ready for their intended use.
- b Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure are recognised in standalone statement of profit or loss as incurred.
- c Subsequently, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.
- d Amortization methods, estimated useful lives and residual value:-  
The useful lives of intangible assets are assessed as either finite or infinite. Finite-life intangible assets are amortised on a straight-line basis over the period of their estimated useful lives. Estimated useful lives by major class of finite-life intangible assets are as follows:

Sr. No.	Assets Category	Useful Life (Years)
1	Computer software and mobile application	10 Years
2	Other Software	10 Years
3	Designs for Machinery	10 Years

### Impairment of Assets

At the date of balance sheet, if there are indications of impairment and the carrying amount of the cash generating unit exceeds its recoverable amount (i.e. the higher of the fair value less costs of disposal and value in use), an impairment loss is recognised. The carrying amount is reduced to the recoverable amount and the reduction is recognised as an impairment loss in the profit or loss. The impairment loss recognised in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the impaired asset over its remaining useful life.

Reasonable assumptions are made by the management in estimating the value-in-use and fair value less costs of disposal. Management has considered the indicators required for impairment testing and estimated reliably that there is no impairment loss for the purpose of Ind AS 36 and AS 28.

Macpower CNC Machines Ltd.  
CIN: L30009GJ2003PLC043419

**Notes forming part of the Financial Statements:  
For the year ended on March 31, 2024**

**2.5 Taxation**

Income tax expenses or credit for the period comprised of tax payable on the current period's taxable income based on the applicable income tax rate, the changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses and previous year tax adjustments.

Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income, in such cases the tax is also recognised directly in equity or in other comprehensive income. Any subsequent change in direct tax on items initially recognised in equity or other comprehensive income is also recognised in equity or other comprehensive income, such change could be for change in tax rate.

The current income tax charge or credit is calculated on the basis of the tax law enacted after considering allowances, exemptions and unused tax losses under the provisions of the applicable Income Tax Laws. Current tax assets and current tax liabilities are off set, and presented as net.

Deferred income tax is recognised, using the balance sheet method, on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates and laws that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets and deferred tax liabilities are off set, and presented as net.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

**2.6 Financial Instruments**

**(a) Other investments and financial assets**

**(i) Classification**

The Company classifies its financial assets in the following measurement categories:

Those to be measured subsequently, at fair value (either through other comprehensive income, or through profit or loss), and those already measured, at amortised cost.

The classification is done depending upon the Company's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will be recorded in profit or loss.

**(ii) Measurement**

**At initial recognition**

At initial recognition, the Company measures a financial asset at its fair value.

**Subsequent Measurement**

All recognised financial assets are subsequently measured in their entirety either at amortised cost or at fair value as follows:

1. Investments in debt instruments that are designated as fair value through profit or loss (FVTPL) - at fair value. Debt instruments at FVTPL is a residual category for debt instruments, if any, and all changes are recognised in profit or loss.

2. Investments in debt instruments that meet the following conditions are subsequently measured at amortised cost (unless the same designated as fair value through profit or loss):

- (i) The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- (ii) The contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.



Macpower CNC Machines Ltd.

CIN: L30009GJ2003PLC043419

## Notes forming part of the Financial Statements:

For the year ended on March 31, 2024

3. Investment in debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income [FVTOCI] (unless the same are designated as fair value through profit or loss).

(i) The asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and

(ii) The contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

4. Trade receivables, security deposits, cash and cash equivalents, employee and other advances – at amortised cost.

### (iii) Impairment of financial assets

The Company assesses on a forward looking basis of the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk and if so, assess the need to provide for the same in the Statement of Profit and Loss.

### (iv) Derecognition of financial assets

A financial asset is derecognised only when Company has transferred the rights to receive cash flows from the financial asset. Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised.

### (v) Income recognition

#### Interest Income

Interest income from fixed deposits is recognised using the effective interest rate method. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument.

### (b) Financial Liability

#### (i) Classification as debt or Equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

#### (ii) Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include borrowings, trade payables and other financial liabilities.

#### (iii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

##### a. Trade and other payable

These amounts represent obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. These payable are classified as 'current liabilities' if payments are due within one year or less otherwise they are presented as 'non-current liabilities'. Trade payables are subsequently measured at amortised cost using the effective interest method.

##### b. Derecognition

Liability is removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/ (losses).

Macpower CNC Machines Ltd.

CIN: L30009GJ2003PLC043419

## Notes forming part of the Financial Statements:

For the year ended on March 31, 2024

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

### 2.7 Foreign Currency Transactions:

Items included in the financial statements are measured and presented in Indian rupee (INR), which is Company's functional and presentation currency.

#### a Initial Recognition:

Foreign currency transactions are recorded in the reporting currency by applying to the foreign currency amount the exchange rate between the reporting current and the foreign currency at the date of the transactions.

#### b Conversion:

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non- monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transactions. Non- monetary items, which are measured at fair value or others similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

#### c Exchange Differences:

The company accounts for exchange differences arising on translation/ settlement of foreign currency monetary are recognized as income or as expenses in the period in which they arise.

### 2.8 Inventories:

Inventories are valued after providing for obsolescence, as under:

Raw Materials, Work-In-Progress and Finished Goods are valued at Cost or Net Realizable Value whichever is lower using FIFO method. Waste and Scrap are valued at Net Realisable Value.

Cost of Inventories comprises cost of purchase, cost of conversion and other costs incurred in bringing the inventories to the present location and condition.

### 2.9 Employee Benefits:

#### A Short-term employee benefits:

##### a

Employee benefits such as salaries, wages, bonus, etc falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and are expensed in the period in which the employee renders the service.

#### B Long term employee benefits

##### a

Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. The company recognizes contributions payable to the provident fund scheme as an expenditure, when an employee renders the related services.

##### b

The Company has defined benefit plans for its employees, viz., gratuity. The cost of providing benefits under this plans are determined on the basis of actuarial valuation at each year end. Actuarial valuation is carried out for the plan using the projected unit credit method. Actuarial gains and losses for defined benefit plans are recognised in full in the period in which they occurs in the statement of profit and loss.



**Macpower CNC Machines Ltd.**

**CIN: L30009GJ2003PLC043419**

## **Notes forming part of the Financial Statements:**

**For the year ended on March 31, 2024**

During the year, company has not incurred any borrowing cost which is required to be capitalised. However the policy for the same is as under:

- a** Borrowing cost includes interest and ancillary costs incurred in connection with the arrangement of borrowings.
- b** Borrowing costs directly attributable to the construction of an asset that necessarily take a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset. All of these borrowing costs are expensed in the period they are incurred.

### **2.10 Lease:**

Company as lessee measures the right-of-use asset at cost by recognition of right-of-use asset and a lease liability on initial measurement of the right-of-use asset at the commencement date of the lease.

The cost of the right-of-use asset comprises:

- i) the amount of the initial measurement of the lease liability,
- ii) any lease payments made at or before the commencement date less any incentives received,
- iii) any initial direct costs incurred,
- iv) an estimate of costs to be incurred in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

Lease liability is initially measured at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if the rate cannot be readily determined incremental borrowing rate is considered. Interest on lease liability in each period during the lease is the amount that produces a constant periodic rate of interest on the remaining balance of the lease liability.

Lease payments comprises the following payments for the right to use asset during the lease term that are not paid at the commencement date:

- i) fixed payments less any lease incentives receivable
- ii) variable lease payments
- iii) amounts expected to be payable under residual value guarantees
- iv) the exercise price of a purchase option, if the Company is reasonably certain to exercise that option
- v) payments of penalties for terminating the lease, if the lease term reflects the Company exercising an option to terminate the lease.

Subsequent measurement of the right-of-use asset after the commencement date is at cost model, the value of right-of-use asset is initially measured cost less accumulated depreciation and any accumulated impairment loss and adjustment for any re-measurement of the lease liability.

The right-of-use asset is depreciated from the commencement date to the earlier of the end of the useful life of the asset or the end of lease term, unless lease transfers ownership of the underlying asset to the company by the end of the lease term or if the cost of the right-of-asset reflects that the Company will exercise a purchase option, in such case the Company depreciates asset to the end of the useful life. Subsequent measurement of the lease liability after the commencement date reflects the initially measured liability increased by interest on lease liability, reduced by lease payments and re-measuring the carrying amount to reflect any re-assessment or lease modification.

Right-of-use asset and lease liability are presented on the face of balance sheet. Depreciation charge on right-to-use is presented under depreciation expense as a separate line item. Interest charge on lease liability is presented under finance cost as a separate line item. Under the cash flow statement, cash flow from lease payments including interest are presented under financing activities.

Macpower CNC Machines Ltd.

CIN: L30009GJ2003PLC043419

**Notes forming part of the Financial Statements:**

**For the year ended on March 31, 2024**

**2.11 Cash and cash equivalents**

Cash and cash equivalents includes cash on hand and at bank, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments. For the purpose of the Statement of Cash Flows, cash and cash equivalents consists of cash and short term deposits, as defined above, net of outstanding bank overdraft as they are being considered as integral part of the Company's cash management.

**2.12 Earning Per Share:**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period. The weighted average number of equity shares outstanding during the period and all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of share outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

**2.13 Provision, Contingent Liabilities and Contingent Assets:**

- a Provision is recognised in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates reviewed at each reporting date and adjusted to reflect the current best estimate.
- b Contingent liabilities are disclosed unless the possibility of outflow of resources is remote. Contingent assets are not recognised in the financial statements.

**2.14 Statement of Cash Flows**

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method, adjusting the profit before tax excluding exceptional items for the effects of:

- (i) changes during the period in inventories and operating receivables and payables, transactions of a non-cash nature;
- (ii) non-cash items such as depreciation, provisions, unrealised foreign currency gains and losses; and
- (iii) all other items for which the cash effects are investing or financing cash flows.



Macpower CNC Machines Ltd.  
CIN: L30009GJ2003PLC043419

Notes forming part of Financial Statements for the year ended 31st March 2024

Note - 3 Property, Plant and Equipment  
Current Year

Particulars	Gross Block			Depreciation/Impairment			Net Block	
	As at April 1, 2023	Additions	Deductions/ Adjustments	As at March 31, 2024	As at 1, 2023	April 1, 2023	As at March 31, 2024	As at March 31, 2024
(a) Property, Plant and Equipment:								
1. Land	46.25	-	-	46.25	-	-	-	46.25
2. Building	1,354.76	3.16	-	1,357.92	293.04	38.27	331.31	1,026.61
3. Plant & Machinery	3,816.84	653.57	17.07	4,453.34	818.62	304.32	1,122.94	3,330.40
4. Furniture & Fixtures	93.16	17.50	-	110.66	48.35	7.28	55.63	55.03
5. Office Equipment	93.27	41.81	-	135.08	52.82	9.20	62.02	73.06
6. Vehicles	239.27	31.99	-	271.26	158.13	16.17	174.30	96.96
7. Computers & Software	102.41	23.28	-	125.69	71.72	17.87	89.59	36.10
<b>Total</b>	<b>5,745.96</b>	<b>771.31</b>	<b>17.07</b>	<b>6,500.20</b>	<b>1,442.68</b>	<b>393.11</b>	<b>1,835.79</b>	<b>4,664.41</b>
(b) Intangible Assets:								
Design	12.00	-	-	12.00	10.62	0.59	11.21	0.79
Computer Software	35.48	-	-	35.48	26.09	2.52	28.61	6.87
STERP Software (PTU)	13.00	-	-	13.00	8.23	4.13	12.36	0.64
<b>Total</b>	<b>60.48</b>	<b>-</b>	<b>-</b>	<b>60.48</b>	<b>44.94</b>	<b>7.24</b>	<b>52.18</b>	<b>8.30</b>
(c) Right to use asset:								
Leasehold Assets	63.39	22.25	3.16	82.48	25.40	13.22	38.62	43.86
<b>Total</b>	<b>63.39</b>	<b>22.25</b>	<b>3.16</b>	<b>82.48</b>	<b>25.40</b>	<b>13.22</b>	<b>38.62</b>	<b>43.86</b>
(d) Intangible Assets under Development	-			-	-	-	-	-
(e) Capital Work in Progress	8.74	287.70	25.59	270.85	-	-	-	270.85
<b>Total</b>	<b>5,878.57</b>	<b>1,081.26</b>	<b>45.82</b>	<b>6,914.01</b>	<b>1,513.02</b>	<b>413.57</b>	<b>1,926.59</b>	<b>4,987.42</b>

Macpower CNC Machines Ltd.  
CIN: L30009GJ2003PLC043419

Notes forming part of Financial Statements for the year ended 31st March 2024

Note - 3 Property, Plant and Equipment

Previous Year		Gross Block					Depreciation/Impairment			(Rs. In lakhs) Net Block	
Particulars		As at April 1, 2022	Additions	Deductions/ Adjustments	As at March 31, 2023	As at April 1, 2022	Additions	Deductions/ Adjustments	As at March 31, 2023	As at March 31, 2023	
(a) Property, Plant and Equipment:											
	1. Land	46.25	-	-	46.25	-	-	-	-	46.25	
	2. Building	1,229.29	125.47	-	1,354.76	258.26	34.78	-	293.04	1,061.72	
	3. Plant & Machinery	3,391.45	425.39	-	3,816.84	572.93	245.69	-	818.62	2,998.22	
	4. Furniture & Fixtures	74.20	18.96	-	93.16	42.81	5.54	-	48.35	44.81	
	5. Office Equipment	75.51	17.76	-	93.27	46.02	6.80	-	52.82	40.45	
	6. Vehicles	193.12	46.15	-	239.27	144.92	13.21	-	158.13	81.14	
	7. Computers & Software	77.90	24.51	-	102.41	57.27	14.45	-	71.72	30.69	
	Total	5,087.72	658.24	-	5,745.96	1,122.21	320.47	-	1,442.68	4,303.28	
(b) Intangible Assets:											
	Design	12.00	-	-	12.00	10.04	0.58	-	10.62	1.38	
	Computer Software	30.02	5.46	-	35.48	24.17	1.92	-	26.09	9.39	
	STERP Software (PTU)	13.00	-	-	13.00	4.12	4.11	-	8.23	4.77	
	Total	55.02	5.46	-	60.48	38.33	6.61	-	44.94	15.54	
(c) Right to use asset:											
	Leasehold Assets	27.89	35.80	0.30	63.39	15.98	9.49	0.07	25.40	37.99	
	Total	27.89	35.80	0.30	63.39	15.98	9.49	0.07	25.40	37.99	
(d) Intangible Assets under Development											
			-		-	-	-	-	-	-	
(e) Capital Work in Progress											
		15.74	160.40	167.40	8.74	-	-	-	-	8.74	
	Total	5,186.37	859.90	167.70	5,878.57	1,176.52	336.57	0.07	1,513.02	4,365.55	



Macpower CNC Machines Ltd.  
CIN: L30009GJ2003PLC043419

Notes forming part of Financial Statements for the year ended 31st March 2024

**Note - 3 Property, Plant and Equipment**

**Note - Details of Capital work in progress (CWIP)**

**Tangible CWIP aging Schedule as on 31/03/2024**

CWIP	Amount in CWIP for a period of				Total*
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress					
1. Factory Building	270.85	-	-	-	270.85
	-	-	-	-	-
Total	270.85	-	-	-	270.85

**Tangible CWIP aging Schedule as on 31/03/2023**

CWIP	Amount in CWIP for a period of				Total*
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress					
1. Factory Building	8.74	-	-	-	8.74
Total	8.74	-	-	-	8.74

Macpower CNC Machines Limited  
CIN: L30009GJ2003PLC043419  
Notes forming part of the Financial Statements:

(Rs. in lakhs)

Note No.	Particulars	March 31,2024	March 31,2023				
4	DEFERRED TAX ASSETS (NET)						
(i)	Statement of Deferred Tax Assets/(Liability)						
	Deferred Tax Assets on account of temporary difference in						
	Lease liability	11.97	9.75				
	Preliminary Expense	20.55	18.76				
	Gross Deferred Tax Assets (a)	32.52	28.51				
	Deferred Tax Liabilities on account of temporary difference in						
	Property, Plant and Equipment	250.13	213.46				
	Right to Use Assets	11.04	9.56				
	Gross deferred tax liabilities (b)	261.17	223.02				
	DEFERRED TAX ASSETS /(LIABILITY) (a-b)	-228.65	-194.51				
(ii)	Movement in Deferred Tax Assets						
	Particulars	Property, plant & equipment	Gratuity	Lease liability	Right-to-use asset	Preliminary Expenses	Total
	At April 1,2022	-164.38	28.81	3.30	-3.01	16.94	-118.34
	To profit & loss	-49.08	-17.00	6.45	-6.55	-6.94	-73.12
	To other comprehensive income	-	-3.05	-	-	-	-3.05
	At March 31,2023	-213.46	8.76	9.75	-9.56	10.00	-194.51
	To profit & loss	-36.68	5.54	2.23	-1.48	-6.04	-36.43
	To other comprehensive income	-	2.29	-	-	-	2.29
	At March 31,2024	-250.14	16.59	11.98	-11.04	3.96	-228.65
5	OTHER ASSETS						
	Other Non - Current Assets (Unsecured) considered good						
	Deposits					72.55	51.97
	Employee Benefit Deferred Expense					8.67	6.70
	TOTAL OTHER NON CURRENT ASSETS (A)					81.22	58.67
	Other Current Assets						
	Advances to Supplier					89.58	72.62
	Balance with Govt Authorities					1.21	1.10
	TOTAL OTHER CURRENT ASSETS (B)					90.79	73.72
	TOTAL OTHER ASSETS (A+B)					172.01	132.39
6	INVENTORIES						
	Raw Material					6,690.88	5,848.47
	Semi Finished Goods					128.13	380.08
	Finished Goods					2,226.44	872.63
	TOTAL INVENTORIES					9,045.45	7,101.18



Macpower CNC Machines Limited  
CIN: L30009GJ2003PLC043419  
Notes forming part of the Financial Statements:

(Rs. in lakhs)

Note No.	Particulars	March 31,2024	March 31,2023				
7	INVESTMENT						
	<b>CURRENT INVESTMENT</b>						
	<b>a. Investment in Mutual Funds</b>						
	Axis Liquid Fund (Direct Growth)	305.12	500.00				
	Units: Current Year: 2148726.167						
	Previous Year: 3789699.02						
	<b>Total Investment in Mutual Funds (a)</b>	<b>305.12</b>	<b>500.00</b>				
	<b>b. Other Investment</b>						
	11% Debenture	211.04	-				
	Investment in FDR	-	-				
	<b>Total Other Investment (b)</b>	<b>211.04</b>	<b>-</b>				
	<b>TOTAL INVESTMENTS (a+b)</b>	<b>516.16</b>	<b>500.00</b>				
	Aggregate amount of quoted investments	516.16	500.00				
	Aggregate Market value of quoted investments	516.16	500.00				
	Aggregate amount of unquoted investments	-	-				
	Aggregate amount of impairment in value of investments	-	-				
8	TRADE RECEIVABLES						
	(Unsecured, Considered Good, unless stated otherwise)						
	Good	2,179.51	1,271.33				
	Lost Allowance	-	-				
	<b>TOTAL TRADE RECEIVABLES</b>	<b>2,179.51</b>	<b>1,271.33</b>				
	<b>Aging of Trade Receivable As on 31/03/2024</b>						
		Outstanding for following periods from due date of payment#					Total As on March 31,2024
	Particulars	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
	(i) Undisputed Trade receivables – considered good	1,926.43	105.62	121.27	7.46	-	2,160.78
	(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
	(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
	(iv) Disputed Trade Receivables–considered good	-	-	-	-	32.76	32.76
	(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
	(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
	Total	1,926.43	105.62	121.27	7.46	32.76	2,193.54
	Less: Provision for ECL						14.03
	Total						2,179.51

**Macpower CNC Machines Limited**  
**CIN: L30009GJ2003PLC043419**  
**Notes forming part of the Financial Statements:**

(Rs. in lakhs)

Note No.	Particulars	March 31,2024	March 31,2023				
Aging of Trade Receivable As on 31/03/2023							
	Particulars	Outstanding for following periods from due date of payment#					Total As on March 31,2023
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
	(i) Undisputed Trade receivables – considered good	1,117.16	86.81	24.74	5.65	-	1,234.36
	(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
	(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
	(iv) Disputed Trade Receivables–considered good	-	-	-	-	41.09	41.09
	(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
	(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
	Total	1,117.16	86.81	24.74	5.65	41.09	1,275.45
	Less: Provision for ECL						4.12
	Total						1,271.33



Macpower CNC Machines Limited CIN: L30009GJ2003PLC043419 Notes forming part of the Financial Statements:			
(Rs. in lakhs)			
Note No.	Particulars	March 31,2024	March 31,2023
<b>9</b>	<b>CASH &amp; CASH EQUIVALENT</b>		
	Cash on Hand	2.89	4.59
	Balances with Bank	-	-
	In Current Account	801.33	0.33
	In Current Account for Unpaid Dividend	0.66	0.44
	In Cash Credit Account -Debit Balance (Secured)	126.84	376.53
	<b>TOTAL CASH &amp; CASH EQUIVALENT</b>	<b>931.72</b>	<b>381.89</b>
	<b>Disclosure regarding Cash Credit Limit with Axis Bank Limited</b> Axis Bank Ltd. CC A/c. 914030041250678, is primarily secured by hypothecation of current assets both present and future of the company.  Further mortgage of industrial property situated at plot no. 2234, GIDC Iodhika Industrial Estate, Kalawad road, Village : Metoda Taluka: Lodhia, Rajkot  The facility is futher guaranteed by the personal gurantee of Mr. Rupeshbhai Mehta  Repayment Terms: Repayable on Demand.		
<b>10</b>	<b>OTHER BANK BALANCES</b>		
	Deposits with residual maturity for less than 12 months	142.64	135.39
	<b>TOTAL OTHER BANK BALANCES</b>	<b>142.64</b>	<b>135.39</b>
<b>11</b>	<b>Loans &amp; Advances</b>		
	<b>Loans &amp; Advances (Unsecured, considered good unless otherwise stated)</b>		
	Loans to related parties	-	-
	Others including employee loans	46.78	52.21
	<b>TOTAL LOANS &amp; ADVANCES</b>	<b>46.78</b>	<b>52.21</b>
	<b>Sub-classification of loans</b>		
	Loans Receivables considered good- Secured	-	-
	Loans Receivables considered good- Unsecured	-	-
	Loans Receivables which have significant increase in Credit Risk	-	-
	Loans Receivables - credit impaired	-	-
	1. In line with Circular No 04/2015 issued by Ministry of Corporate Affairs dated 10th March, 2015, loans given to employees as per the Company's policy are not considered for the purposes of disclosure under Section 186(4) of the Companies Act, 2013.  There are no loans or advances in the nature of loans granted to Promoters, Directors, KMPs and their related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:		

Macpower CNC Machines Limited					
CIN: L30009GJ2003PLC043419					
Notes forming part of the Financial Statements:					
(Rs. in lakhs)					
Note No.	Particulars	March 31,2024	March 31,2023		
	a. Repayable on demand: or	-	-		
	b. Without specifying any terms or period or repayment	-	-		
12	Current Tax Assets (NET)	-	3.42		
13	EQUITY SHARE CAPITAL				
(a)	<u>Authorized Share Capital</u>				
	Equity Shares of Rs. 10 each	No. of Equity Shares	1,00,05,000	1,00,05,000	
		Amount	1,000.50	1,000.50	
(b)	<u>Issued, Subscribed &amp; Paid up Share Capital</u>	No. of Equity Shares	1,00,04,160	1,00,04,160	
	Equity Shares of Rs. 10 each	Amount	1,000.42	1,000.42	
TOTAL EQUITY SHARE CAPITAL		1,000.42	1,000.42		
(c)	<u>Reconciliation of the shares outstanding at the beginning and at the end of the reporting period - Equity Shares</u>				
		2023-24		2022-23	
		No.	Amount (Rs.)	No.	Amount (Rs.)
	At the beginning of the period	1,00,04,160	1,000.42	1,00,04,160	1,000.42
	Shares issued during the year	-	-	-	-
	Outstanding at the end of the period	1,00,04,160	1,000.42	1,00,04,160	1,000.42
(d)	<u>Terms/Rights attached to Equity</u>				
	The company has only one class of equity shares having a per share value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share.				
	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.				
(e)	<u>Details of shareholders holding more than 5% shares in the company</u>				
	As at March 31,2024		As at March 31,2023		
Name of Shareholder	No.	% of total holding	No.	% of total holding	
Rupeshbhai J. Mehta	31,53,526	31.52%	31,53,526	31.52%	
Riyaben R. Mehta	18,14,982	18.14%	18,14,982	18.14%	
Nikeshbhai J. Mehta	13,41,062	13.41%	13,41,062	13.41%	
Massachusetts Institute of Technology	-	0.00%	5,26,700	5.26%	
Mehta Nimishaben Nikeshbhai	7,77,309	7.77%	7,77,309	7.77%	



## (Rs. in lakhs)

WWW.MACPOWERCNC.COM

<p style="text-align: center;"><b>Macpower CNC Machines Limited</b>  <b>CIN: L30009GJ2003PLC043419</b>  <b>Notes forming part of the Financial Statements:</b></p>							
						(Rs. in lakhs)	
Note No.	Particulars					March 31, 2024	March 31, 2023
	Ms. Pritiben J. Mehta	1,30,649	1.31%	1,30,649	1.31%	-	0.00%
	Mehta Rupeshkumar Jagdishchandra (HUF)	21,593	0.22%	19,364	0.20%	2,229	0.02%
	Raxaben J. Mehta	75,000	0.75%	-	-	75,000	0.75%
	Total	73,14,121	73.11%	73,11,892	73.09%	2,229	0.02%
(g) Disclosure of Aggregate number and class of shares allotted as fully paid up by way of bonus shares during the period of five years immediately preceding the reporting date:							
	Year of Allotment	2020-21					
	No of Shares Allotted	1,96,160					
	Class of Shares	Fully Paid Up Equity					
<b>14 OTHER EQUITY</b>							
(a)	Security Premium					3,704.30	3,704.30
	Opening Balance						
	<b>Sub-Total</b>					<b>3,704.30</b>	<b>3,704.30</b>
(b)	Surplus / (Deficit) in Statement of Profit and Loss						
	Opening Balance					4,956.39	3,765.59
	Add: Profit during the year					2,425.20	1,289.49
	Add: Other Comprehensive Income					-6.82	9.08
	Less: Interim/Final Dividend					-150.06	-100.04
	Less: Prior Year Income Tax					-	-7.73
	Less: Income Tax					-17.70	
	<b>Sub-Total</b>					<b>7,207.01</b>	<b>4,956.39</b>
	<b>TOTAL OTHER EQUITY ( a + b )</b>					<b>10,911.31</b>	<b>8,660.69</b>
<b>15 BORROWINGS</b>							
	<u>Credit Card</u>	Current Maturity				0.30	1.71
	<b>Total borrowings</b>					<b>0.30</b>	<b>1.71</b>



**Macpower CNC Machines Limited**  
CIN: L30009GJ2003PLC043419  
Notes forming part of the Financial Statements:

(Rs. in lakhs)

Note No.	Particulars	March 31,2024	March 31,2023			
16 LEASE LIABILITIES						
LEASE LIABILITIES						
A. Non-Current		34.92	31.53			
B. Current		12.63	7.19			
TOTAL LEASE LIABILITIES		47.55	38.72			
17 TRADE PAYABLES						
Total outstanding dues of micro enterprises and small enterprise		1,407.42	572.15			
Total outstanding dues of creditors other than micro enterprises and small enterprises		2,922.83	2,240.16			
TOTAL TRADE PAYABLES		4,330.25	2,812.31			
Aging of Trade payable as on 31/03/2024						
Particulars	Outstanding for following periods from due date of payment					Total As on March 31,2024
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Micro and Small Enterprise	1,393.28	-	0.10	3.83	10.21	1,407.42
(ii) Other than Micro and Small Enterprise	2,893.81	-	12.52	6.98	9.52	2,922.83
(iii) Disputed dues -Micro and Small Enterprise	-	-	-	-	-	-
(iv)Disputed dues - Other than Micro and Small Enterprise	-	-	-	-	-	-
Total	4,287.09	-	12.62	10.81	19.73	4,330.25
Aging of Trade payable as on 31/03/2023						
Particulars	Outstanding for following periods from due date of payment					Total As on March 31,2023
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Micro and Small Enterprise	569.25	-	2.90	-	-	572.15
(ii) Other than Micro and Small Enterprise	2,224.60	-	15.56	-	-	2,240.16
(iii) Disputed dues -Micro and Small Enterprise	-	-	-	-	-	-
(iv)Disputed dues - Other than Micro and Small Enterprise	-	-	-	-	-	-
Total	2,793.85	-	18.46	-	-	2,812.31
Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by auditors.						

Macpower CNC Machines Limited CIN: L30009GJ2003PLC043419 Notes forming part of the Financial Statements:			
(Rs. in lakhs)			
Note No.	Particulars	March 31,2024	March 31,2023
<b>Due to micro, small and medium enterprise</b> On the basis of the information and records available with management, outstanding dues to the Micro and Small enterprise as defined in the MSMED Act, 2006 are disclosed as below.			
	Particulars	As at March 31,2024	As at March 31, 2023
	Principal amount remaining unpaid to any supplier as at the year end.	1,407.42	572.15
	Interest due thereon	-	-
	Amount of interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
	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	-	-
	Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
	Amount of further interest remaining due and payable even in succeeding years	-	-
The disclosure above is based on the information received and available with the Company			
<b>18 OTHER CURRENT LIABILITIES</b>			
	Advances received against supply of machines	815.05	719.72
	Statutory Dues	207.18	262.99
	Unclaimed Dividend	0.66	0.44
	Security Deposit	3.52	7.39
	<b>TOTAL OTHER CURRENT LIABILITIES</b>	<b>1,026.41</b>	<b>990.54</b>
<b>19 PROVISIONS</b>			
<b>A</b>	<b>NON-CURRENT PROVISION</b>		
	Provision for employee benefits	65.89	34.80
	<b>Total Non-Current Provisions</b>	<b>65.89</b>	<b>34.80</b>
<b>B</b>	<b>CURRENT PROVISION</b>		
	Provision for employee benefits	215.70	178.64
	Provision for expenses	31.17	31.02
	<b>Total Current Provisions</b>	<b>246.87</b>	<b>209.66</b>
	<b>TOTAL PROVISIONS (A+B)</b>	<b>312.76</b>	<b>244.46</b>
<b>20</b>	<b>CURRENT TAX LIABILITY</b>	<b>164.04</b>	<b>-</b>



Macpower CNC Machines Ltd.  
CIN: L30009GJ2003PLC043419

Notes forming part of the Financial Statements:

(Rs. in lakhs except EPS)

Note No.	Particulars	March 31,2024	March 31,2023
<b>21</b>	<b>REVENUE FROM OPERATIONS</b>		
(a)	<b>SALES</b>		
	(i) Sale of Products	24,009.50	20,098.82
	(ii) Sale of Services	94.15	87.47
	(iii) Other Operating revenues	-	2.82
	<b>TOTAL REVENUE FROM OPERATIONS</b>	<b>24,103.65</b>	<b>20,189.11</b>
<b>22</b>	<b>OTHER INCOME</b>		
	<u>Interest Income on</u>		
	Other Deposits	58.64	8.88
	<b>Total Interest Income (Total A)</b>	<b>58.64</b>	<b>8.88</b>
	<u>Other Non Operating Income</u>		
	Exchange Rate Difference	11.77	1.87
	Notional Interest on Interest Free loan to employee	0.95	2.81
	Profit on sale of Investments	46.65	0.93
	Other Income	0.89	11.07
	Interest on Debentures	11.04	-
	Duty drawback income	1.11	-
	Cash Discount	18.15	-
	P&F Charges	0.04	-
	<b>Total Other Non Operating Income (Total B)</b>	<b>90.60</b>	<b>16.68</b>
	<b>TOTAL OTHER INCOME (Total A+B)</b>	<b>149.24</b>	<b>25.56</b>
<b>23</b>	<b>COST OF MATERIAL CONSUMED</b>		
	<b>Opening Stock</b>		
	Raw Material	5,848.47	6,605.01
	<b>Purchases</b>		
	Purchase of Raw Material	18,525.93	13,879.52
	Less: Purchase Return	287.40	264.95
	<b>Net Purchases</b>	<b>18,238.53</b>	<b>13,614.57</b>
	<b>Closing Stock</b>		
	Raw Material	6,690.88	5,848.47
	<b>TOTAL COST OF MATERIAL CONSUMED</b>	<b>17,396.12</b>	<b>14,371.12</b>
<b>24</b>	<b>CHANGES IN INVENTORIES</b>		
	<b>Opening Stock</b>		
	Semi Finished Goods	380.08	195.61
	Finished Goods	872.63	756.77
	<b>Closing Stocks</b>		
	Semi Finished Goods	128.13	380.08
	Finished Goods	2,226.44	872.63
	<b>TOTAL CHANGES IN INVENTORIES</b>	<b>-1,101.86</b>	<b>-300.33</b>

Macpower CNC Machines Ltd. CIN: L30009GJ2003PLC043419			
Notes forming part of the Financial Statements:			
(Rs. in lakhs except EPS)			
Note No.	Particulars	March 31, 2024	March 31, 2023
<b>25</b>	<b>EMPLOYEE BENEFIT EXPENSES</b>		
	Salaries and wages	2,089.76	1,881.20
	Contribution to provident and other funds	128.96	94.83
	Staff welfare expenses	79.91	84.94
	<b>TOTAL EMPLOYEE BENEFIT EXPENSES</b>	<b>2,298.63</b>	<b>2,060.97</b>
<b>26</b>	<b>FINANCE COST</b>		
	<u>Interest Expense</u>		
	Bank Interest - C.C. 359	0.08	7.90
	Interest on Finance Lease	4.61	1.25
	<u>Other Borrowing Cost</u>		
	Bank Commission	20.33	14.32
	<b>TOTAL FINANCE COST</b>	<b>25.02</b>	<b>23.47</b>
<b>27</b>	<b>OTHER EXPENSES</b>		
	Consumption of stores and spare parts.	148.79	156.77
	Audit & Legal Fees	23.39	6.93
	Professional Fees	77.09	52.25
	Power and fuel	155.22	141.45
	Donation and CSR Expense	28.62	19.52
	Rent	11.41	6.85
	Repairs to machinery	77.53	92.80
	Insurance	23.30	18.16
	Rates and taxes, excluding, tax on Income	46.27	61.60
	Brokerage & Commission Exp.	89.35	177.70
	Job Work Exp.	724.09	673.97
	Transportation Exp.	264.95	256.35
	Expected Credit Loss	9.90	6.08
	Miscellaneous Expense	298.11	319.13
	<b>TOTAL OTHER EXPENSES</b>	<b>1,978.02</b>	<b>1,989.56</b>
<b>28</b>	<b>TAX EXPENSES</b>		
	<u>Current Tax</u>		
	Provision for current year	781.75	370.70
	Deferred Tax	36.44	73.12
	<b>TOTAL TAX EXPENSES</b>	<b>818.19</b>	<b>443.82</b>
	<b>Reconciliation of Tax Expense and the Accounting Profit multiplied by India's Tax Rate</b>	<b>3,243.39</b>	<b>1,733.31</b>
	<b>Tax at the Indian tax of 25.168% (Previous Year 25.168%) Total (A)</b>	<b>816.30</b>	<b>436.25</b>
	Tax effect of amount which are not deductible (taxable) in calculating taxable income :		
	CSR Expense	7.20	4.91
	Rent Expense as per Ind AS 116	-2.41	0.31
	Other Expense Disallowed	2.81	7.39
	Deferred Tax Liability for the year (Other than OCI)	36.44	73.12
	<b>Total (B)</b>	<b>44.04</b>	<b>85.73</b>



Macpower CNC Machines Ltd. CIN: L30009GJ2003PLC043419			
Notes forming part of the Financial Statements:			
(Rs. in lakhs except EPS)			
Note No.	Particulars	March 31,2024	March 31,2023
	Tax effect of amount which are deductible (non taxable) in calculating taxable income :		
	Other Deduction	-8.47	-27.74
	Difference in tax rate on capital gain	-0.69	-0.07
	Depreciation Difference	-32.99	-50.35
	<b>Total (C)</b>	<b>-42.15</b>	<b>-78.16</b>
	Impact of change in tax rates, reversal of (short)/excess provisions and others	-	-
	<b>Total Tax Expenses (A+B-C)</b>	<b>818.19</b>	<b>443.82</b>
<b>29</b>	<b>EARNING PER SHARE</b>		
	Net profit as per statement of Profit & Loss	2,425.20	1,289.49
	Weighted average number of shares outstanding during the year (Nos)	100.04	100.04
	<b>Earning Per Share (Basic and Diluted)</b>	<b>24.24</b>	<b>12.89</b>
	<b>Face Value Per Share (In Rs.)</b>	<b>10.00</b>	<b>10.00</b>
<b>30</b>	<b>CONTINGENT LIABILITY NOT ACKNOWLEDGED AS DEBT</b>		
	Claims against company not acknowledged as debt (incl. disputed statutory dues)	28.35	-
	Guarantees\LC issued by bank on behalf of company	-	-
	Capital Commitment for Capital Work in Process	-	-
	<b>TOTAL</b>	<b>28.35</b>	<b>-</b>
<b>31</b>	<b>LEASE</b>		
	<b>As a Lessee:</b>		
	The company has entered into various lease agreements. The lease period can be extended beyond the agreed period at mutually acceptable terms and conditions. There are no restrictions placed upon the company by entering into these leases.		
	Future minimum rentals payable under operating lease are as follows:		
		<b>31-Mar-24</b>	<b>31-Mar-23</b>
	Within one year	12.63	7.19
	After one year but not more than five years	34.92	31.53
	More than five years	-	-
	<b>Total</b>	<b>47.55</b>	<b>38.72</b>

Macpower CNC Machines Ltd.  
CIN: L30009GJ2003PLC043419

Notes forming part of the Financial Statements:

(Rs. in lakhs except EPS)

Note No.	Particulars	March 31,2024	March 31,2023
<b>32</b>	<b>EXCHANGE DIFFERENCE GAIN/(LOSS) RECOGNISED IN STATEMENT OF PROFIT AND LOSS</b>		
	<b>Particulars</b>	<b>31-Mar-24</b>	<b>31-Mar-23</b>
	Relating to export during the year as a part of sales / other Income	-	-
	Others	11.77	1.87
	<b>Total</b>	<b>11.77</b>	<b>1.87</b>
		<b>31-Mar-24</b>	<b>31-Mar-23</b>
	Export Trade receivable	-	-
	USD	-	-
	INR	-	-
	Import Trade Payable	0.41	-
	USD	34.34	-
	INR	2.56	1.41
	EURO	237.01	132.48
	INR		
<b>33</b>	<b>EMPLOYEE BENEFITS</b>		
	<b>A. Gratuity</b>		
	The defined benefit obligation is calculated annually by actuaries using the projected unit credit method in conformity with the principles and manner of computation specified in Ind AS 19.		
	<b>Particulars</b>	<b>31-Mar-24</b>	<b>31-Mar-23</b>
	<u>Amount recognised in Balance Sheet</u>		
	Present Value of funded defined benefit obligation	136.37	110.61
	Present Value of Plan Asset	70.48	75.82
	<b>Net funded obligation</b>	<b>65.89</b>	<b>34.79</b>
	<u>Expense recognised in the statement of Profit &amp; Loss</u>		
	Current Service Cost	21.93	15.40
	Past Service Cost	-	-
	Interest on net defined benefit liability /(assets)	2.61	7.40
	<b>Total expense charged to profit &amp; loss</b>	<b>24.54</b>	<b>22.80</b>
	<u>Amount recorded as other comprehensive income</u>		
	<b>Opening amount recognised in OCI outside profit &amp; loss</b>	-	-
	<u>Remeasurements during the period due to</u>		
	Actuarial (gain)/losses on obligation for the period	-9.11	12.14
	Actual return on plan assets less interest on plan assets	-	-
	<b>Closing amount recognised in OCI outside profit &amp; loss</b>	<b>-9.11</b>	<b>12.14</b>
	<u>Reconciliation of net liability/(assets)</u>		
	<b>Opening net defined benefit liability/(assets)</b>	110.61	114.47
	Expense charged to profit & loss account	24.54	22.80
	Amount recognised outside profit & loss account	9.11	-12.14
	Employer contributions	2.55	-14.52
	<b>Closing net defined benefit liability/(assets)</b>	<b>146.81</b>	<b>110.61</b>



Macpower CNC Machines Ltd.  
CIN: L30009GJ2003PLC043419

Notes forming part of the Financial Statements:

(Rs. in lakhs except EPS)

Note No.	Particulars	March 31,2024	March 31,2023
<b>34</b>	<b>EMPLOYEE BENEFITS (Cont.)</b>		
	<u>Movement in benefit obligation</u>		
	<b>Opening of defined benefit obligation</b>	110.61	114.47
	Current Service Cost	21.93	15.40
	Interest on defined benefit obligation	8.29	8.29
	Past Service cost	-	-
	<u>Remeasurements due to</u>		
	Actuarial Loss /(gain) arising from change in financial assumptions	3.66	-2.91
	Actuarial Loss /(gain) arising on account of experience changes	5.45	-9.23
	Actuarial Loss /(gain) arising from change in demographic assumptions	-	-
	Benefits paid	13.56	-15.41
	<b>Closing of Defined benefit obligation</b>	<b>163.50</b>	<b>110.61</b>
	<b>Key actuarial assumptions</b>	<b>31-Mar-24</b>	<b>31-Mar-23</b>
	Discount rate (p.a)	7.24%	7.24%
	Rate of increase in Compensation levels	12.00%	12.00%
	Level of Mortality	We have used 100% of industry mortality table IALM 2012-14 for this valuation	We have used 100% of industry mortality table IALM 2012-14 for this valuation
	<b>Sensitivity Analysis</b>		
	The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.		
	The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.		
	Liabilities are very less sensitive due to change in mortality assumptions. Hence,sensitivities due to change in mortality are ignored.		
	Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.		

Macpower CNC Machines Ltd.

CIN: L30009GJ2003PLC043419

Notes forming part of the Financial Statements:

(Rs. in lakhs except EPS)

Note No.	Particulars	March 31,2024	March 31,2023
<b>34</b>	<b>EMPLOYEE BENEFITS (Cont.)</b>		
	<b>Particulars</b>	<b>Current Period</b>	<b>Previous Period</b>
	Projected Benefit Obligation on Current Assumptions	163.50	110.61
	Delta Effect of +0.5% Change in Rate of Discounting	-6.89	-5.46
	Delta Effect of -0.5% Change in Rate of Discounting	7.52	5.94
	Delta Effect of +1% Change in Rate of Salary Increase	14.23	11.29
	Delta Effect of -1% Change in Rate of Salary Decrease	-12.58	-10.00
	Delta Effect of +5% Change in Rate of Employee Turnover	-20.17	-14.69
	Delta Effect of -5% Change in Rate of Employee Turnover	41.18	29.47
	<b>B. Provident Fund</b> Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. The company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre payment will lead to, for example, a reduction in future payment or a cash refund.		



Macpower CNC Machines Ltd.  
CIN: L30009GJ2003PLC043419

Notes forming part of the Financial Statements

**35 DISCLOSURE OF TRANSACTION WITH RELATED PARTIES AS REQUIRED BY THE INDIAN ACCOUNTING STANDARD-24**

**a List of related parties and relationship**

The Management has identified the following entities and individuals as related parties of the Group for the year ended 31st March, 2024 and 31st March, 2023 for the purpose of reporting as per Ind AS 24 - Related Party Disclosure which are as under:-

**Enterprise under common control**

- i. Modern Machine Tools
- ii. Macpower Industries

**Key Managerial Persons**

- i. Rupesh J. Mehta
- ii. Nikesh J. Mehta
- iii. Rajnikant Raja
- iv. Kishor Kikani
- v. Maulik Mokariya
- vi. Rajubhai Bhandari
- vii. Deven Doshi

Managing Director  
Whole -time Director & Chief Executive Officer  
CFO  
CS & Compliance Officer  
Independent Director  
Independent Director  
Independent Director

(Rs. In lakhs)

Name of related party and nature of relationship			Nature of transaction	2023-24			2022-23		
				Transaction Value	Outstanding amount in Balance Sheet	Dr./Cr.	Transaction Value	Outstanding amount in Balance Sheet	Dr./Cr.
Mr. Rupesh J. Mehta	Managing Director	Professional Fees	36.00	3.24	Cr.	39.24	3.24	Cr.	
			<b>36.00</b>	<b>3.24</b>		<b>39.24</b>	<b>3.24</b>		
Mr. Nikesh J. Mehta	Director	Professional Fees	20.00	-	-	24.00	1.80	Cr.	
			<b>20.00</b>	<b>-</b>		<b>24.00</b>	<b>1.80</b>		
Rajnikant M Raja	CFO	Short Term Benefit	9.70	-		9.83	0.75	Cr.	
			<b>9.70</b>	<b>-</b>		<b>9.83</b>	<b>0.75</b>		
Kishor Kikani	CS	Short Term Benefit	4.79	-		3.87	0.31	Cr.	
			<b>4.79</b>	<b>-</b>		<b>3.87</b>	<b>0.31</b>		
Modern Machine Tools (Prop. Raxaben Mehta)	Relative of Director	Purchase of Machine Parts & Tools	4.29	10.90	Dr.	13.89	0.64	Cr.	
		Sales	13.44			1.57			
			<b>17.73</b>	<b>10.90</b>		<b>15.46</b>	<b>0.64</b>		

Macpower CNC Machines Ltd.  
CIN: L30009GJ2003PLC043419

Notes forming part of the Financial Statements

Macpower Industries (Prop. Mr. Rupesh J. Mehta)	Managing Director	Purchase of Machine Parts & Tools	24.88	0.09	9.95	9.59	Cr.
		Sales	-	-	0.36	-	
			24.88	0.09	9.95	9.59	

**35 DISCLOSURE OF TRANSACTION WITH RELATED PARTIES AS REQUIRED BY THE INDIAN ACCOUNTING STANDARD-24 (Cont.)**

All Related Party Transactions entered during the year were in ordinary course of the business and on arm's length basis and amount showing inclusive of tax. Outstanding balances at the year-end are unsecured and settlement occurs in cash.

There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31st March, 2024, the Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

**36 FINANCIAL RISK MANAGEMENT**

**A Financial Risk Factors**

The Company's principal financial liabilities comprise borrowings, leases, trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company has trade and other receivables, cash and short-term deposits that arise directly from its operations. The Company's activities expose it to a variety of financial risks detailed below:-

**a Market Risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as commodity risk. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. This is based on the financial assets and financial liabilities held as at March 31, 2024 and March 31, 2023.

The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations provisions and on the non-financial assets and liabilities. The sensitivity of the relevant Statement of Profit and Loss item is the effect of the assumed changes in the respective market risks. The Company's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates.

**Foreign Exchange Risk and Sensitivity**

The Company transacts business primarily in USD and Euro. The Company has foreign currency trade payables and receivables and is therefore, exposed to foreign exchange risk.



Macpower CNC Machines Ltd.  
CIN: L30009GJ2003PLC043419

Notes forming part of the Financial Statements

(Rs. in lakhs)

Foreign Exchange Risk			
Particulars	31-Mar-24		31-Mar-23
	Euro	USD	Euro
<b>Financial Assets</b>			
Trade Receivable	-	-	-
Cash & Cash Equivalents	-	-	-
Other Current Asset	-	-	-
Currency Forward - Sell	-	-	-
<b>Net Exposure</b>			
<b>Financial Liabilities</b>			
Borrowings	-	-	-
Trade Payable	237.01	34.34	132.48
Other Financial Liability	-	-	-
<b>Net Exposure</b>			
<b>Net Exposure to foreign currency risk</b>	<b>237.01</b>	<b>34.34</b>	<b>132.48</b>

(Rs. in lakhs)

Sensitivity Analysis				
Particulars	31-Mar-24		31-Mar-23	
	Change in Currency Exchange Rate	Effect on profit /(loss) before tax (' lakhs)	Change in Currency Exchange Rate	Effect on profit /(loss) before tax (' lakhs)
Euro	(+/-)10%	23.70	(+/-)10%	13.25
USD	(+/-)10%	3.43	(+/-)10%	-

(Rs. in lakhs)

Summary of Exchange difference accounted in statement of profit and loss		
Particulars	31-Mar-24	31-Mar-23
	Amount	Amount
<b>Currency Fluctuations</b>		
Net foreign currency (gain)/ loss shown as other expenses	-	-
Net foreign currency losses shown as finance cost	-	-
Net foreign currency (gain)/ loss shown as other income	11.77	1.87
<b>Total</b>	<b>11.77</b>	<b>1.87</b>

Macpower CNC Machines Ltd.

CIN: L30009GJ2003PLC043419

Notes forming part of the Financial Statements

**b Commodity Price Risk and Sensitivity**

The Company is exposed to the movement in price of key raw materials in domestic and international markets. The Company has in place policies to manage exposure to fluctuations in the prices of the key raw materials used in operations.

**c Credit Risk**

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

**Credit Risk**

*Credit risk arises from cash and cash equivalents, credit exposures from customers including outstanding receivables and other financial instruments.*

**Trade receivables and contract assets**

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. The Company has obtained advances and security deposits from its customers & distributors, which mitigate the credit risk to an extent.

**Provision for Expected Credit Loss**

The Company extends credit to customers as per the internal credit policy. Any deviation are approved by appropriate officials, after due consideration of the customers credentials and financial capacity, trade practices and prevailing business and economic conditions. The Company's historical experience of collecting receivables and the level of default indicate that credit risk is low and generally uniform across markets; consequently, trade receivables are considered to be a single class of financial assets. All overdue customer balances are evaluated taking into account the age of the dues, specific credit circumstances, the track record of the customers etc. Loss allowances and impairment is recognised as per the Company policy.

The Company assigns the following internal credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of the financial assets. The Company provides for expected credit loss based on the following:



Macpower CNC Machines Ltd.

CIN: L30009GJ2003PLC043419

## Notes forming part of the Financial Statements

Internal Rating	Category	Description of Category	1. Basis for recognition of expected credit loss of provision 2. Trade receivables and contract assets
Level I	High Quality Assets, Negligible Credit Risk	Assets where the counterparty has strong capacity to meet the obligations and where the risk of default is negligible or nil	Lifetime expected credit losses (simplified approach)
Level II	Quality Assets, Low Credit Risk	Assets where there is low risk of default and where the counterparty has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past	
Level III	Doubtful assets, credit-impaired	Assets where there is high risk of default and there is no reasonable expectation of recovery, the group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss	100 % provision is considered for doubtful assets, credit impaired

Macpower CNC Machines Ltd.

CIN: L30009GJ2003PLC043419

## Notes forming part of the Financial Statements

## 36 FINANCIAL RISK MANAGEMENT (Cont.)

**Others**

All of the entity's debt investments (securities, loan to related parties and others and security deposits) at amortised cost are considered to have low credit risk, when they have a low risk of default and the issuer/holder has a strong capacity to meet its contractual cash flow obligations in the near term. For cash and cash equivalents, the Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances and deposits are maintained. The Company does not maintain significant cash balances other than those required for its day to day operations. The company invests in liquid schemes of mutual fund which have a very short maturity. These schemes are readily convertible and have insignificant changes in value and are held as means for settling liabilities or for working capital limits from banks. The loss allowance recognised during the period was therefore limited upto 12 months expected losses.

There are no receivables which have significant increase in credit risk or credit impaired.

The ageing of trade receivable, contract assets and allowance for doubtful debts/expected credit loss are provided below:

Particulars	Neither Due nor Impaired	Less than 6 months	6 Months to 1 year	1-2 year	2-3 year	More than 3 year	Total
<b>As at March 31, 2024</b>							
<b>(i) Undisputed Trade Receivables - Considered Good</b>							
<b>Secured - Non Current</b>							
Other than Related Parties							
<b>Current:</b>							
<b>Secured</b>							
Other than Related Parties		1926.43	105.62	121.27	7.46	0.00	<b>2160.78</b>
<b>Unsecured</b>							
Related Parties							
Other than Related Parties							
<b>(ii) Disputed Trade Receivables - Considered Good</b>							
<b>Secured - Non Current</b>							
Other than Related Parties						32.76	<b>32.76</b>
<b>Current:</b>							
<b>Secured</b>							
Other than Related Parties							



Macpower CNC Machines Ltd.

CIN: L30009GJ2003PLC043419

## Notes forming part of the Financial Statements

<b>Unsecured</b>							
Related Parties							
Other than Related Parties							
<b>(iii) Contract Assets</b>							
<b>Gross Total</b>	<b>1926.43</b>	<b>105.62</b>	<b>121.27</b>	<b>7.46</b>	<b>32.76</b>	<b>2193.54</b>	
<b>(iv) Undisputed Trade Receivables - Considered Doubtful</b>							
Related Parties							
Other than Related Parties							
<b>Less : Loss Allowance</b>							
Related Parties							
Other than Related Parties							
<b>Net Total</b>	<b>1926.43</b>	<b>105.62</b>	<b>121.27</b>	<b>7.46</b>	<b>32.76</b>	<b>2193.54</b>	
Expected Credit Loss rate(average)							0.64%
Expected Credit Losses							14.03
<b>As at March 31, 2023</b>							
<b>(i) Undisputed Trade Receivables - Considered Good</b>							
<b>Secured - Non Current</b>							
Other than Related Parties							
<b>Current:</b>							
<b>Secured</b>							
Other than Related Parties	1117.16	86.81	24.74	5.65	0.00	1234.36	
<b>Unsecured</b>							
Related Parties							
Other than Related Parties							
<b>(ii) Disputed Trade Receivables - Considered Good</b>							
<b>Secured - Non Current</b>							
Other than Related Parties					41.09	41.09	
<b>Current:</b>							
<b>Secured</b>							
Other than Related Parties							

Macpower CNC Machines Ltd.  
CIN: L30009GJ2003PLC043419

Notes forming part of the Financial Statements

<b>Unsecured</b>							
Related Parties							
Other than Related Parties							
<b>(iii) Contract Assets</b>							
<b>Gross Total</b>		<b>1117.16</b>	<b>86.81</b>	<b>24.74</b>	<b>5.65</b>	<b>41.09</b>	<b>1275.45</b>
<b>(iv) Undisputed Trade Receivables - Considered Doubtful</b>							
Related Parties							
Other than Related Parties							
<b>Less : Loss Allowance</b>							
Related Parties							
Other than Related Parties							
<b>Net Total</b>		<b>1117.16</b>	<b>86.81</b>	<b>24.74</b>	<b>5.65</b>	<b>41.09</b>	<b>1275.45</b>
Expected Credit Loss rate(average)							0.32%
Expected Credit Losses							4.12

The movement of the expected loss provision (allowance for bad and doubtful receivables) made by the Company are as under:

Particulars	Trade Receivables
<b>Loss Allowance as at April 1, 2022</b>	0.00
Additions pursuant to Composite Scheme of Amalgamation on April 1, 2022	
Provisions made	4.12
Utilisation	
<b>Loss Allowance as at March 31, 2023</b>	<b>4.12</b>
Additions from business acquisitions	
Provisions made	9.91
Amount Written Off	
<b>Loss Allowance as at March 31, 2024</b>	<b>14.03</b>
Related Parties	
Other than Related Parties	14.03



Macpower CNC Machines Ltd.  
CIN: L30009GJ2003PLC043419

Notes forming part of the Financial Statements

Financial Assets other than trade receivables - Expected Credit Loss

Particulars	Basis for recognition of Expected Credit Loss	31/03/2024			31/03/2023		
		Current	Non Current	Expected Loss Provision	Current	Non Current	Expected Loss Provision
Advances to Employees	Lifetime expected credit losses	5.51		1.72	3.23		1.96

d **Liquidity Risk**

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance. The Company does not acquire or issue derivative financial instruments for trading or speculative purposes. Risk management is carried out under policies approved by the board of directors. It identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The board provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and liquidity risk.

**Liquidity Risk**

The Company's objective is to maintain optimum levels of liquidity to meet its cash requirements at all times. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. The Company monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

The table below provides undiscounted cash flows towards non-derivative financial liabilities and net-settled derivative financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

Macpower CNC Machines Ltd.  
CIN: L30009GJ2003PLC043419

### Notes forming part of the Financial Statements

#### e Competition Risk

The Company faces competition from local and foreign competitors. Nevertheless, it believes that it has competitive advantage in terms of high quality products and by continuously upgrading its expertise and range of products to meet the needs of its customers.

#### f Capital Risk Management

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The primary objective of the Company's capital management is to maximize the shareholder value. The Company's primary objective when managing capital is to ensure that it maintains an efficient capital structure and healthy capital ratio and safeguard the Company's ability to continue as a going concern in order to support its business and provide maximum returns for shareholders. The Company also proposes to maintain an optimal capital structure to reduce the cost of capital. No changes were made in the objectives, policies or processes during the year ended March 31, 2024 and year ended March 31, 2023. The Company monitors capital using gearing ratio, which is net debt divided by sum of capital and net debt.

For the purpose of the Company's capital management, capital includes equity share capital and other equity as per the balance sheet. Net debt includes, lease liabilities and borrowings less cash and cash equivalents.

Particulars	31/03/2024	31/03/2023
Borrowings and leases liabilities	47.55	38.72
Less: cash and cash equivalents	931.72	381.89
<b>Net Debt (A)</b>	<b>-884.17</b>	<b>-343.17</b>
Total Capital	11911.73	9661.11
<b>Capital and Net Debt (B)</b>	<b>11027.56</b>	<b>9317.94</b>
<b>Gearing Ratio (A/B)</b>	<b>-8.02%</b>	<b>-3.68%</b>
Dividend paid during the year		
Particulars	31/03/2024	31/03/2023
Dividend paid to equity shareholders	150.06	100.04



**Macpower CNC Machines Ltd.**  
**CIN: L30009GJ2003PLC043419**

**Notes forming part of the Financial Statements**

**B Fair Value Hierarchy**

The table below analysis financial instruments at fair value, by valuation method. The different levels have been identified as follows:

Level 1: - Quoted prices in active markets for identified assets or liabilities.

Level 2: - Inputs other than quoted prices included with level 1 that are observable for the assets or liability, other directly (i.e.as prices) or indirectly (i.e. derived from prices).

Level 3: - Inputs for the assets or liabilities that are not based on observable market data (underrated inputs).

Financials	Level I	Level II	Level III
Investment in 11% Debenture (2024)	211.04	-	-
Investment in Mutual Fund (2024)	305.12		
Investment in Mutual Fund (2023)	500.00	-	-

**Fair Value Measurement of Financial Liabilities**

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

**37 Others**

(i) **Previous year figures are regrouped, re arranged & re casted wherever necessary.**

(ii) **Auditors Remuneration**

Auditors remuneration consist of following

(Rs. In lakhs)

Particulars	31/03/2024	31/03/2023
Statutory Audit Fees	6.00	3.00

(iii) **Break up of CSR Expenditure**

(Rs. In lakhs)

Particulars	Year Ended March 31,2024	Year Ended March 31,2023
a. Amount required to be spent by the company during the year	28.56	19.47
b. Amount of expenditure incurred on:	28.62	-
(i). Construction/acquisition of any asset - -	-	-
(ii) On purposes other than (i) above	28.62	19.52
c. Shortfall at the end of the year	-0.06	-0.05
d. Total of previous years shortfall	-0.05	-
e. Reason for shortfall		N.A

Macpower CNC Machines Ltd.  
CIN: L30009GJ2003PLC043419

## Notes forming part of the Financial Statements

f. Nature of CSR activities

1. Promoting education about cyber security
2. Promoting healthcare and education

g. Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard :

No such transaction with related party

No such transaction with related party



Macpower CNC Machines Ltd.  
CIN: L30009GJ2003PLC043419

Notes forming part of the Financial Statements

**37 Others (Cont.)**

- (iv) 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 lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (v) There were no material changes and commitments affecting the financial position of the Company which occurred between the end of the financial year to which this financial statement relates on the date of this Integrated Annual Report.

**38 Goods and Service Tax**

Expenses and assets are recognised net of the amount of sales/ value added taxes/ goods and services tax paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable; and
- When receivables and payables are stated with the amount of tax included. The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

**39 Benami Transactions**

There is no proceedings initiated or pending against the company for holding any Benami Property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and Rules made there under during the year.

**40 Undisclosed Income**

There is no tax assessment under The Income Tax Act, 1961 for non-disclosure or surrender of undisclosed income during the year.

**41 Crypto Currency**

The company has not traded nor invested in the Virtual Currency - Crypto Currency during the year.

**42 Events after the balance sheet date**

Events after the Balance Sheet Date - The Board of directors have recommended dividend for the financial year 2023-24, which is subject to the approval of the shareholders in the ensuing annual general meeting. These financial statements were approved and adopted by the board of directors of the Company in their meeting and are subject to shareholder approval at the forthcoming Annual General Meeting of shareholders.

**Macpower CNC Machines Ltd.**  
**CIN: L30009GJ2003PLC043419**

**Notes forming part of the Financial Statements**

**43 Audit Trail**

As per the proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail ( Edit Log) facility is complied by the company.

**44 Regrouping**

There has been change in the internal grouping of few balance sheet items which has caused changes in the values of those balance sheet items as shown on the face of balance sheet of the statutory report as compared with the result published. However the regrouping as done is not material.



Macpower CNC Machines Ltd. CIN: L30009GJ2003PLC043419									
Notes forming part of the Financial Statements									
37 (v)	Others Ratios	Numerator	/	Denominator	Units	2023-24	2022-23	Change	Reasons in case of change is more than 25%
	Current Ratio	Current Assets	/	Current Liability	Times	2.24	2.37	-5%	-
	Debt-Equity Ratio	Debt	/	Equity	is to	0	0	0%	-
	Debt Service Coverage Ratio	Net Operational Income	/	Total Debt Service	Times	0	0	0%	-
	Return on Equity Ratio	Earning After Tax	/	Shareholders' Fund	%	20.30%	13.44%	51%	The profit has increased due to increase in sales and cutting of costs which has increased the Earnings which enhanced the ratio.
	Inventory turnover ratio	Cost of Goods Sold	/	Average Stock	Times	2.02	1.92	5%	-
	Trade Receivables turnover ratio	Revenue from Operation	/	Average Trade Receivable	Times	13.97	21.61	-35%	During the year proportion of sales to Government & Semi-government organisation in comparison to Non-government buyer is more. Credit period of the sales to Government & Semi-government organisation remains on higher side, ratio in question is increased substantially in comparison with previous year.

Macpower CNC Machines Ltd. CIN: L30009GJ2003PLC043419 Notes forming part of the Financial Statements							
37 (v)	Others Ratios						
Ratio	Numerator	/	Denominator	Units	2023-24	2022-23	Change
Trade payables turnover ratio	Credit Purchase	/	Average Trade Payable	Times	5.19	4.00	30%
							Even though the credit purchases have increased, but the same amount of increase is not seen in the trade payables which indicates that the creditors had been paid off which impacted the ratio.
Net capital turnover ratio	Total Sales	/	Shareholders' Fund	Times	2.02	2.09	-3%
Net profit ratio	Net Profit	/	Sales	%	10.06%	6.39%	58%
							Increase in sales and cost cutting has led to the increase in Net Profit which enhanced the ratio.
Return on Capital employed	Earning before Interest and Tax	/	(Total Assets - Total Current Liability)	%	26.70%	17.71%	51%
							Earnings before interest and tax and working capital have increased which enhanced the ratio.
Return on investment	Earning After Tax	/	Average Total Assets	%	51.72%	31.01%	67%
							Earning after tax and Average Total assets have increased which has enhanced the ratio.



## Notes forming part of the Financial Statements

(Amount in Lakhs)

Sr. No.	Particulars	Currency	Amount as on 31.03.2024	Amount as on 31.03.2023
	Raw Materials	USD	2.95	3.50
		INR	246.78	282.48
		EURO	9.25	14.86
		INR	843.83	1,265.24
		JPY	0.89	
		INR	0.50	
		Total INR Amount of the raw material at year end	1,091.11	1,547.71

Sr. No.	Particulars	Currency	Amount as on 31.03.2024	Amount as on 31.03.2023	TDS 23-24	TDS 22-23	Net of Tax Earnings 23-24	Net of Tax Earnings 22-23
	Export of goods/services calculated on FOB Basis	USD	1.01	-	-	-	1.01	-
		INR	83.36	-	-	-	83.36	-
	<b>Total</b>		<b>83.36</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>83.36</b>	<b>-</b>

Sr. No.	Particulars	Currency	Amount as on 31.03.2024	Amount as on 31.03.2023
1	Import Trade Payable	USD	0.41	0.00
		INR	34.34	0.00
		EURO	2.56	1.41
		INR	237.01	132.48
	<b>Total</b>		<b>271.35</b>	<b>132.48</b>

Macpower CNC Machines Ltd.  
CIN: L30009GJ2003PLC043419

## Notes forming part of the Financial Statements

Note No. 46

### STOCK STATEMENT

(Amount in Lakhs)

Details to be provided if Borrowing taken from Banks or Financial institution on the basis of security current assets

Quarter	Name of Bank	Detail of security given	Amount as reported in per Book	Amount reported in quarterly return	Difference	Reason for Difference
Q-4 (F.Y. 2023-24)	Axis Bank Ltd		9,045.45	8,773.98	271.48	
Q-3 (F.Y. 2023-24)	Axis Bank Ltd	Inventories & Trade Receivable.	8,892.45	8,870.48	21.97	Provisional Stock had been provided to the bank so there is difference in the bank statement and book statement.
Q-2 (F.Y. 2023-24)	Axis Bank Ltd		8,008.30	8,008.30	-	
Q-1 (F.Y. 2023-24)	Axis Bank Ltd		7,961.20	7,951.51	9.69	






## MACPOWER CNC MACHINES LIMITED

CIN : L30009GJ2003PLC043419

 Plot No: 2234, Near Kranti Gate, GIDC, Metoda - 360021. Rajkot, Gujarat. (INDIA).

 +91 2827 287930

 [cs@macpowercnc.com](mailto:cs@macpowercnc.com)  
[sales@macpowercnc.com](mailto:sales@macpowercnc.com)

 [www.macpowercnc.com](http://www.macpowercnc.com)