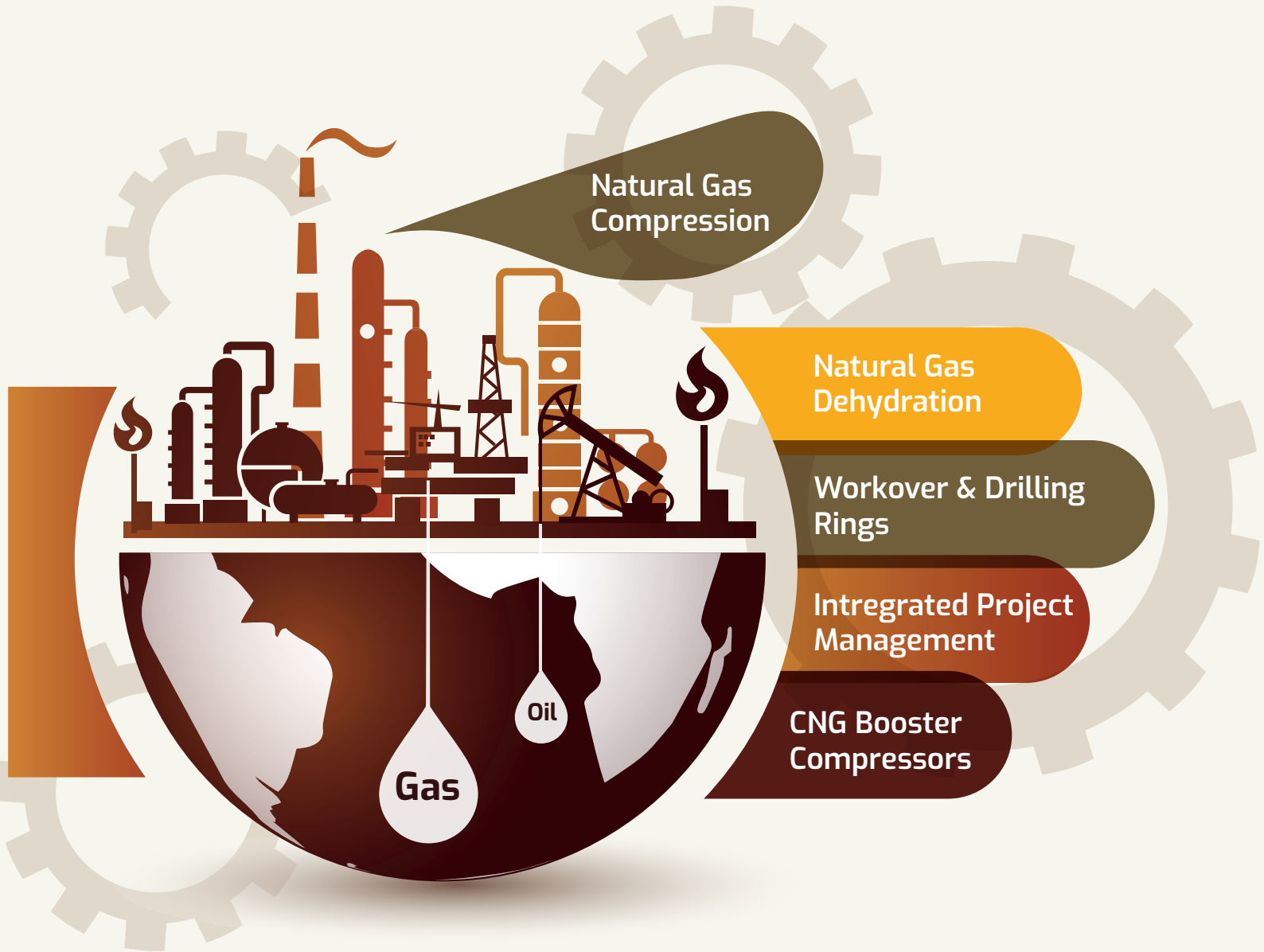




**DEEP
Industries
Limited**



DEEP INDUSTRIES LIMITED

(Formerly known as Deep CH4 Limited)

Oil and Gas Field Services

16th Annual Report
2021 - 2022



BOARD OF DIRECTORS

Mr. Paras Savla	Chairman & Managing Director
Mr. Rupesh Savla	Managing Director
Mr. Dharen Savla	Whole – Time Director (Resigned w.e.f. June 24, 2021)
Mr. Rohan Shah	Whole – Time Director (Finance) and Chief Financial Officer (Appointed as Whole – Time Director (Finance) w.e.f. June 24, 2021)
Dr. Kirit Shelat	Independent Director
Mr. Hemendrakumar Shah	Independent Director
Mrs. Renuka Upadhyay	Independent Director (Resigned w.e.f. May 11, 2021)
Mrs. Shaily Dedhia	Independent Director (Appointed w.e.f. June 24, 2021)

KEY MANAGERIAL PERSONNEL

CS Roshni Shah	Company Secretary
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BANKERS

IndusInd Bank Ltd.
Axis Bank Ltd.
ICICI Bank Ltd

STATUTORY AUDITORS

M/s. Dhirubhai Shah & Co. LLP
Chartered Accountants

SECRETARIAL AUDITOR

M/s Shilpi Thapar & Associates
Practicing Company Secretary

SHARE TRANSFER AGENT

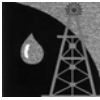
M/s. Link Intime India Private Limited
5th Floor, 506 to 508,
Amarnath Business Centre-1 (ABC-1),
Besides Gala Business Centre,
Near St. Xavier's College Corner,
Off C. G. Road, Ellisbridge, Ahmedabad - 380006

REGISTERED OFFICE

12A & 14, Abhishree Corporate Park,
Ambli Bopal Road, Ambli,
Ahmedabad – 380058
CIN: L14292GJ2006PLC049371
Phone: 02717- 298510 Fax: 02717-298520
E-mail : info@deepindustries.com
Website : www.deepindustries.com

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DEEP INDUSTRIES LIMITED
(Formerly known as Deep CH4 Limited)
CIN: L14292GJ2006PLC049371

Regd. Office: 12A & 14, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad – 380058,
Phone: 02717- 298510, Fax: 02717-298520
E-mail:info@deepindustries.com, **Website** – www.deepindustries.com

NOTICE of the 16th Annual General Meeting

NOTICE is hereby given that the 16th Annual General Meeting (“AGM”) of the Shareholders of **DEEP INDUSTRIES LIMITED (formerly known as Deep CH4 Limited)** will be held on Tuesday, September 27, 2022 at 11.00 A.M. through Video Conferencing (“VC”) or Other Audio-Visual Means (“OAVM”) to transact the following business. The venue of the meeting shall be deemed the registered office of the Company at 12A & 14, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad – 380 058, Gujarat.

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements (including audited consolidated financial statements) of the company for the financial year ended March 31, 2022 and the Reports of the Board of Directors and Auditors thereon.
2. To confirm the payment of Interim Dividends of ₹ 1.40 on Equity Shares and to declare a Final Dividend of ₹ 1.85 on Equity Shares for the financial year 2021-22.
3. To appoint a Director in place of Mr. Rupesh Savla (DIN: 00126303), who retires by rotation and being eligible, offers himself for re-appointment.
4. Appointment of Statutory Auditors of the Company

To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:
“**RESOLVED THAT** pursuant to the provisions of Sections 139, 141, 142 and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the Companies (Audit and Auditors) Rules, 2014 and regulations made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), M/s. Mahendra N. Shah & Co., Chartered Accountants, (Firm Registration No. 105775W) be and are hereby appointed as the Statutory Auditors of the Company to fill up the casual vacancy caused due to resignation of M/s. Dhirubhai Shah & Co LLP (FRN: 102511W/W100298), Chartered Accountants, for a period of 5 consecutive financial years to conduct the Statutory Audit from financial year 2022 – 2023 to financial year 2026 – 2027 and to hold office from the conclusion of ensuing Annual General Meeting till the conclusion of Annual General Meeting to be held for the financial year 2026-2027, at such remuneration, as may be mutually agreed between any Director of the Company and the Statutory Auditors.”

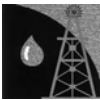
SPECIAL BUSINESS:

5. **To appoint M/s. Mahendra N. Shah & Co. as Statutory Auditors of the Company to fill in causal vacancy arisen due to resignation of M/s. Dhirubhai Shah & Co LLP.**

To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:
“**RESOLVED THAT** pursuant to sub-section (8) of section 139 and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the Companies (Audit and Auditors) Rules, 2014 and regulations made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and pursuant to recommendation made by the Audit Committee and Board of Directors, M/s Mahendra N Shah & Co., Chartered Accountant (Firm Registration No 105775W) be and are hereby appointed as Statutory Auditors of the Company for the financial year 2022-2023 to fill up the casual vacancy caused due to resignation of M/s. Dhirubhai Shah & Co LLP (FRN:102511W/W100298), Chartered Accountants, and they shall hold office until the conclusion of the 16th Annual General Meeting, at such remuneration, as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors.”

6. **To approve increase in remuneration of Mr. Paras Savla, Chairman and Managing Director (DIN: 00145639) of the company.**

To consider and if thought fit, to pass, with or without modification(s), the following Resolution as a **Special Resolution**:
“**RESOLVED THAT** pursuant to the provisions of Section 196, 197 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) and re enactment thereof for the time being in force) and pursuant to Regulation 17(6)(e) of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 and the relevant provisions of the Articles of Association of the Company and all applicable guidelines as applicable from time to time, and based on the recommendation of nomination and remuneration committee and Board of Directors the consent of the Members of the Company be and is hereby accorded to increase the remuneration of Mr. Paras Shantilal Savla (DIN: 00145639), Chairman & Managing Director as Promoter and sub-categorized as Executive



Director of the Company for a remaining tenure of his appointment with effect from October 1, 2022, on terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee as set out hereunder with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to alter and vary the terms and conditions of appointment and/or remuneration,

I. Salary: upto Rs. 6,00,000/- p.m.

II. Perquisites and Amenities :

- (a) Car and Telephone: Provision of car used for Company’s business and Telephone at residence will not be considered as perquisites. However, personal long distance calls and use of car for private purposes shall be billed by the Company.
- (b) Mobile: Cost of Mobile Instrument and its bill will be paid by the Company.
- (c) Electricity Charges: It will be paid by the Company.
- (d) Insurance Premium: Insurance Premium (Term Plan) upto Rs. 3,00,000/- p.a. to be reimbursed by the Company on production of documentary evidence.
- (e) Club Fee: Club Fee upto Rs. 4,50,000/- p.a. to be reimbursed by the Company.

III. Other Terms and Conditions:

- a. He shall not be entitled to any sitting fees for attending the meetings of the Board of Directors or any Committee thereof.
- b. The Company will reimburse expenses incurred for traveling, boarding and lodging including for their respective spouses and attendant(s) during business trips, any medical assistance provided including for their respective family members; and provision of cars for use on the Company’s business and telephone expenses at residence shall be reimbursed at actual and not considered as perquisites.
- c. The term of office of Mr. Paras Shantilal Savla as a Managing Director of the Company shall be subject to retire by rotation.”

“**RESOLVED FURTHER THAT** notwithstanding anything to contrary herein contained, where in any financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, remuneration by way of salary, perquisites and other allowances or any combinations thereof shall not exceed the aggregate of the annual remuneration as provided above or the maximum remuneration payable as per the limits set out in Section II of part II of Schedule V of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof, for the time being in force).”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all acts and take necessary steps as may be necessary, proper or expedient to give effect to this resolution.”

“**RESOLVED FURTHER THAT** any of the present Directors of the Company be and is hereby authorized to sign and file necessary e-forms and other relevant papers, documents with Registrar of the Companies and other applicable Statutory authorities if any, and do all such acts, matters, things and deeds as may be necessary to give effect to the aforesaid resolution and to do any matters consequential thereto.”

7. To approve increase in remuneration of Mr. Rupesh Savla, Managing Director (DIN:00126303) of the company.

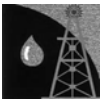
To consider and if thought fit, to pass, with or without modification(s), the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 196, 197 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) and re enactment thereof for the time being in force) and pursuant to Regulation 17(6)(e) of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 and the relevant provisions of the Articles of Association of the Company and all applicable guidelines as applicable from time to time, and based on the recommendation of nomination and remuneration committee and Board of Directors the consent of the Members of the Company be and is hereby accorded to increase the remuneration of Mr. Rupesh Kantilal Savla (DIN: 00126303) Managing Director as Promoter and sub-categorized as Executive Director of the Company for a remaining tenure of his appointment with effect from October 01, 2022, on terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee as set out hereunder with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to alter and vary the terms and conditions of appointment and/or remuneration,

I. Salary: upto Rs. 6,00,000/- p.m.

II. Perquisites and Amenities:

- (a) Car and Telephone: Provision of car used for Company’s business and Telephone at residence will not be considered as perquisites. However, personal long distance calls and use of car for private purposes shall be billed by the Company.



- (b) Mobile: Cost of Mobile Instrument and its bill will be paid by the Company.
- (c) Electricity Charges: It will be paid by the Company.
- (d) Insurance Premium: Insurance Premium (Term Plan) upto Rs. 3,00,000/- p.a. to be reimbursed by the Company on production of documentary evidence.
- (e) Club Fee: Club Fee upto Rs. 4,50,000/- p.a. to be reimbursed by the Company.

III. Other Terms and Conditions:

- a. He shall not be entitled to any sitting fees for attending the meetings of the Board of Directors or any Committee thereof.
- b. The Company will reimburse expenses incurred for traveling, boarding and lodging including for their respective spouses and attendant(s) during business trips, any medical assistance provided including for their respective family members; and provision of cars for use on the Company's business and telephone expenses at residence shall be reimbursed at actual and not considered as perquisites.
- c. The term of office of Mr. Rupesh Kantilal Savla as a Managing Director of the Company shall be subject to retire by rotation."

"RESOLVED FURTHER THAT notwithstanding anything to contrary herein contained, where in any financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, remuneration by way of salary, perquisites and other allowances or any combinations thereof shall not exceed the aggregate of the annual remuneration as provided above or the maximum remuneration payable as per the limits set out in Section II of part II of Schedule V of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof, for the time being in force)."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take necessary steps as may be necessary, proper or expedient to give effect to this resolution."

"RESOLVED FURTHER THAT any of the present Directors of the Company be and is hereby authorized to sign and file necessary e-forms and other relevant papers, documents with Registrar of the Companies and other applicable Statutory authorities if any, and do all such acts, matters, things and deeds as may be necessary to give effect to the aforesaid resolution and to do any matters consequential thereto."

8. To make addition in main object clause of the Memorandum of Association of the Company.

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

"RESOLVED THAT pursuant to the provisions of Section 13, 15 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Incorporation) Rules, 2014 and other relevant rules and regulations made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the consent of the members of the Company be and is hereby accorded for effecting the following alterations in the Clause III (Main Object Clause) of the Memorandum of Association ("the MOA") of the Company by inserting the following sub-clauses under Part-A, after the existing sub-clause 2 in the following manner:-

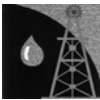
- 3. *"To carry on the business as traders, exporters, importers, dealers, consignors and consignees of all classes of gases and petroleum products and by products, petrochemicals, fuel, oil, crude including natural gases, bio gases, hydrogenated gases and other hydrocarbons for industrial and domestic applications and compressing natural gases, bio gases, hydrogen, nitrogen and other gases, petroleum products or kindred substances or any compounds thereof by any process and of buying, selling or applying such gases, substances and compounds or any of them to such purposes as the Company may from time to time think desirable."*

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and steps as may be necessary for obtaining such approvals in relation to the above and to execute all such documents, instruments and writings as may be required in this connection and to delegate all or any of the powers herein vested in the Board to any Committee thereof or to the Managing Director(s) or Whole Time Director or Company Secretary, to give effect to the aforesaid resolution."

9. To appoint Mr. Dharen Savla as President of the Company and holding office or place of profit.

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

"RESOLVED THAT pursuant to the provisions of Sections 188(1)(f) and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Meetings of Board and its Powers) Rules, 2014 and regulations made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 and as per recommendation received from Nomination and Remuneration Committee and Audit Committee of the Company, consent of Members of the Company be and is hereby accorded to approve appointment of Mr. Dharen Savla holding office or place of profit as President of the Company w.e.f. August 01, 2022 and pay a remuneration upto Rs. 6,00,000 per month."



“RESOLVED FURTHER THAT the perquisites and Amenities to be paid to Mr. Dharen Savla is as under:

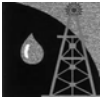
- (a) Car and Telephone: Provision of car used for Company’s business and Telephone at residence will not be considered as perquisites. However, personal long distance calls and use of car for private purposes shall be billed by the Company.
- (b) Mobile: Cost of Mobile Instrument and its bill will be paid by the Company.
- (c) Electricity Charges: It will be paid by the Company.
- (d) Insurance Premium: Insurance Premium (Term Plan) upto Rs. 3,00,000/- p.a. to be reimbursed by the Company on production of documentary evidence.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and steps as may be necessary for obtaining such approvals in relation to the above and to execute all such documents, instruments and writings as may be required in this connection and to delegate all or any of the powers herein vested in the Board to any Committee thereof or to the Managing Director(s) or Whole Time Director or Company Secretary, to give effect to the aforesaid resolution.”

10. To accord consent to the Board to Create, Offer, Issue and allot securities amounting to ₹ 150 Crores pursuant to the applicable provisions of the Companies Act, 2013 and other applicable laws.

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

“RESOLVED THAT pursuant to the provisions of the Companies Act, 2013 and the rules framed thereunder (including any amendments thereto or re-enactment thereof, for the time being in force, the “Companies Act”), the provisions of the Memorandum and Articles of Association of the Company, and subject to other applicable rules, regulations and guidelines issued by, the Government of India (“GOI”), and / or any other competent authorities from time to time to the extent applicable, and subject to such required further approvals, permissions, consents and sanctions as may be necessary from members of the Company, GOI and any other authorities as may be required in this regard and further subject to such terms and conditions or modifications as may be prescribed or imposed by any of them while granting any such approvals, permissions, consents and / or sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this Resolution), consent of the members be and is hereby accorded to the Board to pass an enabling resolution to create, offer, issue and allot (including with provisions for reservation on firm and/or competitive basis, of such part of issue and for such categories of persons as may be permitted), with or without green shoe option, such number of equity shares of the Company of face value ₹ 10/- each (“Equity Shares”), by way of Preferential Issue/Private Placement, fully convertible debentures/partly convertible debentures, preference shares convertible into Equity Shares subject to the alteration of capital clause in Memorandum and Articles of Association of the Company, and/or any other financial instruments convertible into Equity Shares (including warrants, or otherwise, in registered or bearer form) and/or any security convertible into Equity Shares with or without voting/special rights and/or securities linked to Equity Shares and/ or Securities with or without detachable warrants with right exercisable by the warrant holders to convert or subscribe to Equity Shares (all of which are hereinafter collectively referred to as “Securities”) or any combination of Securities, in one or more tranches, whether Rupee denominated or denominated in foreign currency, in one or more domestic market, by way of one or more private offerings, Qualified Institutions Placement (“QIP”) and/or on preferential allotment basis or any combination thereof, through issue of prospectus and /or placement document/ or other permissible/requisite offer document to any eligible person, including Qualified Institutional Buyers (“QIBs”) in accordance with Chapter VIII of the SEBI ICDR Regulations, or otherwise, foreign/resident investors (whether institutions, incorporated bodies, mutual funds, individuals or otherwise), venture capital funds (foreign or Indian), alternate investment funds, foreign institutional investors, foreign portfolio investors, qualified foreign investors, Indian and/ or multilateral financial institutions, mutual funds, non-resident Indians, stabilizing agents, pension funds and/or any other categories of investors, whether they be holders of Equity Shares of the Company or not (collectively called the “Investors”) as may be decided by the Board in its discretion and permitted under applicable laws and regulations, for an aggregate amount not exceeding ₹ 150 Crores (Rupees One Hundred Fifty Crores Only) or equivalent thereof, in one or more foreign currency and/or Indian rupees, inclusive of such premium as may be fixed on such Securities by offering the Securities at such time or times, at such price or prices, at a discount or premium to market price or prices permitted under applicable laws in such manner and on such terms and conditions including security etc. as may be deemed appropriate by the Board and subject to specific approval from shareholders of the Company at the time of exercising any of the above mentioned option at its absolute discretion including the discretion to determine the categories of Investors to whom the offer, issue and allotment in tranches or otherwise shall be made to the exclusion of other categories of Investors at the time of such offer, issue and allotment considering the prevailing market conditions and other relevant factors and wherever necessary in consultation with lead manager(s) and/or underwriter(s) and/or other advisor(s) appointed and/or to be appointed by the Company (the “Issue”).”



“RESOLVED FURTHER THAT in pursuance of the aforesaid resolutions: (a) the Securities to be so created, offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company; and (b) the Equity Shares that may be issued by the Company shall rank pari passu with the existing Equity Shares of the Company in all respects.”

“RESOLVED FURTHER THAT any issue of eligible Securities made by way of a QIP in terms of Chapter VIII of the SEBI ICDR Regulations shall be at such price which is not less than the price determined in accordance with the pricing formula provided under Chapter VIII of the SEBI ICDR Regulations (the “QIP Floor Price”), the Company may, however, in accordance with applicable law, also offer a discount of not more than 5% (Five Percentage) or such percentage as permitted under applicable law on the QIP Floor Price.”

“RESOLVED FURTHER THAT in the event that Equity Shares are issued to QIBs by way of a QIP in terms of Chapter VIII of the SEBI ICDR Regulations, the relevant date for the purpose of pricing of the Equity Shares shall be the date of the meeting in which the Board decides to open the proposed issue of Equity Shares.”

“RESOLVED FURTHER THAT the Issue to the holders of the Securities, which are convertible into or exchangeable with equity shares at a later date shall be, inter alia, subject to the following terms and conditions: (a) in the event the Company is making a bonus issue by way of capitalization of its profits or reserves prior to the allotment of the Equity Shares, the number of Equity Shares to be allotted shall stand augmented in the same proportion in which the equity share capital increases as a consequence of such bonus issue and the premium, if any, shall stand reduced pro tanto; (b) in the event of the Company making a rights offer by issue of Equity Shares prior to the allotment of the Equity Shares, the entitlement to the Equity Shares will stand increased in the same proportion as that of the rights offer and such additional Equity Shares shall be offered to the holders of the Securities at the same price at which the same are offered to the existing shareholders; (c) in the event of merger, amalgamation, takeover or any other reorganization or restructuring or any such corporate action, the number of Equity Shares, the price and the time period as aforesaid shall be suitably adjusted; and (d) in the event of consolidation and/or division of outstanding Equity Shares into smaller number of Equity Shares (including by way of stock split) or re-classification of the Securities into other securities and/ or involvement in such other event or circumstances which in the opinion of concerned stock exchange requires such adjustments, necessary adjustments will be made.”

“RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue or allotment of Equity Shares, Securities or instruments representing the same, as described above, the Board be and is hereby authorised on behalf of the Company to seek listing of any or all of such Securities on one or more Stock Exchanges in India.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to appoint lead manager(s), underwriters, depositories, custodians, registrars, bankers, lawyers, advisors and all such agencies as are or may be required to be appointed, involved or concerned in the Issue and to remunerate them by way of commission, brokerage, fees or the like and also to reimburse them out of pocket expenses incurred by them and also to enter into and execute all such arrangements, agreements, memorandum, documents, etc., with such agencies.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorized on behalf of the Company to take all actions and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient for the Issue and to resolve and settle all questions, difficulties or doubts that may arise in regard to such Issue, including the finalization and approval of the draft as well as final offer document(s), determining the form and manner of the Issue, finalization of the timing of the Issue, identification of the investors to whom the Securities are to be offered, determining the issue price, face value, premium amount on issue/ conversion of the Securities, if any, rate of interest, execution of various transaction documents, signing of declarations, creation of mortgage/ charge, utilization of the issue proceeds, without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and steps as may be necessary for obtaining such approvals in relation to the above and to execute all such documents, instruments and writings as may be required in this connection and to delegate all or any of the powers herein vested in the Board to any Committee thereof or to the Managing Director(s) or Whole Time Director or Company Secretary, to give effect to the aforesaid resolution.”

By Order of the Board

Paras Savla

Chairman and Managing Director

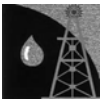
DIN: 00145639

Date : August 8, 2022

Place : Ahmedabad

Registered Office:

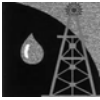
12A & 14, Abhishree Corporate Park,
Ambli- Bopal Road, Ambli, Ahmedabad – 380058



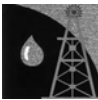
NOTES:

1. In view of the outbreak of the COVID-19 pandemic, the 16th AGM will be held on Tuesday, September 27, 2022 at 11.00 a.m. through Video Conferencing (“VC”) / Other Audio- Visual Means (“OAVM”), in compliance with the applicable provisions of the Companies Act, 2013 read with MCA General Circular no. 14/2020, dated April 8, 2020, MCA General Circular no. 17/2020, dated April 13, 2020, MCA General Circular No. 20/2020 dated May 5, 2020, MCA General Circular No. 22/2020 dated June 15, 2020, Circular No. 02/2021 dated January 13, 2021, Circular No. 21/2021 dated December 14, 2021 and Circular No. 02/2022 dated May 5, 2022 (collectively referred to as “MCA Circulars”) and Securities and Exchange Board (“SEBI”) circular vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, circular no. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 (collectively referred to as “SEBI Circulars”) in relation to compliance of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. Therefore, the deemed venue for the 16th AGM shall be the Registered Office of the Company.
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of Special Businesses Item Nos. 4 to 10 in the Notice is annexed hereto.
3. Pursuant to the requirement of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard – 2 issued by The Institute of Company Secretaries of India, the brief profile/particulars of the Director of the Company seeking their re-appointment at the AGM are stated at the end of the Explanatory Statement annexed hereto.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, September 21, 2022 to Tuesday, September 27, 2022 (both days inclusive).
5. Pursuant to the provisions of the Companies Act, 2013, 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. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Attendance Slip and Proxy Form are not annexed to this Notice.
6. Body Corporate whose Authorised Representatives are intending to attend the Meeting through VC/ OAVM are requested to send to the Company on their email Id cs@deepindustries.com, a certified copy of the Board Resolution/Authorization Letter authorizing their representative to attend and vote on their behalf at the Meeting and through E-voting.
7. 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.
8. Notice of the AGM along with the Annual Report is being sent only through electronic mode to those Members whose email addresses are registered with the Company or Depositories, unless any Member has requested for a physical copy of the same. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company’s website www.deepindustries.com and website of stock exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of Central Depository Services (India) Limited (CDSL) at www.evotingindia.com.
9. Members holding shares in physical form are requested to intimate any change of address and / or bank mandate to Link Intime India Pvt. Ltd. or Secretarial Department of the Company immediately. In case shares held in dematerialized form, the information regarding change of address and bank particulars should be given to their respective Depository Participant.
10. Members who have not registered their e-mail addresses so far, are requested to register their e-mail address with the Registrar and Share Transfer Agents (RTA) of the Company for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
11. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode upto the date of AGM and will also be available electronically for inspection by the Members during the AGM. Members seeking to inspect such documents can send the e-mail to cs@deepindustries.com.
12. Nomination Facility: In accordance with the provisions of Section 72 of the Act and SEBI circulars, the facility for nomination is available for the members of the Company in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting the Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he / she may submit the same in Form No. ISR-3 or Form No. SH-14, as the case may be.

Members are requested to submit the said details to their respective DPs, in case the shares are held by them in dematerialized form and to the Company / RTA in case the shares are held by them in physical form.



13. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail 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.,:
 - a) For shares held in electronic form: to their Depository Participants (DPs)
 - b) For shares held in physical form: to the Company/ Registrar and Transfer Agent in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021.
14. The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN and KYC details pursuant to SEBI Circular dated 3rd November, 2021 in Form ISR-1. Attention of the Members holding shares of the Company in physical form is invited to go through and submit the said Form ISR-1.
15. The Shareholders can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
16. Shareholders attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
17. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection by the Members by writing an e-mail to the Company Secretary at cs@deepindustries.com.
18. Members seeking any information or clarification on the accounts or any other matter to be placed at AGM are requested to send written queries to the Company on cs@deepindustries.com at least 10 days before the date of the meeting to enable the management to respond appropriately.
19. **THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:**
 - a. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, as amended, and MCA Circulars and SEBI Circulars, the Company is providing facility of remote e-voting to its Members in respect of the Business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with CDSL for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a Member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
 - b. 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. Tuesday, September 20, 2022, shall be entitled to avail the facility of remote e-Voting as well as e-Voting system on the date of the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
 - c. 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. Tuesday, September 20, 2022, shall be entitled to exercise his/her vote either electronically i.e. remote e-Voting or e-Voting system on the date of the AGM by following the procedure mentioned in this part.
 - d. The remote e-Voting will commence on Friday, September 23, 2022 at 9:00 a.m. and will end on Monday, September 26, 2022 at 5:00 p.m. During this period, the Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Tuesday, September 20, 2022, may cast their vote electronically. The e-Voting module shall be disabled by CDSL for voting thereafter. Once the vote on the resolution is cast by the Member, he/she shall not be allowed to change it subsequently or cast vote again.
 - e. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the Meeting venue.
 - f. 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.
 - g. The Company has appointed Mr. Ravi Kapoor, Proprietor of M/s. Ravi Kapoor & Associates, Practising Company Secretaries, (Membership No. 2587 & Certificate of Practice No. 2407) Ahmedabad, to act as the Scrutinizer for conducting the remote e-Voting process as well as the e-Voting on the date of the AGM, in a fair and transparent manner.
 - h. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.



Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

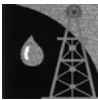
In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- i. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easy / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easy / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easy/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page https://evoting.cdslindia.com/Evoting/EvotingLogin. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL Depository	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login"



	which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

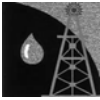
Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- a. The shareholders should log on to the e-voting website www.evotingindia.com.
- b. Click on "Shareholders" module.
- c. Now enter your User ID
 - i. For CDSL: 16 digits beneficiary ID,
 - ii. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - iii. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- d. Next enter the Image Verification as displayed and Click on Login.
- e. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- f. If you are a first-time user follow the steps given below:

For Shareholders holding shares in Demat Form other than individual and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (c).

- g. After entering these details appropriately, click on "SUBMIT" tab.
- h. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by

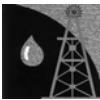


the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- i. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- j. Click on the EVSN for the relevant – Deep Industries Limited on which you choose to vote.
- k. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- l. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- m. After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- n. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- o. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- p. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- q. There is also an optional provision to upload Board Resolution/Power of Attorney if any uploaded, which will be made available to scrutinizer for verification.
- r. **Additional Facility for Non – Individual Shareholders and Custodians – Remote Voting only.**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
 - It is mandatory that a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; cs@deepindustries.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

20. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

- a. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for Remote e-voting.
- b. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
- c. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
- d. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- e. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- f. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- g. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 07 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at cs@deepindustries.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 07 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at cs@deepindustries.com. These queries will be replied to by the company suitably by email.



- h. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- i. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
- j. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

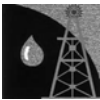
- a. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
- b. For Demat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

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

22. DIVIDEND RELATED INFORMATION

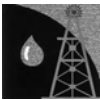
- A. The Board of Directors at their meeting held on May 7, 2022, recommended a Final Dividend of ₹ 1.85 per equity shares (18.5%) of the face value of ₹ 10/- each for the financial year ended March 31, 2022 and the same, if declared at the Meeting, will be paid within a period of thirty days from the date of declaration, to those members whose names appear on the Register of as beneficial owners at the close of business as on Friday, September 9, 2022 as per the list furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of shares held in electronic form i.e. the record date for the members who shall be eligible for dividend.
- B. Members holding shares in electronic form are hereby informed that bank particulars registered with their respective DPs, with whom they maintain their demat accounts, will be used by the Company for payment of dividend.
- C. Members holding shares in physical/electronic form are required to submit their bank account details, if not already registered, as mandated by SEBI.
- D. Payment of Dividend shall be made through electronic mode to the Shareholders who have updated their Bank Account details. Members holding shares in physical form and desirous of availing this facility of electronic remittance are requested to provide their latest bank account details (core banking solutions enabled account number, 9-digit MICR and 11 digit IFS code) along with their folio number to the company's registrar and share transfer agent. Members holding shares in electronic form are requested to provide the said details to their respective depository participants. Members holding shares in electronic form are hereby informed depository accounts will be used by the Company for payment of dividend. The Company or its Registrar cannot act on any request received directly from the Members holding share in electronic form for any change of bank particulars or bank mandates. Such Changes are to be advised only to the Depository Participant of the Members.
- E. Dividend Warrants / Demand Drafts will be dispatched to the Registered Address of the Shareholders who have not updated their Bank Account details.
- F. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020, and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their Residential Status, PAN and category as per IT Act with the Company/ Registrar and Transfer Agent (in case of shares held in physical mode) and with the Depository Participants (in case of shares held in demat mode).
- G. A Resident individual shareholder with PAN and who is not liable to pay income tax, can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by sending an email to tds@deepindustries.com latest by 11:59 p.m. (IST) on September 8, 2022.



- H. Shareholders are requested to note that in case their PAN duly linked with Aadhar is not registered or declaration with requisite information are not provided the tax will be deducted at a higher rate of 20%.
- I. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to tds@deepindustries.com. The aforesaid declarations and documents need to be submitted by the shareholders latest by 11:59 p.m. (IST) September 8, 2022.
- No communication / documents on the tax determination / deduction for the purpose of final dividend shall be considered after September 8, 2022.
- J. Kindly note that the aforementioned documents are required to be emailed to the Company at tds@deepindustries.com on or before Thursday, September 8, 2022 in order to enable the Company to determine and deduct TDS / withholding tax at appropriate rate. Communication on the tax determination / deduction shall not be entertained post Thursday, September 8, 2022. It may be further noted that in case the tax on said Dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents from you, there would still be an option available with you to file the return of income and claim an appropriate refund, if eligible. To all Members in respect of shares held in physical form after giving effect to valid transmission or transposition requests lodged with the Company as on Thursday, September 8, 2022.
- K. All queries/ grievances/ issues in this regard shall be attended/ addressed on cs@deepindustries.com.
- L. Application of TDS rate is subject to necessary verification as per details as available in Register of Members as on the Record Date, and other documents available with the Company.
- M. 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 assessment / appellate proceedings.
- N. 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 from the Company or its affiliates its Registrar & Transfer Agent. Shareholders should consult their tax advisors for requisite action to be taken by them.
- O. In the event there is ambiguity in law or interpretation or matters concerning tax withholding, the highest applicable tax withholding rate shall be considered on a conservative basis.
- P. Members are requested to address all correspondence, including on dividends, to the Company's RTA i.e. Link Intime India Private Limited, 5th Floor, 506 to 508, Amarnath Business Centre – 1 (ABC-1), Beside Gala Business Centre, Near St. Xavier's College Corner, Off C. G. Road, Navarangpura, Ahmedabad – 380 006, Tel No: +91 079 26465179, Fax: +91 022 4918 6060 or Email Id: ahmedabad@linkintime.co.in.
- Q. Shareholders wishing to claim dividends that remain unclaimed are requested to correspond with the RTA as mentioned above or with the Company Secretary, at the Company's registered office or E-mail: cs@deepindustries.com.
- R. Members are requested to note that Dividends that are not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will, as per Section 124 of the Companies Act, 2013, be transferred to the Investor Education and Protection Fund (IEPF). The Shares on which Dividend remains unclaimed by the Members for seven consecutive years or more will be transferred to the IEPF Authority as per Section 124 of the Companies Act, 2013 and the applicable Rules.

23. GENERAL INSTRUCTION AND INFORMATION FOR MEMBERS:

1. The Company has appointed Mr. Ravi Kapoor, Proprietor of M/s. Ravi Kapoor & Associates, Practising Company Secretaries, Ahmedabad as the Scrutinizer to scrutinize the remote e-voting & e-voting process in a fair and transparent manner.
2. The Scrutinizer shall, immediately after the conclusion of voting at the 16th AGM, count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses who are not in the employment of the Company and make, not later than 48 hours of conclusion of the Meeting, a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or to a person authorized by the Chairman in writing who shall countersign the same.
3. The Results declared, along with the Scrutinizer's Report, shall be placed on the Company's website i.e. www.deepindustries.com and on the website of CDSL at www.evotingindia.com immediately after the Results is declared and communicated to the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited where the equity shares of the Company are listed.
4. SEBI vide its circular dated June 8, 2018 amended Regulation 40 of the Listing Regulations pursuant to which requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized



form. Members holding the shares in physical form are requested to dematerialize their holdings at the earliest as it will not be possible to transfer shares held in physical mode.

Further SEBI vide its circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, has mandated that listed companies shall issue the securities in dematerialized form only, in order to enhance ease of dealing in securities markets by investors, for transactions including Issue of duplicate securities certificate, claim from unclaimed suspense account, renewal / exchange of securities certificate, endorsement, sub-division / splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition of shares. Accordingly, shareholders are requested to make service requests by submitting a duly filled and signed Form ISR-4.

Dematerialization would facilitate paperless trading through state-of-the-art technology, quick transfer of corporate benefits to members and avoid inherent problems of bad deliveries, loss in postal transit, theft and mutilation of share certificate and will not attract any stamp duty. It also substantially reduce the risk of fraud. Hence, we request all those members who have still not dematerialized their shares to get their shares dematerialized at the earliest.

5. Since the 16th AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

Contact Details:

Company	:	Deep Industries Limited (formerly known as Deep CH4 Limited) CIN: L14292GJ2006PLC049371 Registered Office: 12A & 14, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad – 380058 Email Id: cs@deepindustries.com
Registrar & Share Transfer Agent	:	Link Intime India Pvt. Ltd. 5 th Floor, 506 to 508, Amarnath Business Centre – 1 (ABC-1), Beside Gala Business Centre, Near St. Xavier's College Corner, Off C. G. Road, Ellisbridge, Ahmedabad – 380006 Tel No: +91 079 26465179 Fax: +91 022 4918 6060 Email Id: ahmedabad@linkintime.co.in Website: www.linkintime.co.in
E-Voting Agency	:	Central Depository Services (India) Ltd. E-mail Id: helpdesk.evoting@cdslindia.com
Scrutinizer	:	Mr. Ravi Kapoor, Proprietor of M/s. Ravi Kapoor & Associates, Practising Company Secretaries Email Id: ravi@ravics.com

EXPLANATORY STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013.

The statements pursuant to Section 102 of the Companies Act, 2013 setting out all the material facts relating to the special Business mentioned in accompanying Notice are as follows:

Item No. 4

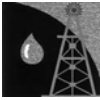
This explanatory statement is pursuant to Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as amended from time to time, however, the same is strictly not required as per Section 102 of the Companies Act, 2013.

The Term of appointment of M/s. Dhirubhai Shah & Co LLP, Statutory Auditors expires in the next Annual General Meeting to be held in the year 2023. However, they had tendered their resignation vide letter dated August 5, 2022 as Statutory Auditors of the Company w.e.f. August 8, 2022.

On recommendation of the Audit Committee and the Board of Directors of the Company, it is proposed to the Shareholders to appoint M/s. Mahendra N. Shah & Co., Chartered Accountant (FRN: 105775W) as Statutory Auditors of the Company to fill the casual vacancy arisen due to resignation of M/s. Dhirubhai Shah & Co LLP, pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 for a period of 5 years to hold office from the conclusion of ensuing 16th Annual General Meeting till the conclusion of Annual General Meeting to be held in the financial year 2026 – 2027.

Profile of M/s. Mahendra N. Shah & Co., Chartered Accountant (FRN: 105775W):

The firm is established by late CA Mahendra N. Shah – Senior most partner of the Firm –Leader, Torch bearer and Motivator of the Firm in 1961. The firm has about 10 qualified Chartered accountants associated with the Firm. The firm has hands on



experience in the field of Audit and Assurance, Tax Advisory and Compliance Services, GST advisory, Corporate Governance, Advising on business and legal matters and General Consultancy Services. The Firm is handling and providing Audit, Assurance and Taxation Services to more than 10 Listed Corporates – Listed on Main Board and SME Board following IND AS & I – Gaap) and is practicing for more than 60 years in this filed.

The Company has received eligibility certificate as required under Section 141 of Companies Act 2013 from M/s. Mahendra N. Shah & Co., Chartered Accountant (FRN: 105775W) who have also conveyed their consent to be appointed as the Statutory Auditors of the Company along with a confirmation that their appointment, if made by the Shareholders, would be within the limits prescribed under the Companies Act, 2013. Proposed fees payable to the Statutory Auditors will be as mutually decided by Board/ Audit Committee and Auditors.

After evaluating and considering various factors such as experience, efficiency in conduct of audit, size and audit team competency, independence etc. the Board of Directors of the Company at their meeting held on August 08, 2022, on the recommendation of the Audit Committee, approved the appointment of M/s. Mahendra N. Shah & Co., Chartered Accountants, (Firm Registration No. 105775W), Ahmedabad, as Statutory Auditors for for a period of 5 consecutive financial years to conduct the Statutory Audit from financial year 2022 – 2023 to financial year 2026 – 2027 and to hold office from the conclusion of ensuing Annual General Meeting till the conclusion of Annual General Meeting to be held for the financial year 2026-2027.

The Board of Directors recommends the resolution as set out in Item No. 4 of the accompanying notice for the approval of the Shareholders of the Company as an Ordinary Resolution.

None of the Director(s) and/or Key Managerial Personnel(s) of the Company and/or their respective relatives is in any way, concerned or interested, financial or otherwise, in the said resolution.

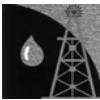
Additional Disclosure under Regulation 36(5) of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015:

Proposed Statutory Audit Fees payable to Auditors	Rs. 5,50,000/-
Terms of Appointment of Statutory Auditors	Appointment of M/s. Mahendra N. Shah & Co., Chartered Accountants, (Firm Registration No. 105775W) to fill the casual vacancy caused due to resignation of Dhirubhai Shah & Co LLP (FRN: 102511W/W100298), Chartered Accountants for a period of five (5) consecutive financial years to conduct the Statutory Audit from financial year 2022 – 2023 to financial year 2026 – 2027 and to hold office from the conclusion of ensuing Annual General Meeting till the conclusion of Annual General Meeting to be held for the financial year 2026-2027.
Material Change in fees payable to new Auditors from that outgoing Auditors along with rational for such change	No material change as compared to the fees payable to previous auditor
Basis for recommendation for appointment including the details in relation to and Credentials of Statutory Auditors proposed to be appointed	The firm is established by late CA Mahendra N. Shah – Senior most partner of the Firm –Leader, Torch bearer and Motivator of the Firm in 1961. The firm has about 10 qualified Chartered accountants associated with the Firm. The firm has hands on experience in the field of Audit and Assurance, Tax Advisory and Compliance Services, GST advisory, Corporate Governance, Advising on business and legal matters and General Consultancy Services. The Firm is handling and providing Audit, Assurance and Taxation Services to more than 10 Listed Corporates – Listed on Main Board and SME Board following IND AS & I – Gaap) and is practicing for more than 60 years in this filed.

SPECIAL BUSINESS:

Item No.5

Due to resignation of M/s. Dhirubhai Shah & Co LLP, Statutory Auditors, and pursuant to compliance of Section 139 of Companies Act, 2013 and rules there under, the Board of Directors is required to fill casual vacancy of Auditor's office within 30 days but if such casual vacancy is as a result of the resignation of an Auditor, such appointment shall also be approved by the Company at a general meeting convened within 3 months of the recommendation of the Board and the said Auditor shall hold the office till the conclusion of the next annual general meeting.



Pursuant to compliance of aforesaid Section, Board at its meeting held on August 8, 2022 has appointed M/s. Mahendra N. Shah & Co., Chartered Accountant (FRN: 105775W), as Statutory Auditors of the Company to fill-in causal vacancy caused due to resignation of M/s. Dhirubhai Shah & Co LLP and to hold office till the conclusion of ensuing 16th Annual General Meeting subject to approval of Shareholder at ensuing general meeting which shall be conducted within 3 months from recommendation of Board.

On recommendation of Audit Committee and Board of Directors of the Company, it is proposed to appoint M/s. Mahendra N. Shah & Co., Chartered Accountant (FRN: 105775W) as Statutory Auditors. The Company has received eligibility certificate as required under Section 141 of Companies Act 2013. M/s. Mahendra N. Shah & Co., Chartered Accountant (FRN: 105775W) have conveyed their consent to be appointed as the Statutory Auditors of the Company along with a confirmation that, their appointment, if made by the members, would be within the limits prescribed under the Companies Act, 2013. Proposed fees payable to the Statutory Auditors will be as mutually decided by Board/ Audit Committee and Auditors.

The Board of Directors recommends the resolution as set out in Item No. 5 of the accompanying notice for the approval of the Shareholders of the Company as an Ordinary Resolution.

None of the other Directors and Key Managerial Personnel of the Company or their respective relatives is in any way, concerned or interested, financial or otherwise, in the said resolution except to the extent of their shareholding in the Company, if any.

Item No. 6

Mr. Paras Savla, was re-appointed as Chairman & Managing Director of the Company by the Board at its Meeting held on September 12, 2020 for a period of 5 years i.e. from September 01, 2020. Considering the contribution of Mr. Paras Savla and the progress made by the Company under his leadership and guidance and as per the recommendation of the Nomination and Remuneration Committee, the Board at its Meeting held on August 08, 2022 approved the revision in the remuneration of Mr. Paras Savla for remaining period effective from October 01, 2022 on terms and conditions enumerated in the Resolution. Pursuant to Section 197 read with Schedule V of the Companies Act. 2013 and SEBI (LODR) Regulation, 2015, the revised remuneration of Mr. Paras Savla as decided by the Board is required to be approved by the Members at their meeting.

STATEMENT CONTAINING ADDITIONAL INFORMATION AS REQUIRED IN SCHEDULE V OF THE COMPANIES ACT, 2013.

The Company has not committed any default in payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditor from whom the Company has borrowed or raised the Finance.

I. General information:

- (1) **Nature of industry:** The Company engaged in the business of providing Natural Gas Compression Services, Drilling and Workover Rigs Services, Natural Gas Dehydration Services, and also having forayed into Integrated Project Management Services.
- (2) Standalone Financial performance indicators:

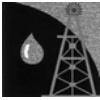
	(Rs. in Lacs)
Particulars	Year Ended March 31, 2022
Turnover including other income	28193.07
Total Expenses	19456.06
Profit/Loss Before Tax	8737.01
Profit/Loss After Tax	6934.15

(Figures have been regrouped wherever necessary)

- (3) Foreign investments or collaborations, if any.: Deep Industries Limited has no foreign collaboration and hence there is no equity participation by foreign Collaborators in the Company. However the Company hold 100% equity in foreign Wholly Owned Subsidiary Company Deep International DMCC.

II. Information about the appointee:

- 1) Mr. Paras Savla is a promoter and appointed as a Chairman and Managing Director of the Company and having over 31 years of experience in the energy industry. He is a Commerce Graduate from Gujarat University and under his direction and stewardship the organisation has expanded multifold. Under his vision, the organization has transformed itself over the years from a transportation service provider to a full fledged energy infrastructure equipment solutions provider. The Company has paid in past Rs. 3,50,000/- p.m. by way of salary to Mr. Paras Savla.



- 2) **Remuneration proposed:** As stated in Resolution stated in the Notice.
- 3) **Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person :**

The remuneration as proposed of Mr. Paras Savla is comparable to that is commensurate with the size of the Company and its group and diverse nature of the Business. Moreover, in his position as Chairman and Managing Director of the Company, Mr. Paras Savla devotes his substantial time in overseeing the operations of the Company.

- 4) **Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any;**

Besides remuneration proposed, Mr. Paras Savla does not have any pecuniary relationship with the Company directly or indirectly. He holds 100 equity shares in the share capital of the Company. Promoter and promoter group are interested in the resolution. Except this, Mr. Paras Savla not related to any other Director and Key Managerial Personnel of the Company.

III. Other information:

At present, the Company is having adequate profits. However, the arrangement is for a remaining term of the appointment and the future trend in the profitability will largely depend on business environment in the domestic and global markets, cost of inputs and general state of economy as a whole. Therefore, the limits specified under Section 197(1) read with Schedule V of the Companies Act 2013 and the Listing Regulations, if any, may be exceeded. The Company has embarked on a series of strategic and operational measures that is expected to result in the improvement in the present position. The Company has taken various initiatives to maintain its leadership, improve market share and financial performance. It has been aggressively pursuing and implementing its strategies to improve financial performance.

The Board of Directors recommends the resolution as set out in Item No. 6 of the accompanying notice for the approval of the Shareholders of the Company as an Special Resolution.

Except Mr. Dharen Savla, Mr. Paras Savla, Mr. Rupesh Savla and/or their relative(s), none of the other Director(s) and/or Key Managerial Personnel(s) of the Company and/or their respective relatives is in any way, concerned or interested, financial or otherwise, in the said resolution except to the extent of their shareholding in the Company, if any.

Item No. 7:

Mr. Rupesh Savla, was re-appointed as Managing Director of the Company by the Board at its Meeting held on September 12, 2020 for a period of 5 years i.e. from September 01, 2020. Considering the contribution of Mr. Rupesh Savla and the progress made by the Company under his leadership and guidance and as per the recommendation of the Nomination and Remuneration Committee, the Board at its Meeting held on August 08, 2022 approved the revision in the remuneration of Mr. Rupesh Savla for the remaining period effective from October 01, 2022 on terms and conditions enumerated in the Resolution. Pursuant to Section 197 read with Schedule V of the Companies Act. 2013 and SEBI (LODR) Regulation, 2015, the revised remuneration of Mr. Rupesh Savla as decided by the Board is required to be approved by the Members at their meeting.

STATEMENT CONTAINING ADDITIONAL INFORMATION AS REQUIRED IN SCHEDULE V OF THE COMPANIES ACT, 2013.

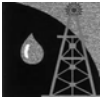
The Company has not committed any default in payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditor from whom the Company has borrowed or raised the Finance.

I. General information:

- (1) **Nature of industry:** For this information, please refer Item no. 6 above
- (2) **Date or expected date of commencement of commercial production:** For this information, please refer Item no. 6 above.
- (3) **Standalone Financial performance indicators:** For this information, please refer Item no. 6 above.
- (4) **Foreign investments or collaborations, if any.:** For this information, please refer Item no. 6 above.

II. Information about the appointee:

- 1) Rupesh Savla has more than 28 years of experience in the energy industry. Under his leadership , the organisation has witnessed comprehensive growth in its operations. He holds Masters in Business Administration from Bentley College, USA and is a Commerce Graduate from Gujarat Gujarat University. He oversees the co ordination ordination and execution of projects.



- 2) **Remuneration proposed:** As stated in Resolution stated in the Notice.
- 3) **Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person :**

The remuneration as proposed of Mr. Rupesh Savla is comparable to that is commensurate with the size of the Company and its group and diverse nature of the Business. Moreover, in his position as Managing Director of the Company, Mr. Rupesh Savla devotes his substantial time in overseeing the operations of the Company.

- 4) **Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any;**

Besides remuneration proposed, Mr. Rupesh Savla does not have any pecuniary relationship with the Company directly or indirectly. He holds 200 equity shares in the share capital of the Company. Promoter and promoter group are interested in the resolution. Except this, Mr. Rupesh Savla is not related to any other Director and Key Managerial Personnel of the Company.

III. Other information:

For this information, please refer Item no. 6 above.

The Board of Directors recommends the resolution as set out in Item No. 7 of the accompanying notice for the approval of the Shareholders of the Company as an Special Resolution.

Except Mr. Dharen Savla, Mr. Paras Savla, Mr. Rupesh Savla and/or their relative(s), none of the other Director(s) and/or Key Managerial Personnel(s) of the Company and/or their respective relatives is in any way, concerned or interested, financial or otherwise, in the said resolution except to the extent of their shareholding in the Company, if any.

Item No. 8:

The Company is currently carrying the business of Oil and Gas Field Services. In order to avail business opportunities, the Company wants to expand its Oil and Gas Business by carrying out the business as traders, exporters, importers, dealers, consignors and consignee. Hence to capitalize upon the business opportunities, The Board of Directors in its meeting held on August 8, 2022, is proposed to amend the Main Objects of the Company by insertion of relevant enabling clauses, subject to approval of the Shareholders of the Company.

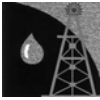
The Board of Directors recommends the resolution as set out in Item No. 8 of the accompanying notice for the approval of the Shareholders of the Company as a Special Resolution. A copy of the Memorandum of Association of the Company together with the proposed alterations would be available for inspection by the Shareholders.

None of the other Director(s) and/or Key Managerial Personnel(s) of the Company and/or their respective relatives is/are in any way, concerned or interested, financial or otherwise, in the said resolution except to the extent of their shareholding in the Company, if any.

Item No. 9:

Mr. Dharen Savla being part of Promoter and Promoter Group and brother of Mr. Paras Savla, Chairman and Managing Director of the Company, was appointed as President w.e.f. August 01, 2022 vide its Board Meeting held on August 08, 2022 and holding as place of profit under Section 188(1)(f) of Companies Act, 2013 ("the Act") read with the Companies (Meetings of Board and its Powers) Rules, 2014 read with Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 at remuneration upto Rs. 6,00,000 per month, subject to approval of the Shareholders of the Company.

Mr. Dharen Savla has associated with the Company and gave his best for Company's immense growth and he was resigned as Whole Time Director w.e.f. June 24, 2021 due to his personal reasons. Now for his continue guidance and leadership and as recommendation received from Nomination and Remuneration Committee and Audit Committee, the Board proposed resolution to appoint Mr. Dharen Savla as President w.e.f. August 01 2022 at Remuneration upto Rs. 6,00,000 per month for the approval of the members through special resolution.



All disclosures prescribed to be given under the provisions of the Companies Act, 2013 and the Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 are provided in the table appended below for the perusal of members:

Sr. No.	Particulars	Informations / Comments
1.	Name of related party and Nature of Relationship;	Mr. Dharen Savla being a part of promoter and promoter group and brother of Mr. Paras Savla, Chairman and Managing Director of the Company.
2.	Nature, duration of the contract and particulars of the contract or arrangement;	Mr. Dharen Savla appointed as a president of the Company w.e.f August, 01 2022 and will serve for the betterment of the company till the time he serve as a president of the company or board decided otherwise.
3.	Material terms of contract or arrangement including the value if any;	Appointed with monetary remuneration of upto Rs. 6,00,000. PM
4.	Any advance paid or received for the contract or arrangements, if any;	No
5.	Manner of determining the pricing and other commercial terms both included as part of contract and not considered as part of the contract;	Mr. Dharen Savla is appointed as a president of the company and therefore information under this serial number is not applicable.
6.	whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors;	Yes

Member are hereby informed that pursuant to second proviso of Section 188(1) of the Companies Act, 2013 and in terms of provisions of Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, no member of the Company who is a related party shall vote on this ordinary resolution to approve such contract or arrangement.

The Board of Directors recommends the resolution as set out in Item No. 9 of the accompanying notice for the approval of the Shareholders of the Company as an Ordinary Resolution.

Except Mr. Dharen Savla, Mr. Paras Savla, Mr. Rupesh Savla and/or their relative(s), none of the other Director(s) and/or Key Managerial Personnel(s) of the Company and/or their respective relatives are in any way, concerned or interested, financial or otherwise, in the said resolution except to the extent of their shareholding in the Company, if any.

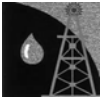
Item No. 10:

This special resolution contained in the Notice under Item No. 10 relates to a resolution by the Company enabling the Board subject to specific approval of the shareholders of the Company at the time of exercising of the option to create, issue, offer and allot Equity Shares by way of Preferential Allotment/Private Placement, Convertible Debentures, preference shares subject to amendment in capital clause of Memorandum and Articles of Association of the Company and such other securities as stated in the resolution (the "Securities"), in one or more tranches, at such price as may be deemed appropriate by the Board at its absolute discretion including the discretion to determine the categories of Investors to whom the issue, offer, and allotment shall be made considering the prevalent market conditions and other relevant factors and wherever necessary, in consultation with lead manager(s) and other agencies that may be appointed by the Board for the purpose of the Issue.

This special resolution enables the Board to issue Securities for an aggregate amount upto ₹ 150.00 Crore (Rupees One Hundred Fifty Crores Only) or its equivalent in any foreign currency. The Board shall issue Securities pursuant to this special resolution or any further approvals required from members of the company, SEBI, Stock exchanges, GOI and other statutory authorities and utilize the proceeds to meet capital expenditure and working capital requirements of the Company and general corporate purposes. As the Issue may result in the issue of Equity Shares of the Company to investors who may or may not be members of the Company, consent of the members is being sought pursuant to Section 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and any other law for the time being in force and being applicable and in terms of the provisions of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board of Directors recommends the resolution as set out in Item No. 10 of the accompanying notice for the approval of the Shareholders of the Company as a Special Resolution.

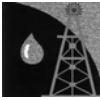
None of the other Director(s) is/and Key Managerial Personnel of the Company or their respective relatives is/are in any way, concerned or interested, financial or otherwise, in the said resolution except to the extent of their shareholding in the Company, if any.



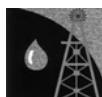
ANNEXURE TO THE NOTICE

Details of Directors seeking Appointment/Re-appointment at the 16th Annual General Meeting (Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 issued by the Institute of Company Secretaries of India on General Meetings).

Name of the Director	Mr. Paras Savla	Mr. Rupesh Savla
DIN	00145639	00126303
Date of Birth	August 25, 1971	August 17, 1972
Age in years	51 Years	50 Years
Date of First Appointment on the Board	November 15, 2006	November 15, 2006
Qualifications	Commerce Graduate from Gujarat University.	Commerce Graduate from Gujarat University and Master's Degree in Business Administration from Bentley University, USA.
Nationality	Indian	Indian
Experience & Expertise	Having more than 31 years of experience in finance and oil & gas sector.	He has an experience of 28 years in the co-ordination and execution of projects in the Oil and Gas Filed Services. And he is a founder and a promoter of the Company
Brief Resume	He is a Commerce Graduate from Gujarat University and under his direction and stewardship the organisation has expanded multifold. Under his vision, the organization has transformed itself over the years from a transportation service provider to a full fledged energy infrastructure equipment solutions provider.	Rupesh Savla has more than 28 years of experience in the energy industry. Under his leadership, the organisation has witnessed comprehensive growth in its operations. He holds Masters in Business Administration from Bentley College, USA and is a Commerce Graduate from Gujarat Gujarat University. He oversees the co ordination and execution of projects.
Terms and Conditions of appointment or re-appointment along with remuneration sought to be paid.	In terms of Section 152 of the Companies Act, 2013. Mr. Paras Savla was appointed as a Managing Director and is liable to retire by rotation. The resolution relates to the revision in remuneration payable to the Chairman and Managing Director to the tune of up to Rs. 6,00,000/- p.m.	Mr. Rupesh Savla, was re-appointed as Managing Director of the Company by the Board at its Meeting held on November 12, 2020 for a period of 5 years i.e. from November 01, 2020. The present resolution relates to the revision in remuneration payable to the Managing Director to the tune of up to ₹ 6,00,000/- p.m.
Remuneration last drawn by such person, if any	₹ 45.81 Lakhs p.a.	₹ 42.00 Lakhs p.a.
Shareholding in the Company as on March 31, 2022	100 Equity Shares	200 Equity Shares
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	None	None
Number of Meetings of the Board attended during the year.	6 Meetings	4 Meetings
Directorships held in other Listed Companies as on March 31, 2022 (other than Deep Industries Limited)	Nil	Nil
Directorship in other Companies	1. Deep Onshore Services Private Limited 2. Savla Oil And Gas Private Limited 3. Deep Methane Private Limited	1. Deep Onshore Services Private Limited 2. Savla Oil And Gas Private Limited 3. Deep Methane Private Limited
Memberships / Chairmanships of Committees (Audit and Stakeholder) includes all public companies (including this Company) and does not include private limited, foreign and Section 8 Companies as on March 31, 2022.	1. Deep Industries Limited Audit Committee-Member	Nil



Information as required pursuant to Per Exchange Circular No. LIST/COMP/14/2018-19 Dated June 20, 2018 w.r.t. Enforcement of SEBI Orders Regarding Appointment of Directors by Listed Companies	He is not debarred from holding the Office of Director by virtue of any order of Securities and Exchange Board of India (SEBI) or any other such authority.	He is not debarred from holding the Office of Director by virtue of any order of Securities and Exchange Board of India (SEBI) or any other such authority.
Names of Listed entities from which the person has resigned in the past 3 years	1. Deep Energy Resources Limited 2. Adinath Exim Resources Limited	1. Deep Energy Resources Limited
Skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Mr. Paras Savla having more than 31 years of experience in the energy sector. Under his direction and stewardship the organization has expanded multifold. The association of Mr. Paras Savla is in immense in the benefit of the Company.	Mr. Rupesh Savla having more than 28 years of experience and under his leadership the organization witness comprehensive growth in its operations. The association of Mr. Rupesh Savla is in the benefit of the company.



BOARD'S REPORT

To
The Members
DEEP INDUSTRIES LIMITED
(Formerly known as Deep CH4 Limited)
Ahmedabad

Dear Members,

Your Directors are pleased to present the 16th Annual Report of the Company along with the Audited Financial Statements for the financial year ended on March 31, 2022.

FINANCIAL RESULTS

The Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as defined the Companies Act, 2013, read with rules made there under. The financial performance of the Company for the financial year ended on March 31, 2022, is summarised below:

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Revenue from Operations	27156.68	17845.14	32162.90	19370.55
Other Income	1036.39	673.03	463.77	655.13
Total Revenue	28193.07	18518.17	32626.67	20025.68
Total Expenses	19456.06	19691.85	23556.44	21031.31
Profit/(Loss) Before Tax	8737.01	(1173.68)	9070.23	(1005.62)
Less: Tax Expenses	1802.86	(7489.51)	1830.42	(7485.95)
Profit/(Loss) for the Year	6934.15	6315.83	7239.81	6480.32
Other Comprehensive Income/ (Loss) for the year	4.49	0.45	4.49	0.45
Total Comprehensive Income/ (Loss) for the year	6938.64	6316.28	7244.30	6480.78
Earning per Equity Share (Basic and Diluted)	21.67	19.74	22.62	20.25

OPERATIONS

Performance of Company:

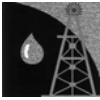
During the year under review, the Company's Standalone revenues from operations was increased to ₹ 27156.68 Lakhs as compared to ₹ 17845.14 Lakhs in the previous year, while Consolidated revenues from operations was increased to ₹ 32162.90 Lakhs as compared to ₹ 19370.55 Lakhs in the previous year and your Directors are pleased to announce that after a challenging period of Covid-19 pandemic, your company is back on a strong growth track. Deep Industries has booked highest ever revenue on consolidated basis in financial year 2021-22. The Company has grown up to be a "One Stop Solution" provider for every need in Oil and Gas field operations by providing various equipment and services under rental and chartered-hire basis.

The Company's Standalone net profit was increased to ₹ 6934.15 Lakhs as compared to ₹ 6315.83 Lakhs in the previous year. Your Directors assure the stakeholders of the Company to continue their efforts and enhance the overall performance of the Company in the coming financial years.

Performance of Subsidiaries:

As on March 31, 2022, Deep Industries Limited (Formerly known as Deep CH4 Limited) has four (4) Subsidiaries Companies out of which Deep International DMCC, is registered in Dubai, UAE and three Companies i.e. Raas Equipment Private Limited, Deep Onshore Drilling Services Private Limited and Deep Onshore Services Private Limited, are registered in India.

- a. Deep International DMCC, Subsidiary Company in which the Company holds 100% Equity Share Capital and the Company is providing similar Oil and Gas filed Services across the Middle East, Africa, and Asia Deep International DMCC has recorded revenue of ₹ 3148.85 Lakhs and has made Profit of ₹ 224.61 Lakhs for the year ended on March 31, 2022.
- b. Raas Equipment Private Limited, Subsidiary Company in which the Company holds 80% Equity Share Capital and during the year, Raas Equipment Private Limited has recorded revenue of ₹ 1910.71 Lakhs and has made Profit of ₹ 135.02 Lakhs for the year ended on March 31, 2022. Raas Equipment Private Limited has the capability to manufacture Booster



Compressor Packages of 22 kw 37 kw which are highly efficient, low noise and optimally designed. The Booster compressors are in full compliance with regulatory requirements and PESO specification.

- c. Deep Onshore Services Private Limited, Subsidiary Company in which the Company holds 100% Equity Share Capital and during the year, Deep Onshore Service Private Limited has no revenue during the year.
- d. Deep Onshore Drilling Services Private Limited, Subsidiary Company in which the Company holds 74% Equity Share Capital and during the year, Deep Onshore Drilling Private Limited has earned total revenue of ₹ 0.03 Lakhs.

Further, the Audited Financial Statements of the Subsidiaries are available on Company's website www.deepindustries.com.

DIVIDEND

During the year under review, the Company has declared Interim Dividends of ₹ 1.40 per equity shares involving a cash outflow of ₹ 448 Lakhs. Further, your Company is pleased to recommend a Final Dividend of ₹ 1.85 per equity shares, for the year ended on March 31, 2022, subject to approval of Shareholders at ensuing 16th Annual General Meeting. The said dividend if approved would result in a cash outflow of ₹ 592 Lakhs. Thus, the Total Dividend for financial year 2021-22 would amount to ₹ 3.25 per equity shares and would involve a total cash outflow of ₹ 1040 Lakhs.

The Dividend Distribution Policy as required in terms of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is available on the website of the Company i.e. www.deepindustries.com.

RESERVES

The Board has not transferred any amount to General Reserves in the financial year 2021-22, however an amount of ₹ 6934.15 Lakhs is retained as surplus in the Statement of profit and Loss of Standalone financials.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANY:

As on March 31, 2022, your Company has four (4) Subsidiaries. There are no Company which has become or ceased to be Company's Subsidiaries, Joint Venture and Associate Company.

A statement containing the salient features of the financial statement of Subsidiaries in Form AOC-1 as per Section 129(3) of the Companies Act, 2013 and rules made there under is attached to the financial statements and therefore not repeated in this Report to avoid duplication.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company are prepared in accordance with relevant Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, which forms part of this report.

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

There are no material changes and commitments, affecting the financial position of the Company which occurred between the end of financial year and the date of this Report, except as stated specifically in this Report.

CHANGE IN NATURE OF BUSINESS, IF ANY

There has been no change in nature of business of the Company, during the year under review.

DEPOSITS

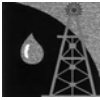
The Company has neither accepted nor renewed any deposits from the public within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 during the financial year.

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

During the year under review, the Company has granted advances and made an investment under the provisions of section 186 of the Companies Act, 2013. The Company has not given any loan. The details of Loans, Guarantees and Investment made are given in the Notes to the Financial Statements, which forms part of this Report.

ANNUAL RETURN

The Annual Return of the Company as on March 31, 2022 is available on the website of the Company i.e. www.deepindustries.com pursuant to the provisions of Section 92 read with Section 134 of the Companies Act, 2013 and rules made there under.



BOARD MEETINGS

During the year, Six (6) meetings of the Board of Directors were held, as required under the Companies Act, 2013. Further the Company has also passed 3 resolutions via circulation respectively on the following dates July 01, 2021, October 07, 2021 and March 31, 2022. The details of the number of Board meetings held and attendance of Directors are provided in the Corporate Governance Report, which forms part of this Report.

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Appointment:

The Board of Directors on recommendation of the Nomination and Remuneration Committee appointed Mr. Rohan Shah, CFO as Whole Time Director (Finance) and Mrs. Shaily Dedhia as Non – Executive Independent Director with effect from June 24, 2021 for a period of Five (5) years. Further both appointments have been approved by the Members of the Company in members' meeting held on September 16, 2021.

Retirement by Rotation:

In accordance with the Articles of Association and the relevant provisions of the Companies Act, 2013, Mr. Rupesh Savla, Managing Director of the Company retires by rotation at the this Annual General Meeting and being eligible, has offered himself for re-appointment. The Board recommends his re-appointment for the approval of the Shareholders of the Company.

Cessation:

Mrs. Renuka Upadhyay has resigned from the post of Non-Executive Independent Director of the Company with effect from May 11, 2021 and Mr. Dharen Savla has resigned from the post of Whole Time Director of the Company with effect from June 24, 2021.

There was no change in the composition of the Board of Directors and Key Managerial Personnel during the year under review, except as stated above.

DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134 (3)(c) and Section 134(5) of the Companies Act, 2013, the Board of Directors confirms that to the best of its knowledge and belief:

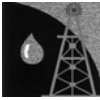
- a. In the preparation of the Annual Accounts for the financial year ended March 31, 2022, the applicable accounting standards had been followed and there are no material departures;
- b. The directors had selected such accounting policies and applied them consistently and made judgments and estimates 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 financial year and of the profit of the Company for the financial year ended March 31, 2022;
- c. The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. The directors had prepared the Annual Accounts for the financial year ended March 31, 2022 on a going concern basis;
- e. The directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDIT COMMITTEE

The Board of Director has constituted Audit Committee pursuant to the requirements of the Companies Act, 2013 read with the rules framed there under and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The details of the composition of the Audit Committee and other various Committee(s), including Nomination and Remuneration Committee and Stakeholder's Relationship Committee, the number of meetings held and attendance of the committee members are provided in the Corporate Governance Report, which forms part of this Report.

DECLARATION BY INDEPENDENT DIRECTORS

All the Independent Directors of the Company have given their declarations to the Company under Section 149(7) of the Companies Act, 2013 read with Regulation 25(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015



that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 read with Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. They have further declared that they are not debarred or disqualified from being appointed or continuing as directors of companies by the SEBI /Ministry of Corporate Affairs or any such statutory authority. The terms and conditions of the appointment of Independent Directors have been disclosed on the website of the Company www.deepindustries.com.

In the opinion of Board, all the Independent Directors are persons of integrity and possess relevant expertise and experience including the proficiency.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

In compliance with the requirements of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company has formulated a policy to familiarize the Independent Directors with the Company and the details of Familiarization Program are provided in the Corporate Governance Report and also available on the website of the Company www.deepindustries.com.

ANNUAL EVALUATION OF BOARD PERFORMANCE AND PERFORMANCE OF ITS COMMITTEES AND OF DIRECTORS

Pursuant to the provisions of the Companies Act, 2013 and Rules made there under, the Board has carried the evaluation of performance of Individual Directors including Independent Directors, Board as Whole and its Committees and performance of the Chairman of the Board, on the basis of Qualifications, Experience, Knowledge and Competency, Structure of Board, Regularity of meetings, Contribution and Integrity, Independence, Independent views and judgment, Evaluation of Risk and various other criteria as recommended by the Nomination and Remuneration Committee of the Company. The Directors expressed their satisfaction with the evaluation process and outcome.

NOMINATION AND REMUNERATION POLICY

A Nomination and Remuneration Policy has been formulated pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Nomination and Remuneration Policy for Directors, Key Managerial Personnel and Senior Management is available on the website of the Company www.deepindustries.com.

RISK MANAGEMENT POLICY OF THE COMPANY

A well-defined risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process is in place. The objective of the mechanism is to minimize the impact of risks identified and taking advance actions to mitigate it. The mechanism works on the principles of probability of occurrence and impact, if triggered. A detailed exercise is being carried out to identify, evaluate, monitor and manage both business and non-business risks. Therefore, the Company has put in place a Risk Management Policy primarily focusing on identification, assessment, communication and management of risk in a cost effective manner - a holistic approach to managing risk and the policy is available on website of the Company www.deepindustries.com.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company has a Policy on Corporate Social Responsibility (CSR) and the same has been available on website of the Company www.deepindustries.com. The Annual Report on CSR activities in terms of the requirements of Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed as **Annexure – A**, which forms part of this Report.

The details of the composition of the CSR committees, the number of meetings held and attendance of the committee members are provided in the Corporate Governance Report, which forms part of this Report.

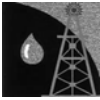
PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

During the year under review, all the related party transactions were in the ordinary course of business and on arm's length basis. Therefore, the disclosure in Form AOC-2 pursuant to compliance of Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014 is not required. There were no materially significant related party transactions with any of the related parties that may have potential conflict with the interest of the Company at large.

The disclosures as required are provided in IND-AS in relation to transactions with related parties which are forming the part of the notes to financial statement. The policy on Related Party Transaction is available on the website of the Company www.deepindustries.com and the weblink of the same is as follows: <https://www.deepindustries.com/policies.html>

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The details on Internal Financial Control systems and their adequacy are provided in Management Discussion and Analysis, which forms part of this report.



AUDITORS

A. Statutory Auditors

M/s Dhirubhai Shah & Co LLP (FRN: 102511W/W100298), Chartered Accountants, were appointed as the Statutory Auditors of the Company for the period of five (5) years from the conclusion of the 12th Annual General Meeting to hold office till the conclusion of the 17th Annual General Meeting of the Company.

The Auditors' Report for financial year 2021-22 forms part of this Annual Report and do not contain any qualification, reservation or adverse remark or disclaimer.

Further, M/s Dhirubhai Shah & Co LLP, Chartered Accountants have tendered their resignation vide letter dated August 5, 2022 from position of the Statutory Auditor of the Company w.e.f. August 8, 2022 and the Company has submitted intimation to Stock Exchanges for Resignation of Auditors.

The Board has filled casual vacancy for financial year 2022-23 caused due to resignation of M/s Dhirubhai Shah & Co LLP, Chartered Accountants from position of Statutory Auditors of the Company by appointing M/s Mahendra N. Shah & Co., Chartered Accountant (Firm Registration No 105775W), as Statutory Auditors of the Company and subject to approval of Shareholders at ensuing 16th Annual General Meeting. In pursuance to the recommendation received from Audit Committee of the Company, the Board has also recommended appointment of M/s Mahendra N. Shah & Co., Chartered Accountant (Firm Registration No 105775W) for period of 5 years from conclusion of 16th Annual General Meeting.

M/s Mahendra N. Shah & Co., Chartered Accountant (Firm Registration No 105775W) have submitted their consent to act as the Statutory Auditors of the Company along with their eligibility letter confirming that they are eligible for appointment as a Statutory Auditors of the Company and have not been disqualified in any manner from continuing as Statutory Auditors and their appointment meets the requirement of Section 141 of the Companies Act, 2013. The remuneration payable to the Statutory Auditor shall be determined by the Board of Directors based on the recommendation of the Audit Committee.

B. Secretarial Auditors

Pursuant to the provision of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Shilpi Thapar & Associates, Practicing Company Secretaries, Ahmedabad, in the Board of Directors' meeting held on June 24, 2021, to conduct Secretarial Audit for the financial year 2021-22. The Secretarial Audit Report for the financial year ended March 31, 2022 is annexed herewith as **Annexure – B**, which forms part of this report.

The Secretarial Audit Report for the year ended on March 31, 2022 does not contain any qualifications, reservations or adverse remarks which requires the clarification of the Management of the Company.

Further, the Board has appointed Mr. Ravi Kapoor, Practicing Company Secretary (Membership No. 2587 & Certificate of Practice No. 2407) and Proprietor of M/s. Ravi Kapoor & Associates as Secretarial Auditors of the Company to carry out Secretarial Audit of the Company for the financial year 2022-23 pursuant to the provision of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

C. Internal Auditors

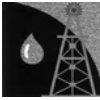
Pursuant to the provision of Section 138 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, the Company has appointed M/s. Manubhai & Shah LLP, Chartered Accountants (FRN: 106041W/W100136), Chartered Accountants as Internal Auditor in the place of M/s. R.R. Khandol & Co. (FRN: 0112488W), Chartered Accountants in the Board of Directors' meeting held on June 24, 2021, to conduct Internal Audit for the financial year 2021-22.

REPORTING OF FRAUD BY AUDITORS

There have been no instances of fraud reported by the Auditors u/s 143 (12) of the Companies Act, 2013 and rules framed there under either to the Company or to the Central Government.

PARTICULARS OF EMPLOYEES

In line with the provisions of Section 136 of the Companies Act, 2013, the Reports and Accounts are being sent to the shareholders through electronic mode excluding the information required under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The same is open for inspection at the Registered Office of the Company. Copies of this statement may be obtained by the members by writing to the Company Secretary at the Registered Office of the Company.



The statement containing information as required under the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as **Annexure – C** and forms part of this report.

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

The Information pertaining to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed as **Annexure – D**, which forms part of this report.

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis Report for the as required under Regulation 34 and Schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 is annexed herewith as **Annexure – E**, which forms part of this report.

CORPORATE GOVERNANCE

As required under Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, a report on Corporate Governance for the financial year ended March 31, 2022 along with Certificate from Practicing Company Secretary confirming compliance of conditions of Corporate Governance is annexed herewith as **Annexure – F**, which forms part of this report.

COST AUDITORS AND RECORDS

In terms of the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is not required to maintain the Cost Records and Cost Accounts. Hence, the appointment of Cost Auditors is not applicable to the Company.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has adopted Vigil Mechanism / Whistle Blower policy to provide a formal mechanism for the directors and employees to disclose their concerns and grievances on unethical behavior and improper/illegal practices and wrongful conduct taking place in the Company for appropriate action. Through this mechanism, the Company provides necessary safeguards to all such persons for making sheltered disclosures in good faith. It is hereby affirmed that no personnel have been denied access to the Audit Committee. The Vigil Mechanism / Whistle Blower policy has been placed on the website of the Company www.deepindustries.com.

POLICY ON DETERMINATION OF MATERIALITY OF EVENT/INFORMATION:

The Company has adopted Policy for determining materiality of Events/Disclosures that mandates the Company to disclose any of the events or information which, in the opinion of the Board of Directors of the Company is material in the terms of requirement of Regulation 30 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, which is available on the website of the Company www.deepindustries.com.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY.

There were no significant and material orders issued against the Company by any regulating authority or court or tribunal during the year that could affect the going concern status and Company's operation in future.

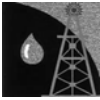
INSURANCE

All movable properties as owned by the Company continued to be adequately insured against risks.

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Company has constituted Policy on Prevention of Sexual Harassment of Women at workplace in line with the requirements of the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made there under. The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to redress complaints received regarding sexual harassment.

Your Directors state that during the year under review, there were no complaints relating to sexual harassment nor any cases filed pursuant to the said Act.



GENERAL DISCLOSURE

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- a. Provision of money by company for purchase of its own shares by employees or by trustees for the benefit of employees.
- b. Issue of sweat equity shares.
- c. Issue of equity shares with differential rights as dividend, voting or otherwise.
- d. Issue of employee stock options scheme.
- e. There was no application made or proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year.
- f. There has been no instance of valuation done for settlement or for taking loan from the Banks or Financial Institutions.

WEBSITE OF YOUR COMPANY

Your Company maintains a website www.deepindustries.com where detailed information of the Company and specified details in terms of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 has been provided.

ACKNOWLEDGEMENTS

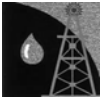
Your Directors places on record their sincere thanks to the Customers, Vendors, Stakeholders, Banks, Regulatory Bodies, Financial Institutions and other Business Associates who have extended their valuable sustained support and encouragement during the year under review.

Your Directors take this opportunity to recognize and place on record their gratitude and appreciation for the commitment displayed by all executives, officers and staff at all levels of the Company. We look forward for the continued support of every stakeholder in the future.

For and on behalf of the Board

Date : August 8, 2022
Place : Ahmedabad

Paras Savla
Chairman & Managing Director
DIN:00145639



ANNEXURE – A

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. Brief outline of the Company's CSR Policy.

Deep Industries Limited has always been committed to the cause of social service and has repeatedly channelized a part of its resources and activities, such that it positively affects the society socially, ethically and also environmentally. Company's CSR Policy is aimed at demonstrating care for the community through its focus on education & skill development, eradicating hunger, health & wellness and environmental sustainability. In view of the same and in compliance with the provisions of Section 135 of the Companies Act, 2013 and rule made there under, the Company has framed a CSR Policy.

The Company has outlined the following thrust areas in the CSR Policy:

- i. Swasthya – Health, Safety and Environment,
- ii. Shiksha and Shodh – Education, Knowledge Enhancement and Research, and
- iii. Saath – Social care, concern and outreach in times of emergencies.

2. The Composition of the CSR Committee.

Sr. 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. Paras Savla	Chairperson (Managing Director)	2	2
2.	Mr. Rupesh Savla	Member (Managing Director)	2	1
3.	Mrs. Shaily Dedhia [#]	Member (Independent Director)	2	2

[#] Appointed as member of CSR w.e.f. 24.06.2021.

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.

Composition of CSR committee : <http://www.deepindustries.com/committee-board-directors.html>

CSR Policy : <http://www.deepindustries.com/docs/CSR-Policy.pdf>

CSR projects approved by the board : <https://www.deepindustries.com/docs/Report-on-CSR.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

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any. – Not Applicable

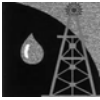
6. Average Net Profit of the Company as per section 135(5) for last three financial years. – ₹ 2829.46 Lakhs

- 7. a. Two percent of Average Net Profit of the Company as per section 135(5). – ₹ 56.59 Lakhs
- b. Surplus arising out of the CSR projects or programs or activities of the previous financial years. – Nil
- c. Amount required to be set off for the financial year, if any. – Nil
- d. Total CSR obligation for the financial year (7a+7b-7c). – ₹ 56.59 Lakhs

8. a. 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
₹ 56.60 Lakhs	Not Applicable				

b. Details of CSR amount spent against ongoing projects for the financial year. – Not Applicable



c. Details of CSR amount spent against other than ongoing projects for the financial year.

(1) Sr. No.	(2) Name of the Project.	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes/No)	(5) Location of the project		(6) Amount allocated for the project (in Rs.).	(7) Mode of implementation - Direct (Yes/No)	(8) Mode of implementation - Through implementing agency.	
				State	District			Name	CSR registration Number

d. Amount spent in Administrative Overheads. – Nil

e. Amount spent on Impact Assessment, if applicable. – Nil

f. Total amount spent for the Financial Year (8b+8c+8d+8e). – ₹ 56.60 Lakhs

g. Excess amount for set off, if any

Sl No.	Particulars	Amount
i.	Two percent of average net profit of the company as per section 135(5)	₹ 56.59 Lakhs
ii.	Total amount spent for the Financial Year	₹ 56.60 Lakhs
iii.	Excess amount spent for the financial year [(ii)-(i)]	₹ 0.01 Lakhs
iv.	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	Nil
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. a. Details of Unspent CSR amount for the preceding three financial years. – Not Applicable

b. Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s). – Not Applicable

10. 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. – Not Applicable

a. Date of creation or acquisition of the capital asset(s). – Not Applicable

b. Amount of CSR spent for creation or acquisition of capital asset. – Not Applicable

c. Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. – Not Applicable

d. Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) . – Not Applicable

11. 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

For and on behalf of the Board

Paras Savla
Chairman & Managing Director
Chairperson – CSR Committee
DIN:00145639

Date : August 8, 2022
Place : Ahmedabad

Rupesh Savla
Managing Director and Member of CSR Committee
DIN:00126303



ANNEXURE-B
Form No. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year Ended March 31, 2022*

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of
the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
DEEP INDUSTRIES LIMITED
(Formerly known as “Deep CH4 Limited”)
(CIN: L14292GJ2006PLC049371)
12A & 14, Abhishree Corporate Park,
Ambli Bopal Road, Ambli,
Ahmedabad- 380058, Gujarat.

Dear Sir,

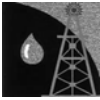
We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good Corporate Governance practices by **M/s. Deep Industries Limited (Formerly known as “Deep CH4 Limited”)** (hereinafter called the ‘Company’). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of Company’s books, papers, minute books, forms and returns filed with Regulatory authorities 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 financial year ended on March 31, 2022 (hereinafter referred to as ‘Audit Period”), generally complied with the statutory provisions listed hereunder and also the Company has board processes and Compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined on test basis, the books, papers, minutes book, forms and returns filed and other records maintained by the company and produced before us for the financial year ended on March 31, 2022, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and The Companies Act, 1956 (to the extent applicable during our Audit Period) and the Rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings to the extent the same was applicable to the company;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) viz.:-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 to the extent applicable;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014-Not applicable during the review period;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- Not applicable during the review period;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- Not applicable during the review period;
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998- Not applicable during the review period;
 - (i) The Securities and Exchange Board of India (Issue and Listing of Non- Convertible and Redeemable Preference shares) Regulations, 2013- Not applicable during the review period;
 - (j) The Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018;

* the equity shares of the Company got listed on BSE and NSE on April 27, 2021.



- (vi) The Company has not identified any other specific laws which are presently applicable to it.
- 2) We have also examined compliances with applicable clauses of the following:-
- (i) Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India under provisions of The Companies Act, 2013 w.e.f. 1st July, 2015 amended from time to time and
 - (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 amended from time to time.

Based on the above said information provided by the company, we report that during the financial year under report, the company has generally complied with the provisions, as applicable of the above mentioned Acts including the applicable provisions of the Companies Act, 2013 and Rules, Regulations, Guidelines, Standards, etc mentioned above.

We further report that certain compliance related e-forms was filed by the company with Ministry of Corporate Affairs (MCA) beyond the time limit prescribed under Companies Act, 2013 by paying additional fees and also under MCA relaxation for levy of additional fees General Circular-6/2021 dated 03/05/2021.

We report further that the compliance of applicable Labour laws and financial laws including Direct and Indirect Tax laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

We further report that:

- a) The Board of Directors of the Company is constituted with proper balance of Executive Directors, Non- Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the audit period were carried out in compliance with the provisions of the Act.
- b) Adequate notice is given to all directors to schedule the Board Meetings, agenda were sent in advance. 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. Based on the representation made by the company and its officers, majority decision is carried through and that there were no major dissenting member's views on any of the matter during the year that were required to be captured and recorded as part of the minutes. The minutes of the meetings are prepared in concise manner.
- c) Based on general review of compliance mechanisms established by the Company and on basis of management representations and compliances certificates issued by department heads, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. As informed, the company has responded appropriately to notices/letters received if any from any regulatory authorities.

We further report that during the audit period there were following specific events and actions having a major bearing on Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc:-

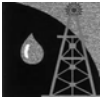
- 1) 3,20,00,000 equity shares of the Resulting Company i.e. Deep Industries Limited (Formerly known as "Deep CH4 Limited") allotted on 12th November, 2020 pursuant to scheme of arrangement amount Deep Industries Limited (Demerged Company) and Deep CH4 Limited (Resulting Company)(name changed to Deep Industries Ltd) and their respective Shareholders and Creditors as sanctioned by Hon'ble National Company Law Tribunal ("NCLT"), Ahmedabad Bench received listing and trading approval from National Stock Exchange(NSE) and Bombay Stock Exchange (BSE) w.e.f. April 27, 2021.

For Shilpi Thapar & Associates
Company Secretaries

CS Shilpi Thapar
Membership No. : 5492
COP No. : 6779
PR.No.1828/2022
UDIN:F005492D000761280

Date : August 08, 2022
Place : Ahmedabad

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 TO SECRETARIAL AUDIT REPORT ISSUED BY COMPANY SECRETARY IN PRACTICE (QUALIFIED)

Annexure 'A'

To
The Members,
DEEP INDUSTRIES LIMITED
(Formerly known as “Deep CH4 Limited”)
(CIN: L14292GJ2006PLC049371)
12A & 14, Abhishree Corporate Park,
Ambli Bopal Road, Ambli,
Ahmedabad- 380058, Gujarat.

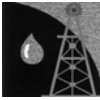
Our report of even date is to be read along with this letter:

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of 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 are 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 Shilpi Thapar & Associates
Company Secretaries

Date : August 08, 2022
Place : Ahmedabad

CS Shilpi Thapar
Membership No. : 5492
COP No. : 6779
PR.No.1828/2022
UDIN:F005492D000761280



ANNEXURE - C

DETAILS PURSUANT TO THE PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- (i) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2021-22 and the percentage increase in remuneration of each director, Chief Financial Officer and Company Secretary during the financial year 2021-22.

Sr. No	Name of the Director	Designation	Ratio of remuneration of each Director to median remuneration of employees	% increase in Remuneration in the FY2021-22
1.	Mr. Paras Savla	Chairman & Managing Director	14.84	-
2.	Mr. Rupesh Savla	Managing Director	14.84	-
3.	Mr. Dharen Savla ^{\$}	Whole Time Director	3.71	-
4.	Mr. Rohan Shah [*]	Whole – Time Director (Finance) & Chief Financial Officer	4.50	-
5.	Dr. Kirit Shelat	Non-Executive Independent Director	-	-
6.	Mr. Hemendrakumar Shah	Non-Executive Independent Director	-	-
7.	Mrs. Shaily Dedhia [#]	Non-Executive Independent Director	-	-
8.	Mrs. Renuka Upadhyay [^]	Non-Executive Independent Director	-	-
9.	CS Roshni Shah	Company Secretary	Not Applicable	-

\$ Resigned as Whole – Time Director w.e.f. June 24, 2021

* Appointed as Whole – Time Director (Finance) w.e.f. June 24, 2021

Appointed as Non-Executive Independent Director w.e.f. June 24, 2021

^ Resigned as Non-Executive Independent Director w.e.f. May 11, 2021

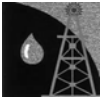
Notes:

- a. The remuneration of Non-Executive Independent Directors includes only sitting fees paid to them for the financial year 2021-22.
- b. Median remuneration of the Company for all the employees is ₹ 2,82,933/- for the financial year 2021-22.
- (ii) The percentage increase in the median remuneration of employees in the financial year 2021-22: 9.57%
- (iii) The number of permanent employees on the rolls of the Company: 547 as on March 31, 2022.
- (iv) 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.
- The average annual increase in the salaries of the employees, other than managerial personnel was 4.14%, whereas there is no change in Managerial Remuneration.
- (v) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

For and on behalf of Board

Date : August 8, 2022
Place : Ahmedabad

Paras Savla
Chairman & Managing Director
DIN: 00145639



ANNEXURE - D

DETAILS ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

The Information under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 for the year ended March 31, 2022 is given here below and forms part of the Board's Report.

A. CONSERVATION OF ENERGY:

- | | |
|---|---|
| (i) The steps taken or impact on conservation of energy | Energy conservation continues to receive priority attention at all levels in the Company. All efforts are made to conserve and optimize use of energy by using natural gas as alternate fuel to run equipments, with continuous monitoring, improvement in maintenance systems and through improved operational techniques. |
| (ii) Steps taken by the Company for utilizing alternate sources of energy | The Company is using equipment running on Natural Gas in place of Diesel. |
| (iii) The Capital investment on energy conservation equipments | |

B. TECHNOLOGY ABSORPTION:

- | | |
|---|--|
| (i) The efforts towards technology absorption | Updation of Technology is a continuous process, absorption implemented and adapted by the Company for innovation. Efforts are continuously made to adopt new products and technology required in the Oil and Gas Industry. |
| (ii) The benefit derived like product improvement, cost reduction, product development or import substitution | |
| (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) | |
| (a) the details of technology imported | |
| (b) the year of import | |
| (c) whether the technology been fully absorbed | |
| (d) if not fully absorbed, areas where absorption has not taken place and the reasons thereof | |
| (iv) The expenditure incurred on Research and Development | |

C. FOREIGN EXCHANGE EARNING AND OUTGO:

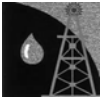
(₹ in Lakhs)

Particulars	2021-22	2020-21
Foreign exchange earnings in terms of actual inflows	8061.59	6933.39
Foreign exchange outgo in terms of actual outflows	2321.07	1252.86

For and on behalf of the Board

Date : August 8, 2022
Place : Ahmedabad

Paras Savla
Chairman & Managing Director
DIN:00145639



ANNEXURE – E
MANAGEMENT DISCUSSION AND ANALYSIS

Oil and Gas Industry Outlook

The oil and gas industry has rebounded strongly throughout 2022, with oil prices reaching their highest levels in six years. While the industry's recovery is better than expected, uncertainty remains over market dynamics in the coming year. The oil and gas sector is among the eight core industries in India and plays a major role in influencing decision making for all the other important sections of the economy. India's economic growth is closely related to its energy demand, therefore, the need for oil and gas is projected to grow more, thereby making the sector quite conducive for investment. India retained its spot as the third-largest consumer of oil in the world as of 2022.

Oil field services and equipment solutions market is also finding its feet as a fastest growing market, given the ever increasing energy demand, increasing exploration activities and shortage of supply. The market is expected to grow, as the number of wells being drilled is increasing as a result of increased search activities for coal bed methane gas and lucrative oil and gas prices.

Particularly driven by the demand for oil and gas in the country which is expected to overtake that in industrialized countries in the coming future, majorly because by strong demand within the country which continue to see strong economic growth.

According to IEA (India Energy Outlook 2021), primary energy demand is expected to nearly double to 1,123 million tonnes of oil equivalent, as the country's gross domestic product (GDP) is expected to increase to US\$ 8.6 trillion by 2040.

Lately Natural Gas has emerged as a stronger alternative to crude it being greener and cheaper. India has got abundant reserves of Natural Gas which is cheaper and greener. More importantly it keeps remarkable economic and strategic significance as India targets to stay on multi year growth trajectory and harnessing the gas reserves will save us huge foreign exchange year on year and reduced our dependence on imported energy sources in a significant way.

A lot of emphasis is being put to make Natural Gas as the ideal transition fuel in the energy mix for the foreseeable future. In this direction the government has set a target of raising the share of natural gas in primary energy basket to 15% by 2030 with strong demand from various industrial sectors.

Industry structure and developments

The Oil and Gas industry is frequently broken down into three segments mainly - Upstream, Midstream and Downstream.

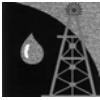
Upstream Companies focus on exploration and production. Most crude oil production is controlled by National Oil Companies, which includes OPEC, or integrated international oil companies. Upstream companies benefit from high oil and gas prices and high volumes. Other metrics include rig count and capital spending.

Midstream Companies handle the transportation and storage of oil and gas. This segment is made up of many independent transportation operators. Oil and gas volumes are important to midstream companies, and prices as they relate to volume: If the price drops so low that upstream companies stop producing, midstream companies are not needed for transportation.

Downstream Companies manage the refining and marketing of oil and gas and the sale of the finished products. There is lower market concentration than the upstream segment. Downstream companies benefit from profit margins where they are able to sell their refined products for more than the cost of acquiring the crude resources. Other metrics include the number and size of refineries.

Our company with pool of service offerings, is catering all three segments with presence in Drilling, Gas gathering, Gas Processing, Gas transmission and distribution.

Deep Industries Limited is India's 'One Stop Solution' provider to the Energy sector. With their vision to cater to the growing Global Energy needs and by focusing on people, environment, innovation and technology, the Company is specializes in providing Natural Gas Compression Services, Drilling and Workover Rigs Services, Natural Gas Dehydration Services, and also having forayed into Integrated Project Management Services. Over the years, Deep Industries Limited has invested a lot in technology to build a strong infrastructure and information system capabilities and has been an 'Energy Infrastructure Equipment Solution Provider' for every need of the Energy Sector including Oil and Gas field operations. Its comprehensive services portfolio is well supported by skilled manpower and a wide range of equipments to be used in the industry right from Exploration & Production Services to the Mid Stream Services while maintaining safety and quality as an integral part of the company culture. Further Deep is contemplating to foray into the off-shore services business considering its potential. However, this will be a couple of years down the line.



Green Initiative

Your Company's all gas processing equipments are running on gas based engines which uses natural gas as fuel. Natural gas is a green form of gas which enables in less carbon emission.

Opportunities and Threats

The Energy Industry plays a crucial role in growth of civilization and lives of people.

Deep Industries Limited has faced many challenges in past and industry can face certain fundamental issues that can also hinder Deep's path to progress and ambitions. Having said that, the opportunities largely outweigh the challenges and the company keeps the philosophy of converting challenges into opportunities. Deep Industries Limited confidently carries out:

- Largest outsourced natural gas compression service provider in India
- Only Company with presence in Gas Compression, Rigs services, Gas Dehydration and Integrated Project Management Services
- Multi-year contracts with long term client relationships
- Strong geographical diversity across India with presence in over 20 locations
- More than 30 years of Industry Experience with large clients in public and private space
- Diversified service spread smoothens segment specific risks

Company's Services/ Segment-wise or products-wise performance

- Gas Compression Services:

Deep Industries Limited is the largest Natural Gas Compression service provider in India on chartered hire basis. The Company has executed various natural gas compression projects with various Public and Private sector Companies in India during last Three Decades. The Company executes compression contracts on turnkey basis, which includes supply of Equipment, Installation, Commissioning and Operation & Maintenance of gas engine driven compressor packages. The Company is able to provide the right solution to accommodate client's time-frame and budget. The Company has built its equipment fleet to offer a wide range of compression requirements. Deep International DMCC, subsidiary of the Company has acquired number of Gas Compression packages in USA to cater business opportunities in Middle East countries. The Company has started executing for various projects in International Market.

- Gas Dehydration, Conditioning & Processing

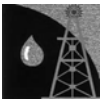
Generally gas produced from the wells is saturated with water and also contains heavier hydrocarbons (C6+). Water and heavy hydrocarbons need to be removed from the gas for its transmission through pipeline. As per Statutory compliance requirement, it is compulsory to maintain the water and hydrocarbon dew point below specified limits.

Deep Industries Limited is the pioneer in providing Gas Dehydration Systems on Build, Own and Operate basis in India on charter hire basis. And the Company is one of the largest Gas Dehydration Service providers in the country. Presently, the Company owns 12 Gas Dehydration Plants and operates 3 Gas Dehydration Plants (39 MMSCFD). In a short span of time, the Company is able to provide services to various production facilities. The process of Gas Dehydration is accomplished in two basic steps through which we sequentially lower the Water Dew Point and Hydrocarbon Dew Point to less than 0 DegC by removing water and heavier hydrocarbons from the source gas to meet PNGRB norms. The Company has efficiently commissioned Gas Dehydration Units of capacities upto 10 LSCMD per unit in a record time and designs packages to meet a wide range of applications with minimal changes required. The Company also maintains an intensive stock of spares to prevent any shutdowns as we understand the criticality of the process and its impact on clients.

Recently, the company has been awarded a contract for providing a complete integrated solution for processing the gas directly from the well. The project is one of its kind where in the company is operating a complete gas installation i.e. from operating the gas well to processing it to meet PNGRB (Petroleum and Natural Gas Regulatory Board) norms and then compressing it to 250 BarG to facilitate transportation of gas through cascades.

- Drilling and Workover Services

DEEP commands a health market position in the area of providing the Drilling and Workover Rig services on charter hire basis in India. Since last 16 years, DEEP has served long term contracts for Drilling rig and Workover services to variety of clients including PSU's and Private E&P companies, and having the excellent track records in India. DEEP is having vision to expand the Rig business in overseas Market. DEEP is also approved Drilling Contractor in Kuwait Oil Company for providing the Rigs.



DEEP owns total 11 Nos. of Drilling and Workover Rig fleets ranging from 145 HP to 1000 HP, and having the tie-ups to provide the Rig up to 2000 HP. The Company has remarkably carried out and successfully completed various contracts for different operators and in diverse areas spreading from the Deserts of India, Ecosensitive Areas, and difficult Terrain of Mountain Range Areas.

DEEP is Capable to provide all Oilfield equipment pertaining to Drilling, Workover, Completion & Production on Charter, Rental & Dry Lease Hire basis.

Our professional staff and fully operable fleet of drilling rigs and Workover rigs and technologies delivers for any operational need and helpful to quickly and safely deploy them at well site. DEEP has diversified team, supported with Over 700 nos. of Workforce, which has required skill set to carryout planning and execution of large size project.

- **Integrated Project management Services**

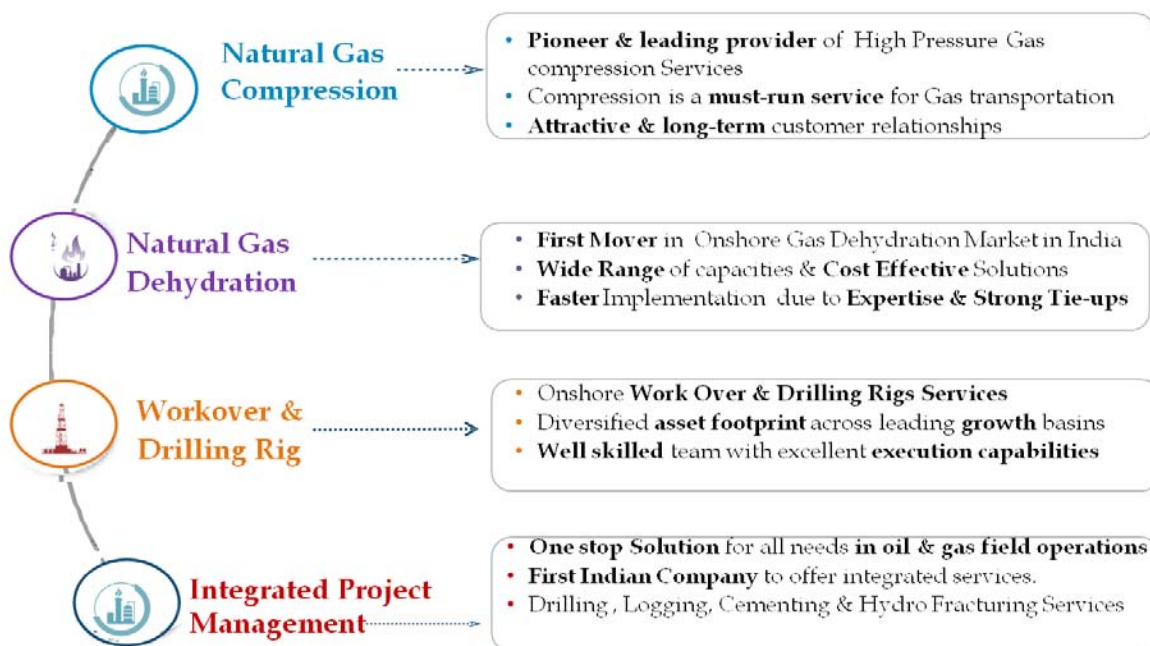
Deep Industries Limited has adopted the Integrated Project Management (IPM) as a turnkey solution to drill and complete a well or a number of wells under single contract. We have capabilities to provide pool of niche services involving highly technical jobs and services under one roof improves coordination, Time & Cost Management. We are the first Indian company to offer integrated solutions. The Company has adopted various services of Oil & Gas exploration since 2016 considering the opportunity in the space and unconventional energy being the future.

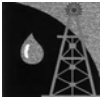
We are the one of the Indian incorporated company who has the unique combination of providing services to Upstream and midstream. Deep's experience, expertise and quality equipment helps to deliver results to the challenging projects and meet stringent client demands.

The Company's IPM services include:

- Drilling Services
- Cementing Services
- Drill Fluid Engineering
- Geophysical Logging, Mud Logging, wire line service
- Hydro Fracturing & Coiled tubing
- Procurement of Tangibles / Casing Running
- Well Completion Services – Workover operations to Production

Diversified Capabilities – Deep Industries Limited





Subsidiary

Raas Equipment Private Limited a subsidiary of Deep Industries Limited has established its green field facility for manufacturing & assembling of CNG Hydraulic Booster Compressor and CNG ON-Line Compressor. Our objective is to cater to the rapidly expanding City Gas Distribution network across India. The vision of our Prime Minister, Shri Narendra Modi and the roadmap from PNGRB has encouraged us to diversify into this sector and establish ourselves as a leading equipment manufacturer for oil and gas sector.

Our focus currently is to accelerate existing product penetration in the market. Booster compressor division is largely engaging in branding, marketing and efficiency improvement activities that will help the company to streamline production and sales. Next in line product integration is with CNG dispenser, CNG ON-Line compressor and Gas Processing Equipment. Technology development is a highly skilled job which requires design, testing, assembly, packaging, and various levels into development. RAAS plans to grab the opportunity of growing energy demand in our economy and create a reliable brand in the sector. It has annual installed capacity of 250 units.

Outlook

Deep Industries Limited is in business of Oil and Gas field services and is specialized in providing Gas Compression Services, Drilling and Workover Services, Gas Dehydration, and also having expertise in Integrated Project management Services. In addition, the Company has been expanding its business through organic routes like entering into new services markets as well as inorganic routes like strategic tie-ups and acquisitions. The Company is also in the process of spreading its wings through venturing in to offshore services.

The Company has been building up and growing steadily since, primarily through:

- Conveniently & strategically located to Service Oil & Gas markets in India and globally
- Owns Fuel Efficient, latest Equipments to cater the need of Oil & Gas Industry
- Recruiting highly skilled technical staff
- Providing services at high quality of standards with peak performance

The Company has grown up to be a “One Stop Solution” provider for every need in Oil and Gas field operations by catering various equipment and services under rental and chartered-hire basis.

Risks and Concerns

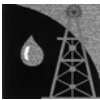
Risks and uncertainties are an inherent part of every business, and yet it is important to identify the risks and take proactive steps to measure, minimize and mitigate them. The Company sees concerns in relation to the Scarcity of skilled personnel in market, Procurement Risk as not being able to procure rightly configured equipments in a timely manner and dependency on few clients.

The Company understands these risks can adversely impact fruition of both short-term operational and long-term strategic goals. Hence Risk management process is closely aligned with Company’s business planning process and control function whereby the Company identifies and evaluates risks as early as possible, applies strategies and tools to mitigate those risks and attempts to limit its overall impact on the business by adopting suitable measures and continuously reevaluating those measures with a prime focus to mitigate those risks that pose a threat to its sustainable growth.

Internal control systems and their adequacy

The Company has put in a place an adequate and effective Internal Control Mechanism to ensure efficient conduct of its operations, security of assets, prevention and detection of frauds/errors, preserving accuracy and completeness of the accounting and business records and timely preparation of financial statements and related information. These internal control systems are then further supplemented by Internal Audit carried out by the Internal Auditor of the Company and periodical review by the management. The Company has put in place Proper and adequate controls, which are reviewed at regular intervals to ensure that the business decisions and transactions are properly authorized, correctly and timely reported and the assets are safeguarded from loss , damage and misuse.

In addition to above, the Company has formulated a Vigil Mechanism and Whistle Blower Policy for its Directors and employees of the Company for reporting genuine concern about unethical practices and suspected mal-practices.



Discussion on financial performance

Revenue from Operations

(₹ in Lakhs)

Nature of Services	FY 2021-22	FY 2020-21	Change	Change%
Gas Dehydration, Gas Compression , Work Over Operations and Integrated Project Management Services	27,156.68	17,845.14	9,311.54	52.18%
Total Business Income	27,156.68	17,845.14	9,311.54	52.18%

(₹ in Lakhs)

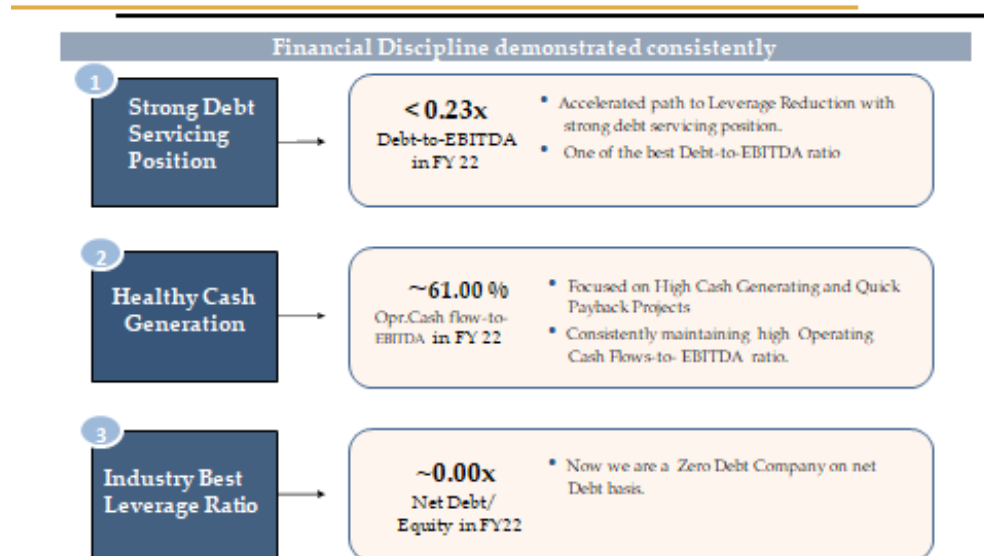
Particulars	For 2021-22	For 2020-21
Revenue From Operation	27,156.68	17,845.14
Earnings Before Interest, Taxes Depreciation & Amortization (EBITDA)	11,486.52	8,468.26
Earnings before Depreciation, Taxes and Amortization (EBTDA)	11,063.33	7,545.31
Profit before tax (PBT)	8,737.01	(1,173.68)
Profit after tax (PAT)	6,934.15	6,315.83

Further, the Company's Other Income increased from ₹ 673.03 Lakhs to ₹ 1,036.39 Lakhs whereby Other Expenses has increased from ₹ 1,473.54 Lakhs to ₹ 2,347.55 Lakhs.

Employees' Remuneration & Benefits has marginally increased from ₹ 2,174.37 Lakhs to ₹ 2,208.10 Lakhs which shows marginal increase of 1.55% in actual terms and this also includes Directors' Remuneration.

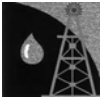
Interest & Financial Cost has decreased from ₹ 922.94 Lakhs to ₹ 423.20 Lakhs as compared to previous year which more than halved this year. The Company's Operating Expenses have rose sharply from ₹ 6,401.01 Lakhs to ₹ 12,150.90 Lakhs which commensurate with the increase in Revenue from Operations. Operating Expense as a percentage of Operating Income has increased from 35.88% to 44.74%.

Balance Sheet Strength



Material developments in Human Resources / Industrial Relations

The Company believes that the quality of the employees is the key to its success and is committed to equip them with skills. The Company provides to the employees a fair and equitable work environment and support from their peers with a view to develop their capabilities leaving them with the freedom to act and to take responsibilities for the task assigned. The Company has strongly embedded core values and all employees are trained and encouraged to use these values in their daily operations and the bases for making decisions. The Company's management has always carried out systematic appraisal of performance



and imparted training at periodic intervals. The Company has always recognized talent and has judiciously followed the principle of rewarding performance. This has helped to ensure all employees are aligned and focused on key objectives and key performance indicators critical for the Company's performance. In order to meet steady flow of talent, Company has appointed experienced professionals in Technical as well as Commercial Departments. Apart from that, as a strategic policy, every year, Company hires new pool of talent from reputed technical / petroleum institutes through campus selection process.

In adding up, the Company is committed to nurturing, enhancing and retaining top talent through superior Learning and Organizational Management. The Industrial relation of the Company with various suppliers, customers, financial lenders and employees is cordial. Total employees on the payroll of the Company as on March 31, 2022 are 547.

Health, Safety & Environment

Being a service provider to high risk industry, safety of employees is utmost priority of Company. While providing services, Company ensures compliance to all Rules and Regulations regarding Health, Safety and Environment protection. Imparting essential health and safety training such as MVT, Firefighting etc is being followed on regular basis.

Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios and any change in Return on Net Worth, along with detailed explanations thereof.

Sr. No	Financial Ratios	Key Financial Ratios		Changes	Explanation
		2021-22	2020-21		
1.	Debtors Turnover Ratio	2.13	1.66	28.40% (Improved by 0.87x)	The better debtor turnover ratio is achieved mainly on account of improvement in collection cycle.
2.	Inventory Turnover	12.33	5.90	6.43	Higher inventory turnover ratio is maintained to ensure reduced lead time and better availability of inventory.
3.	Interest Coverage Ratio	18.62	25.40	6.78	Reduction in finance cost along with exceptional Deferred tax asset in previous year.
4.	Current Ratio	4.68	3.49	17% (Improved by 0.68x)	The further improvement in current ratio comes from larger increase in current assets led by strong liquidity position..
5.	Debt Equity Ratio	0.02	0.04	HALVED	Debt level has further reduced.
6.	Operating Profit Margin	55.26%	64.12%	8.26%	Primarily due to fuel and steel price hike along with planned maintenance activities.
7.	Net Profit Margin (%)	25.53%	35.39%	(27.86%) [Down by 986 bps)	Net Profit Margins have been renormalized. Previous year NP Margin were abnormally high due to one time write back of deferred tax liability.
8.	Return on Net worth	6.35%	6.15%		No material change.

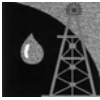
Cautionary Statement

Statements made in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations and predictions may be 'forward looking statements' within the meaning of applicable laws and regulations. The Company's actual results, achievements may differ materially from those projected in any such forward looking Statements. The Company assumes no responsibility to publicly amend or revive any forward looking statements on the basis of subsequent developments, information or events.

For and on behalf of the Board

Date : August 8, 2022
Place : Ahmedabad

Paras Savia
Chairman & Managing Director
DIN:00145639



ANNEXURE - F REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance for the Financial year ended on March 31, 2022.

1. Company's Philosophy on Corporate Governance

The Company's philosophy on Corporate Governance is to ensure transparency in all dealings and in the functioning of the management and the Board. The Company has adopted a Code of Conduct for its employees including the Managing Director and the Executive Directors. Further to that the Company operates within accepted standards of propriety, fair play and justice and aims at creating a culture of openness in relationships between itself and its stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. To create a culture of good governance, the Company has adopted practices that comprise of performance accountability, effective management control, constitution of Board Committees as a part of the internal control system, Non-Executive and Independent Directors on the Board, adequate and timely compliance and disclosure of information on performance and governance of the Company.

A Report of Corporate Governance is prepared in accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**") and the report contains the details of Corporate Governance systems and processes at Deep Industries Limited.

2. Board of Directors

(a) Composition and Category of Directors

The SEBI Listing Regulations mandate the Board of Directors shall have an optimum combination of Executive and Non – Executive Directors with at least one Woman Director. The Board's actions and decisions are aligned with the Company's best interests. The Board composition represents an optimal mix of professionalism, knowledge, expertise and experience which enables the Board to discharge its responsibilities and provide effective leadership to the business.

The Board of Company comprised of Six (6) Directors including One (1) Independent Woman Director with 50% (Fifty percent) of it as Non – Executive Independent Directors as on March 31, 2022, details of which are as follows:-

Sr. No.	Name of Directors	Category and Position
1.	Mr. Paras Savla	Promoter, Chairman and Managing Director
2.	Mr. Rupesh Savla	Promoter and Managing Director
3.	Mr. Rohan Shah*	Whole – Time Director (Finance) and Chief Financial Officer
4.	Dr. Kirit Shelat	Non-Executive Independent Director
5.	Mr. Hemendrakumar Shah	Non-Executive Independent Director
6.	Mrs. Shaily Dedhia#	Non-Executive Independent Director

* Appointed as Whole – Time Director (Finance) w.e.f. June 24, 2021

Appointed as Non-Executive Independent Director w.e.f. June 24, 2021

At the ensuing Annual General Meeting ("**AGM**"), details of the Directors with respect to the Director retiring and seeking re-appointment and directors sought to be appointed, are as under:-

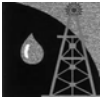
Mr. Rupesh Savla, Managing Director of the Company retires by rotation and being eligible offers himself for re-appointment. The notice calling the 16th AGM sets out the relevant details of his re-appointment.

(b) Attendance of each director at the meeting of Board of Directors and the last Annual General Meeting

Sr. No.	Name of the Directors	Number of Board Meetings attended	Last AGM attended (Yes/No)
1.	Mr. Paras Savla	6/6	Yes
2.	Mr. Rupesh Savla	4/6	Yes
3.	Mr. Rohan Shah*	5/5	Yes
4.	Dr. Kirit Shelat	6/6	Yes
5.	Mr. Hemendrakumar Shah	6/6	Yes
6.	Mrs. Shaily Dedhia#	5/5	Yes

* Appointed as Whole – Time Director (Finance) w.e.f. June 24, 2021

Appointed as Non-Executive Independent Director w.e.f. June 24, 2021



(c) Number of other Board of Directors or Committees in which a Directors are Member or Chairperson and the names of the listed entities where they are directors and the category of their directorship

Sr. No.	Name of the Director(s)	No. of other Directorships [^]	Committee Membership/ Chairmanship of other Companies ^{^^}		Directorship held in other listed Companies including category of Directorship
			Member	Chairperson	
1.	Mr. Paras Savla	03	–	–	–
2.	Mr. Rupesh Savla	03	–	–	–
3.	Mr. Rohan Shah*	–	–	–	–
4.	Dr. Kirit Shelat	–	–	–	–
5.	Mr. Hemendrakumar Shah	06	04	02	Independent Director:- a. Deep Energy Resources Ltd. b. Asian Granito India Limited, c. Sakar Healthcare Limited, d. Denis Chem Lab Limited e. Prism Finance Limited
6.	Mrs. Shaily Dedhia [#]	04	03	–	Independent Director:- a. Deep Energy Resources Ltd. b. Vadilal Industries Limited

* Appointed as Whole – Time Director (Finance) w.e.f. June 24, 2021

Appointed as Non-Executive Independent Director w.e.f. June 24, 2021

Note:

[^] Including Directorship of Public Companies and Private Companies other than Deep Industries Limited.

^{^^}For the purpose of the memberships/ Chairmanship of Committees, only the Audit Committee and Stakeholders Relationship Committee of Public Limited Companies other than Deep Industries Limited are considered.

(d) Number of Board Meetings held during the year 2021-22

Six (6) Board Meetings were held during the year 2021-22 i.e. on April 08, 2021, June 24, 2021, August 12, 2021, November 1, 2021, February 03, 2022 and March 02, 2022. The gap between two consecutive meetings of the Board never exceeded 120 days.

During the year, the Board of the Directors of the Company had passed three resolutions by way of passing of resolution by Circulation by majority on July 1, 2021, October 07, 2021 and March 31, 2022 and the Board took note of the same in the next Board Meetings held after circular resolution passed.

(e) Disclosure of relationships between Directors inter-se

None of the Directors of the Company are related to each other and there are no inter-se relationships between the Directors as on March 31, 2022.

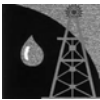
(f) Number of Shares held by Non-Executive Directors

None of the Non-Executive Directors hold any share in the Company.

(g) Chart or a Matrix setting out the Skills/Expertise/Competence of the Board of Directors

Company's Board is a skill-based Board comprising of Directors who collectively have the differential skills, knowledge and experience to effectively govern and direct the organization. The following is the list of core skills/ expertise/competencies identified by the Board of Directors as required in the context of the Company's business for it to function effectively:

Skills/Expertise/Competence identified by the Board of Directors	Names of Directors who have such skills / expertise / competence
Significant leadership and effective decision making competence which drive a change and a growth in the Company's overall objectives.	Mr. Paras Savla and Mr. Rupesh Savla
Knowledge of Company's business policies, major risks/threats and potential opportunities, technical /professional skills and specialized knowledge of Company's business.	Mr. Paras Savla, Mr. Rupesh Savla, Mr. Rohan Shah, Dr. Kirit Shelat, Mr. Hemendrakumar Shah and Mrs. Shaily Dedhia



Experience in handling financial management and understanding accounting and financial statements.	Mr. Paras Savla, Mr. Rupesh Savla, Mr. Rohan Shah and Mr. Hemendrakumar Shah
Implementation of good corporate governance practices for a long term sustainable growth of the Company and protecting stakeholders' interest.	Mr. Paras Savla, Mr. Rupesh Savla, Mr. Rohan Shah, Dr. Kirit Shelat, Mr. Hemendrakumar Shah and Mrs. Shaily Dedhia
Technical/Professional skills and specialized knowledge to assist the ongoing aspects of the business.	Mr. Paras Savla, Mr. Rupesh Savla and Mr. Rohan Shah
Ability to identify and monitor risks of the Company.	Mr. Paras Savla, Mr. Rupesh Savla, Mr. Rohan Shah, Dr. Kirit Shelat, Mr. Hemendrakumar Shah and Mrs. Shaily Dedhia

This criteria is designed to ensure the Board consists of individuals with a balance of skills to oversee the organization, achieve the goals and direct the Company's future and it is not necessary that all Directors possess all skills/ expertise listed therein.

(h) Code of Business Conduct

The Company has adopted Code of Business Conduct, which is applicable to all members of Board of Directors and Senior Management of the Company in terms of Regulation 17(5) of SEBI Listing Regulations. The Code of Conduct also includes the duties of Independent Directors as per Schedule IV of Companies Act, 2013 on Code for Independent Directors. Further, all Board Members and Senior Management Personnel have affirmed compliance of the Code. A declaration signed by the Mr. Paras Savla, Chairman & Managing Director to this effect, is attached at the end of this report. The Code of Business Conduct is available on the website of the Company www.deepindustries.com.

(i) Code of Conduct for Prohibition of Insider Trading

In accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the Board of Directors of the Company has adopted a Code of Conduct to Regulate, Monitor, Report Trading by Insiders to determine the insider trading in the securities of the Company based on the unpublished price sensitive information and Code of practices and procedures for fair disclosure of unpublished price sensitive information for adhering to the principles of fair disclosure.

(j) Annual Evaluation of Board of Directors and Independent Directors

During the year, the Board of Directors, Independent Directors and Nomination & Remuneration Committee carried out an annual evaluation of performance of all Individual Directors including Independent Directors, Board as a whole, Committee of the Board and the Chairman of the Company based on various parameters or criteria pursuant to the provisions of the Companies Act, 2013, SEBI Listing Regulations and Nomination & Remuneration policy of the Company.

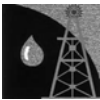
(k) Independent Directors

· **Meeting of Independent Director**

A separate meeting of Independent Directors of the Company without the presence of the Executive Directors & the Management Representatives was held on February 3, 2022. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole; the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

· **Details of familiarization programme imparted to Independent Directors**

As per Regulation 25(7) of SEBI Listing Regulations, the Independent Directors of the Company need to be imparted with familiarization Programs. All new directors who are appointed as Directors of the company are before such appointment taken through an introductory familiarization program/ presentation covering the necessary history and background of the Company and also briefed about the growth and various other achievements of the company. All Independent Directors are also familiarized with the Guidelines of professional conduct, Role, Function and Duties as an Independent Director under the Companies Act and applicable SEBI Listing Regulations. As a part of familiarisation programme as required under SEBI Regulations, the Independent Directors are apprised during the Board /Committee Meetings on the industry / market trends, Company's operations, governance, internal control process and other relevant matters. The details of familiarization programme imparted to independent directors are available on the website of the Company www.deepindustries.com and the weblink of the same is <https://www.deepindustries.com/policies.html>.



· **Confirmation as regards Independence of Independent Directors**

Based on the confirmation or declarations received from the Independent Directors, the Board of Directors confirm that in its opinion, the Independent Directors fulfill the conditions specified in Regulation 16(1)(b) of SEBI Listing Regulations and section 149(6) of the Companies Act, 2013 and that all the Independent Directors of the Company are independent from the Management.

· **Reasons for the resignation of an Independent Director**

Mrs. Renuka Upadhyay (DIN: 07148637), Non-Executive Independent Director of the Company had tendered her resignation from the Board of Directors of the Company before expiry of her tenure, w.e.f. May 11, 2021. She had resigned due to new terms and conditions of her new employment and she had further confirmed that there was no other material reason other than reason mentioned above for her resignation.

3. Audit Committee

Brief description of terms of reference

The Audit Committee acts as a link among the Management, the Statutory Auditors, Internal Auditors and the Board of Directors to oversee the financial reporting process of the Company. The Committee's purpose is to monitor financial reporting processes, review the Company's established system and processes for internal financial controls, governance and to review the Company's statutory and internal audit activities.

The Audit Committee has been constituted by the Board of the Directors at its meeting held on November 10, 2020 and it has been reconstituted by the Board of Directors in its meeting held on February 3, 2022 in compliance with the requirements mandated under Section 177 of the Companies Act, 2013 read with the rules made thereunder and Regulation 18 read with Part C of Schedule II of the SEBI Listing Regulations and the powers, role and terms of reference of the Committee are in accordance with the aforesaid requirements of the Act and SEBI Listing Regulations. Apart from the above, the Committee also carries out such functions/responsibilities entrusted on it by the Board of Directors from time to time. The Company Secretary of the Company acts as a Secretary to the Committee. The Chairman of the Committee is an Independent Director having knowledge in Finance.

Broad Terms of Reference of the Committee inter-alia include:

- Recommending appointment/re-appointment and remuneration of Auditors to the Board and performance evaluation of Auditors of the Company;
- Review of Company's financial statements, internal financial reporting process and the audit process;
- Review of adequacy, reliability and effectiveness of internal financial controls, risk management process and vigil mechanism;
- Approval of related party transactions;
- Monitoring of process for compliance with laws, regulations and the code of conduct;
- Review of compliance with provision of SEBI Insider Trading Regulations, 2015;
- Scrutiny of inter-corporate loans and investments.

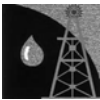
Meetings, Attendance & Composition of the Audit Committee:

Five (5) Audit Committee Meetings were held during the year 2021-22 i.e. on April 08, 2021, June 24, 2021, August 12, 2021, November 1, 2021 and February 03, 2022. The gap between two consecutive meetings of the Audit Committee never exceeded 120 days.

The composition of the Audit Committee and the details of the meetings attended by its members during the financial year ended March 31, 2022 are as under:

Sr. No.	Name	Category of Directors	Designation	No. of meetings held	No. of meetings attended
1.	Mr. Hemendrakumar Shah	Non-Executive Independent Director	Chairperson	5	5
2.	Dr. Kirit Shelat	Non-Executive Independent Director	Member	5	5
3.	Mr. Paras Savla	Chairman and Managing Director	Member	5	5
4.	Mrs. Shaily Dedhia [#]	Non-Executive Independent Director	Member	Not Applicable	—

[#] Appointed as member of the Audit Committee w.e.f. February 03, 2022



4. Nomination and Remuneration Committee (NRC)

The Nomination and Remuneration Committee (NRC) has been constituted by the Board of the Directors at its meeting held on November 10, 2020 and it has been reconstituted by the Board of Directors in its meeting held on June 24, 2021 in compliance with the requirements mandated under Section 178 of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of the SEBI Listing Regulations. Apart from the above, the Committee also carries out such functions/ responsibilities entrusted on it by the Board of Directors from time to time. The Company Secretary of the Company acts as a Secretary to the Committee.

Broad Terms of Reference of the Committee inter-alia include:

- Formulation of criteria for determining qualifications, positive attributes and independence of director and recommending to the Board a policy, relating to remuneration for the directors, key managerial personnel and other senior level employees;
- Identify Independent Directors to be inducted into the Board from time to time and take steps to refresh the composition of the Board from time to time;
- Formulation of criteria for evaluation of performance of Independent Directors and the Board;
- Devising a policy on diversity of Board of Directors;
- Identification of 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;
- To decide whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;
- Recommend to the board, all remuneration, in whatever form, payable to senior management;
- To carry out any other function as is mandated by the Board from time to time and /or enforced by any statutory notification, amendment or modification, as may be applicable.

Meetings, Attendance & Composition of the NRC Committee:

Three (3) NRC Committee Meetings were held during the year 2021-22 i.e. on June 24, 2021, November 1, 2021 and February 03, 2022.

The composition of the NRC Committee and the details of the meetings attended by its members during the financial year ended March 31, 2022 are as under:

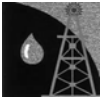
Sr. No.	Name	Category of Directors	Designation	No. of meetings held	No. of meetings attended
1.	Dr. Kirit Shelat	Non-Executive Independent Director	Chairperson	3	3
2.	Mr. Hemendrakumar Shah	Non-Executive Independent Director	Member	3	3
3.	Mr. Paras Savla	Chairman and Managing Director	Member	3	3
4.	Mrs. Shaily Dedhia#	Non-Executive Independent Director	Member	2	2

Appointed as member of the NRC Committee w.e.f. June 24, 2021

The Nomination and Remuneration Committee have laid down the manner in which formal evaluation of the performance of the Board, its Committees and Individual Directors has to be made, which is broadly in compliance with the Guidance Note on Board Evaluation issued the by SEBI vide its Circular dated January 5, 2017 and the said criteria includes aspects like Qualifications, Experience, Knowledge and Competency, Structure of Board, Regularity of meetings, Contribution and Integrity, Independence, Independent views and judgment, Evaluation of Risk. The Nomination and Remuneration Policy is available on the website of the Company www.deepindustries.com and the weblink of the same is <https://www.deepindustries.com/policies.html>.

5. Remuneration of Directors

At the 14th Annual General Meeting held on September 15, 2020, the Shareholders of the Company have re-designated Mr. Paras Savla as a Chairman & Managing Director, Mr. Rupesh Savla as Managing Director and Mr. Dharen Savla as Whole Time Director for period of 5 (Five) years w.e.f. September 1, 2020 and at a remuneration up to Rs. 3,50,000/- per month with perquisites and amenities pursuant to Section 196, 197 & 203 and Schedule V of the Companies Act, 2013 and Mr. Dharen Savla has resigned as Whole Time Director w.e.f. June 24, 2021 due to his personal reasons. Further, the Shareholders have approved appointment of Mr. Rohan Shah, CFO as a Whole Time Director (Finance) for period



of 5 (Five) years w.e.f. June 24, 2021 and at a remuneration up to Rs. 2,00,000/- per month with perquisites and amenities pursuant to Section 196, 197 & 203 and Schedule V of the Companies Act, 2013. The managerial remuneration paid to Executive Directors during the financial year 2021-22 are as under:-

(₹ in Lacs)

Sr. No.	Name of the Executive Director	Salary	Perquisites and Allowance	Total
1.	Mr. Paras Savla, Chairman & Managing Director	42.00	3.81	45.81
2.	Mr. Rupesh Savla, Managing Director	42.00	–	42.00
3.	Mr. Dharen Savla [§] , Whole Time Director (upto June 24, 2021)	10.50	0.57	11.07
4.	Mr. Rohan Shah [®] , Whole Time Director (Finance) and CFO	16.96	–	16.96 [®]

[§] Resigned as Whole Time Director w.e.f. June 24, 2021

[®] Appointed as Whole Time Director (Finance) w.e.f. June 24, 2021 and salary inscribed here is inclusive of both as CFO and Whole Time Director (Finance).

None of the Non-Executive Directors have any material pecuniary relationship or transactions with Company. Apart from sitting fees, Non-Executive Directors do not receive any other consideration. Further, the Non-Executive Directors are being paid sitting fees of Rs. 20,000/- (subject to tax deduction at source) for attending Board Meetings and Other Committee(s). The total sitting fees paid to Non Executive Independent Directors during the financial year 2021-22 are as under:-

(₹ in Lacs)

Sr. No.	Name of the Non Executive Independent Director	Total sitting fees
1.	Dr. Kirit Shelat	1.20
2.	Mr. Hemendrakumar Shah	1.20
3.	Mrs. Renuka Upadhyay [^]	0.20
4.	Mrs. Shaily Dedhia [#]	1.00

[^] Resigned as Non-Executive Independent Director w.e.f. May 11, 2021

[#] Appointed as Non-Executive Independent Director w.e.f. June 24, 2021

The notice period and severance fee, if any, are governed by the applicable rules of the Company at the relevant point in time. Presently, the Company does not have a scheme for grant of stock options to its employees.

6. Stakeholders' Relationship Committee (SRC)

The Stakeholders' Relationship Committee (SRC) has been constituted by the Board of the Directors at its meeting held on November 10, 2020 and it has been reconstituted by the Board of Directors in its meeting held on June 24, 2021 in accordance with the requirements mandated under Section 178 of the Companies Act, 2013 and Regulation 20 read with Part D of Schedule II of SEBI Listing Regulations.

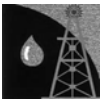
Broad Terms of Reference of the Committee inter-alia include:

- Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of various services being rendered by the Registrar & Share Transfer Agent;
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

Shareholders Complaints are redressed through SEBI Complaints Redress System (SCORES).

Shareholders' Complaints:

Particulars	Complaints
No. of complaints pending as on April 1, 2021	0
No. of complaints received during the year	3
No. of complaints disposed off during the year	2
No. of complaints pending as on March 31, 2022	1



Meetings, Attendance & Composition of the SRC Committee:

Two (2) SRC Committee Meetings were held during the year 2021-22 i.e. on November 1, 2021 and February 03, 2022. The composition of the SRC Committee and the details of the meetings attended by its members during the financial year ended March 31, 2022 are as under:

Sr. No.	Name	Category of Directors	Designation	No. of meetings held	No. of meetings attended
1.	Dr. Kirit Shelat	Non-Executive Independent Director	Chairperson	2	2
2.	Mr. Hemendrakumar Shah	Non-Executive Independent Director	Member	2	2
3.	Mrs. Shaily Dedhia [#]	Non-Executive Independent Director	Member	2	2

[#] Appointed as member of the SRC Committee w.e.f. June 24, 2021

7. Other Committees:

a. Corporate Social Responsibility (CSR) Committee

The Corporate Social Responsibility (CSR) Committee has been constituted by the Board of the Directors at its meeting held on July 29, 2020 and it has been reconstituted by the Board of Directors in its meeting held on November 10, 2020 and June 24, 2021 in compliance with the requirements of Section 135 of the Act and rules made there under. The CSR Policy is available on the website of the Company www.deepindustries.com and the weblink of the same is <https://www.deepindustries.com/policies.html>.

Broad Terms of Reference of the Committee inter-alia include:

- Formulation and recommendation to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
- Recommend the amount of expenditure to be incurred on the Corporate Social activities of the Company;
- Monitor the Corporate Social Responsibility Policy of the Company from time to time; and
- To perform all other acts and duties as may be required from time to time.

Meetings, Attendance & Composition of the CSR Committee:

Two (2) CSR Committee Meetings were held during the year 2021-22 i.e. on August 12, 2021 and November 1, 2021. The composition of the CSR Committee and the details of the meetings attended by its members during the financial year ended March 31, 2022 are as under:

Sr. No.	Name	Category of Directors	Designation	No. of meetings held	No. of meetings attended
1.	Mr. Paras Savla	Chairman and Managing Director	Chairperson	2	2
2.	Mr. Rupesh Savla	Managing Director	Member	2	1
3.	Mrs. Shaily Dedhia [#]	Non-Executive Independent Director	Member	2	2

[#] Appointed as member of the CSR Committee w.e.f. June 24, 2021

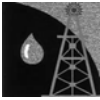
b. Executive Committee

The Executive Committee has been constituted by the Board of the Directors at its meeting held November 10, 2020 to speed up the routine business matters and to comply with other statutory formalities of the Company.

Meetings, Attendance & Composition of the Executive Committee:

Nine (9) Executive Committee Meetings were held during the year 2021-22 i.e. on May 6, 2021, May 27, 2021, June 29, 2021, July 6, 2021, August 9, 2021, October 12, 2021, January 31, 2022, February 4, 2022 and March 2, 2022. The composition of the Executive Committee and the details of the meetings attended by its members during the financial year ended March 31, 2022 are as under:

Sr. No.	Name	Category of Directors	Designation	No. of meetings held	No. of meetings attended
1.	Mr. Paras Savla	Chairman and Managing Director	Chairperson	9	9
2.	Mr. Rupesh Savla	Managing Director	Member	9	9



8. General Body Meetings

Details of the AGMs held during last three years are as under

Year	Date	Venue	Time	No. of special resolutions passed
2020-21	16/09/2021	Through Video Conferencing (“VC”) or Other Audio-Visual Means (“OAVM”)	11:00 A.M.	03
2019-20	15/09/2020	12A & 14, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad -380058, Gujarat.	11:00 A.M.	08
2018-19	30/09/2019		01:00 P.M.	00

Details of Special Resolution Passed in the immediately preceding three AGMs

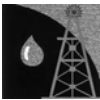
15 th AGM	<ul style="list-style-type: none">- Appointment of Mr. Rohan Shah, CFO (DIN: 09154526) as Whole Time Director (Finance).- To approve Loans, Investments, Guarantee or Security under Section 185 of Companies Act, 2013.- To accord consent to the Board to Create, Offer, Issue and allot securities amounting to ₹ 150 Crores pursuant to Section 42, 62 and all other applicable provisions of the Companies Act, 2013 and other applicable laws.
14 th AGM	<ul style="list-style-type: none">- To Re-Designate Mr. Paras Shantilal Savla (DIN: 00145639) as a Chairman & Managing Director.- To Re-Designate Mr. Rupesh Kantilal Savla (DIN: 00126303) as a Managing Director.- To Re-Designate Mr. Dharen Shantilal Savla (DIN: 00145587) as a Whole Time Director.- To Approve Power of Borrowing under section 180(1)(c) of the Companies Act, 2013 not exceeding Rs. 750 Crore.- Creation/Modification of charges, mortgages, hypothecation on the immovable and movable properties of the company under section 180(1)(a) of the Companies Act, 2013.- Approval of Loans, Investments, Guarantee or Security under section 185 of Companies Act, 2013 upto an aggregate sum of ₹ 60 Crore.- To create, offer, issue and allot securities amounting to ₹ 150 Crores (Rupees One Hundred and Fifty Crores Only) pursuant to section 62(1) (C) and other applicable provisions of the Companies Act, 2013 and other applicable laws including laws which shall be applicable after the Autolisting of the Shares of the company, if any.- To change of name of the Company from Deep CH4 Limited to Deep Industries Limited and consequent Alteration of Memorandum of Association and Articles of Association of the Company.
13 th AGM	NIL

During the year under review, the Company has not passed any special resolution through Postal Ballot. At present, there is no proposal to pass any Special resolution through Postal Ballot. Special resolutions by way of Postal Ballot, if required to be passed in the future, will be decided at the relevant time. Therefore, procedure for Postal Ballot is not applicable.

9. Means of Communication

The Company had submitted quarterly/half-yearly and annual results to Stock Exchanges soon after the approval of Board of Directors at their respective meeting(s) and have taken on record these results and the same were published in Business Standard in English language and Jai Hind in Gujarati Newspaper within 48 hours of approval thereof and displayed on the Company’s website www.deepindustries.com. The Company also regularly intimates to the Stock Exchanges all price sensitive and other information which are material and relevant to the investors.

All important publish information(s) and official press releases, wherever required, are displayed on the website for the benefit of the public at large. Further, the financial results, press release, official news and presentations made to Institutional Investors or to the Analysts and audio recording of Analyst Calls, and transcripts, wherever required, are posted on and are displayed on website of the Company www.deepindustries.com shortly after its submission to the Stock Exchanges.



10. General Shareholders' Information

a. 16th Annual General Meeting

- **Date and Time** : Tuesday, September 27, 2022 at 11.00 a.m.
- **Venue** : Through Video Conferencing/ Other Audio Visual Means. The venue of the meeting shall be deemed to be the Registered Office of the Company at 12A & 14, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad-380058, Gujarat.

b. Financial Year : April to March

c. Dividend Payment date : The Dividend, if declared at AGM, will be paid within stipulated timelines as prescribed under law.

d. Listing of Shares on Stock Exchanges : – BSE Limited
 Add.: Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001-
 – National Stock Exchange of India Limited(NSE)
 Address: Exchange Plaza, Plot No. C/1, G Block,
 Bandra-Kurla Complex Bandra (E), Mumbai 400 051

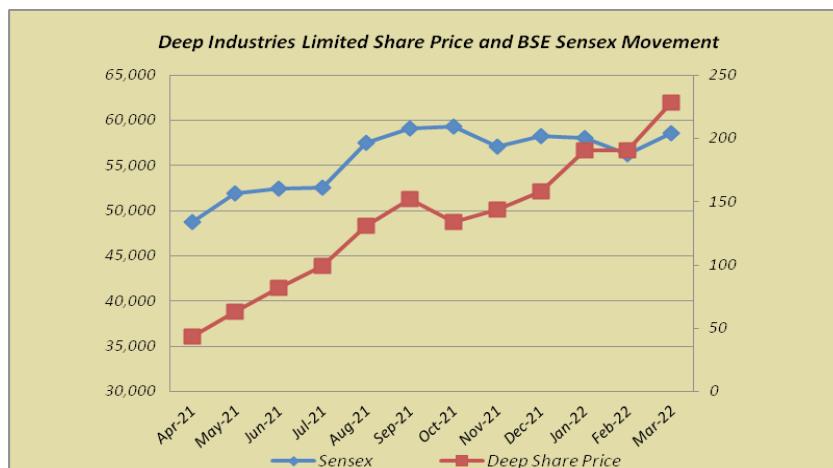
The Company has paid Annual Listing fees for the financial year 2021-22 and 2022-23 to both the above stock exchanges.

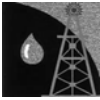
e. Stock Code : BSE Script code : 543288
 NSE Symbol : DEEPINDS
 ISIN Number : INE0FHS01016

f. Market Price Data – High and Low during each month in the Financial Year 2021-22

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume (No. of shares)	High (₹)	Low (₹)	Volume (No. of shares)
April, 2021	43.65	35	36764	41.15	33.80	30567
May, 2021	72.35	45.8	572546	71.85	43.20	857953
June, 2021	97.6	60	764849	97.30	60.45	5356693
July, 2021	112.2	82.75	702760	111.90	81.10	3906573
August, 2021	145	99.9	783611	145	100.00	5006661
September, 2021	161	126.85	404749	161.40	127.05	3268244
October, 2021	174.55	124	385845	174.55	123.95	2846424
November, 2021	174.4	136.55	295434	174.30	136.30	2749402
December, 2021	162.75	132.55	154396	162.80	126.05	1579731
January, 2022	204.5	154.6	476905	204.90	155.00	4629255
February, 2022	225	165	457404	225.60	165.50	4167144
March, 2022	244.85	170	1100398	245.00	174.60	4574775

g. Performance of the share price of the Company in comparison to the BSE Sensex





h. Registrar and Share Transfer Agent

Name : Link Intime India Private Limited
 Address : 5th Floor, 506 to 508, Amarnath Business Centre – 1 (ABC-1),
 Beside Gala Business Centre, Near St. Xavier's College Corner, Off C. G. Road,
 Ellisbridge, Ahmedabad – 380 006
 Tel. No. : (079) 2646 5179
 Fax : (022) 4918 6060
 E-mail : ahmedabad@linkintime.co.in
 Website : www.linkintime.co.in

i. Share Transfer System

As the Company's shares are compulsorily traded in the demat segment on the Stock Exchanges, all the work related to shares is undertaken by the Registrar and Share Transfer Agent of the Company i.e. Link Intime India Pvt. Ltd, Ahmedabad in pursuance of SEBI guidelines.

j. Distribution of Shareholding as on March 31, 2022

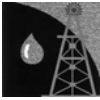
No. of equity shares held	No. of Shareholders	% of Shareholders	No. of Shares	% of Shareholding
1 to 500	15925	89.9718	1594047	4.9814
501 to 1000	922	5.2090	740826	2.3151
1001 to 2000	430	2.4294	657626	2.0551
2001 to 3000	150	0.8475	383755	1.1992
3001 to 4000	59	0.3333	210203	0.6569
4001 to 5000	51	0.2881	242629	0.7582
5001 to 10000	71	0.4011	544329	1.7010
10001 and above	92	0.5198	27626585	86.3331
Total	17700	100.0000	32000000	100

k. Shareholding Pattern of the Company

Category	No. of Shares	% of Shareholding
A. Promoters Holding		
Promoters & Promoter Group	20476847	63.99
Total A	20476847	63.99
B. Non- Promoter holding		
Public	6642716	20.76
Non Resident (Non Repatriable)	34877	0.11
Hindu Undivided Family	365948	1.14
Other Bodies Corporate	1531263	4.79
Body Corporate - Ltd Liability Partnership	1306886	4.08
Clearing Members	250306	0.78
Non Resident Indians, Foreign Nationals & Foreign Portfolio Investors (Corporate)	1370881	4.28
Unclaimed Shares	12445	0.04
Government Companies	7831	0.03
Total B	11523153	36.01
Total A + B	32000000	100.00

l. Dematerialization of shares and liquidity

The shares of the Company are in compulsory demat segment and are available for trading in the depository systems of both the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE0FHS01016. As at March 31 2022, 3,19,99,739 shares of the Company were held in Dematerialization Mode and 261 shares of the Company were held in Physical Mode.



m. Outstanding GDRs or ADRs or Warrants or any Convertible Instruments

The Company has not issued any Global Depository Receipts (GDRs) or American Depository Receipts (ADRs) or Warrants or any Convertible Instruments till date. Hence, there are no outstanding GDRs or ADRs or Warrants or any Convertible Instruments as on March 31, 2022.

n. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

The Company has put in place a Risk Management Policy primarily focusing on identification, assessment, communication and management of risk in a cost effective manner - a holistic approach to managing risk. Risk evaluation and Risk management is an ongoing process within the Company.

In order to reduce the uncertainty arising on account of exchange rate movement in relation to foreign exchange exposures, the Company has in place the hedging policy to secure forex exposures either naturally or otherwise so that the volatility in the exchange rates does not have significant impact the core business of the Company. The policy also aims at monitoring the market conditions for relevant developments and minimising the risk arising out of forex fluctuations with optimum cost of hedging.

o. Plant location / Branch Offices

- 1) Sanand Workshop : Near Jalaram Polymers, Opp Essar Petrolpump, IEYAVA, Sanand-Viramgam Highway, Sanand.
- 2) Mahij Workshop : Block No.968, Bareja Barej D Road, Opp Badiyadev Temple, Village Mahij.

p. Address for Correspondence

The Shareholders may address their communication/grievances at the following address:-

- Registered Office : 12A & 14, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad, Gujarat, 380058
- Phone : (079) 2717-298510
- Fax : (079) 2717-298520
- E-mail Id : cs@deepindustries.com
- Website : www.deepindustries.com

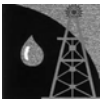
q. Credit Ratings

The details of credit rating obtained by the Company along with revisions, if any, thereto from CARE Ratings Ltd is give below:

Facilities	Rating Agency	Ratings
Long Term Bank Facilities	CARE	CARE A; Stable (Single A; Outlook: Stable)
Short Term Bank Facilities	CARE	CARE A1 (A One)
Long Term / Short Term Bank Facilities	CARE	CARE A; Stable / CARE A1 (Single A; Outlook: Stable / A One)

11. Other Disclosures

- (a) During the Financial 2021-22, there was no materially significant related party transaction that may have potential conflict with the interest of the Company at large. Necessary disclosures as required under the IND AS-24 are made in the notes to accounts annexed to the Financial Statements. The policy on Related Party Transactions is disclosed on the Company's website at www.deepindustries.com.
- (b) The Company has complied with all the requirements of the Stock Exchanges as well as the regulations and guidelines prescribed by the Securities and Exchange Board of India (SEBI). There were no penalties or strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.
- (c) The Company has adopted Vigil Mechanism and Whistle Blower policy for Directors and Employees which has been placed on the Company's website at www.deepindustries.com and the weblink of the same is <https://www.deepindustries.com/policies.html>. It is hereby affirmed that no personnel have been denied access to the Audit Committee.



- (d) The Company has complied with all the mandatory requirements of SEBI Listing Regulations to the extent applicable.
- (e) The policy for determining 'Material' Subsidiaries' is available on the website of the Company www.deepindustries.com and the weblink of the same is <https://www.deepindustries.com/policies.html> and the policy on dealing with Related Party Transactions is available on the website of the Company www.deepindustries.com. And the weblink of the same is <https://www.deepindustries.com/policies.html>.
- (f) During the year, the Company has not raised any fund through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of SEBI Listing Regulations.
- (g) The Company has taken a Certificate from Ms. Shilpi Thapar, Practising Company Secretary (Membership No. FCS - 5492 and CP No. 6779), proprietor of M/s. Shilpi Thapar & Associates, certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/ Ministry of Corporate Affairs or any such Statutory Authority and the same forms a part of this Annual Report.
- (h) Compliance Certificate on Corporate Governance: Ms. Shilpi Thapar, Practising Company Secretary (Membership No. FCS - 5492 and CP No. 6779) proprietor of M/s. Shilpi Thapar & Associates have certified that the Company has complied with the conditions of Corporate Governance as stipulated in Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same forms a part of this Annual Report.
- (i) During the year under review, the Board has accepted all the recommendations of its Committees.
- (j) Total fees for all services paid by the Company and its Subsidiaries on the consolidated basis to the Statutory Auditors and all entities in the network firm/network entity of which the Statutory Auditor is a part are as under:

Payments to the Statutory Auditors (excluding taxes)	FY 2021-22 (₹ in Lacs)
Audit Fees	5.25
Fees paid for other Services	8.12
Total	13.37

- (k) Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition And Redressal) Act, 2013 is as given below:

Particulars	No. of complaints
1. Complaints filed during the financial year	Nil
2. Complaints disposed of during the financial year	Nil
3. Complaints pending as on the end of the financial year	Nil

- (l) CEO/CFO Certification: Mr. Paras Savla, Chairman & Managing Director and Mr. Rohan Shah, Whole – Time Director (Finance) and CFO have provided Compliance Certificate to the Board in accordance with Regulation 17(8) read with Part B of Schedule II of the SEBI Listing Regulations.
- (m) The Company is in compliance with the Corporate Governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) of SEBI Listing Regulations.

12. Disclosure of the extent to which the discretionary requirements as specified in part E of Schedule II:

The following disclosures of the extent to which the discretionary requirements as specified in part E of Schedule II have been adopted:

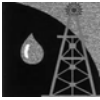
Board: The Chairman of the Board is Executive Chairman and hence the requirements of maintaining chairman office is not applicable.

Shareholder's Rights: The Company's financial results are published in the news papers and are also posted on website i.e. www.deepindustries.com. Hence, the financial results are not sent to the Shareholders of the Company.

Modified Opinion(s) in Audit Report: The Financial Statements presented for the year 2021-22 do not have any qualifications.

Separate posts of Chairperson and Chief Executive Officer: There is no separate post of chairperson and Managing Director /chief Executive Officer of the Company.

Reporting of Internal Auditor: The Internal Auditor of the Company directly reports to the Audit Committee.



13. Disclosure with respect to Demat Suspense Account/ Unclaimed Suspense Account:

In accordance with the requirement of Regulation 34(3) and Part F of Schedule V to the SEBI Listing Regulations, details of equity shares in the suspense account are as follows:

a.	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year.	32,765 shares held by 62 shareholders were lying in suspense account of the Company at the beginning of the financial year i.e. April 1, 2021.
b.	Number of shareholders who approached the Company for transfer of shares from suspense account during the year.	7 Shareholders comprising 20,320 Shares has approached to the Company for transfer of shares from suspense account during the year 2021-22.
c.	Number of shareholders to whom shares were transferred from suspense account during the year.	7 Shareholders comprising 20,320 Shares has approached to the Company for transfer of shares from suspense account during the year 2021-22.
d.	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year.	12,445 shares held by 55 shareholders were lying in suspense account of the Company at the end of the financial year i.e. March 31, 2022.

All corporate benefits accruing on such shares, if any, viz. bonus shares, split etc. shall also be credited to such suspense account of the Company and the voting rights on such shares shall remain frozen till the rightful owner claims the shares.

14. Transfer of unclaimed/unpaid amounts to the Investor Education and Protection Fund (IEPF):

Pursuant to Sections 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividend, if not claimed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to IEPF.

Further during the year under review, the Company had declared Interim Dividend on November 1, 2021. The amount of Unclaimed Dividend for the same was ₹ 1,08,317/-. However since this is the first year for declaration of Dividend the Company is not required to transfer any funds to Investor Education and Protection Fund (IEPF).

For and on behalf of the Board

Date : August 8, 2022
Place : Ahmedabad

Paras Savla
Chairman & Managing Director
DIN: 00145639

Declaration

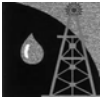
This is to confirm that the Company has adopted a Code of Conduct for members of Board and Senior Management Personnel.

I confirm that the Company has in respect of the financial year ended on March 31, 2022, received from the members of the Board and Senior Management Personnel declaration of compliance with the Code of Conduct as applicable to them.

For and on behalf of the Board

Date : August 8, 2022
Place : Ahmedabad

Paras Savla
Chairman & Managing Director
DIN: 00145639



CEO AND CFO CERTIFICATION

(Pursuant to Regulation 17(8) read with Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended March 31, 2022)

To
The Board of Directors,
Deep Industries Limited
(Formerly known as “Deep CH4 Limited”)
Ahmedabad

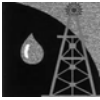
We certified that:

- A. We have reviewed financial statements and the cash flow statement of the Company for the year ended on March 31, 2022 and that to the best of our knowledge and belief:
- (1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) These statements together present a true and fair view of the Company’s affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended on March 31, 2022 which are fraudulent, illegal or violative of the Company’s code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls system for Financial Reporting and that we have evaluated the effectiveness of internal control systems of the Company and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls system, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We further certify that we have indicated to the Auditors and the Audit Committee:
- (1) There have been no significant changes in internal control over financial reporting during the year;
 - (2) There have been no significant changes in accounting policies during the year except for changes disclosed in the notes to the financial statements; and
 - (3) There have been 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.

Date : August 8, 2022
Place : Ahmedabad

Paras Savla
Chairman & Managing Director
DIN : 00145639

Rohan Shah
Whole – Time Director (Finance) and CFO
DIN: 09154526



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of **DEEP INDUSTRIES LIMITED**
(FORMERLY KNOWN AS “DEEP CH4 LIMITED”),
CIN: L14292GJ2006PLC049371
12A & 14, Abhishree Corporate Park,
Ambli Bopal Road,
Ambli, Ahmedabad
Gujarat-380058

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **M/s. DEEP INDUSTRIES LIMITED(FORMERLY KNOWN AS “DEEP CH4 LIMITED”)** having **CIN: L14292GJ2006PLC049371** and having registered office at **12A & 14, Abhishree Corporate Park, AmbliBopal Road, Ambli, Ahmedabad, Gujarat 380058 INDIA**(hereinafter referred to as ‘the Company’), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such Statutory Authority.

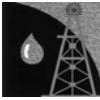
Sr No.	Name of Director	DIN	Date of appointment in Company
1.	HEMENDRAKUMAR CHAMANLAL SHAH	00077654	10/11/2020
2.	RUPESH KANTILAL SAVLA	00126303	15/11/2006
3.	PARAS SHANTILAL SAVLA	00145639	15/11/2006
4.	KIRIT NANUBHAI SHELAT	00190619	10/11/2020
5.	SHAILY JATIN DEDHIA	08853685	24/06/2021
6.	ROHAN VASANTKUMAR SHAH	09154526	24/06/2021

Ensuring the eligibility for 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.

For Shilpi Thapar & Associates
Practising Company Secretaries

Date : August 08, 2022
Place : Ahmedabad

CS Shilpi Thapar
Company Secretary
Membership No. : F5492
COP No. : 6779
PR No. 1828/2022
UDIN No. :F005492D000761247



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(AS AMENDED).

To

The Members of **DEEP INDUSTRIES LIMITED**
(FORMERLY KNOWN AS “DEEP CH4 LIMITED”),
CIN: L14292GJ2006PLC049371
12A & 14, Abhishree Corporate Park,
Ambli Bopal Road,
Ambli, Ahmedabad
Gujarat-380058

We, **M/s. Shilpi Thapar & Associates**, Company Secretaries, Secretarial Auditors of **DEEP INDUSTRIES LIMITED (Formerly known as Deep CH4 Limited)** (‘the Company’), have examined the compliance of conditions of Corporate Governance by the Company for the year ended **31st March, 2022**, as stipulated in regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the ‘Listing Regulations’).

The Compliance of conditions of Corporate Governance is the responsibility of the management. The responsibility includes design, implementation and maintenance of internal control and procedure to ensure the compliance with the conditions of the Corporate Governance stipulated in SEBI Listing Regulations.

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 opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations provided by the Directors and the Management, we certify that the Company has complied with, in all material respects, the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Sub-regulation (2) of Regulation 46 and Paragraphs C and D and E of Schedule V of the Securities And Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015(as amended).

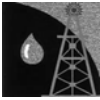
We further state that this certificate is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction to Use: This certificate is issued solely for purpose of complying with the aforesaid Regulations and may not be suitable for any other purpose.

**For Shilpi Thapar & Associates,
Practising Company Secretaries**

CS Shilpi Thapar
Company Secretary
Membership No. : F5492
COP No. : 6779
PR No. 1828/2022
UDIN No: F005492D000761170

Date : August 08, 2022
Place : Ahmedabad



INDEPENDENT AUDITOR'S REPORT

To,
The Members,
Deep Industries Limited
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **DEEP INDUSTRIES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under the 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 (financial position) of the Company as at 31st March, 2022, the profit (financial performance including 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 financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on standalone financial statements.

Information Other than Financial Statements and Auditor's Report Thereon

The Company's management and the Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance Report, and Shareholders' Information, but does not include the standalone financial statements and our auditor's report thereon.

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

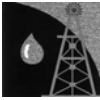
If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Standalone Financial Statements

The Company's Management and the Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance (including 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 specified under section 133 of the Act read with relevant Rules issued thereunder. 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 the 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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



Auditor's Responsibilities for the Audit of the Standalone 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and the Board of Directors.
- Conclude on the appropriateness of management's and Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

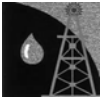
From the matters communicated with those charged with governance, we are required to determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, based on our audit we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.



- (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows (the standalone financial statements) 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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 with reference to standalone financial statements 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 with reference to standalone financial statements.
- (g) With respect to the matter 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 according to the information and 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 the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

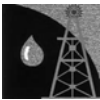
- (h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations as at 31st March, 2022 on its financial position in its standalone financial statements – Refer Note No. 32 to the standalone financial statements.
 - ii. According to the information and explanations provided to us, the Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Company’s Management and the Board of Directors have represented that, to the best of their 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 or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The Company’s Management and the Board of Directors have represented, that, to the best of their knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (a) and (b) above, contain any material misstatement.
 - v. (a) The dividend declared or paid during the year by the Company is in compliance with section 123 of the Companies Act, 2013.
 - (b) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act as applicable.

For, DHIRUBHAI SHAH & CO LLP
Chartered Accountants
Firm Regn. No. 102511W/W100298

Anik S. Shah
Partner

Place : Ahmedabad
Date : 7th May, 2022

Membership number: 140594
UDIN: 22140594AMHISF6010



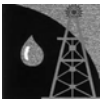
ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **Deep Industries Limited** of even date for the year ended 31st March, 2022)

Based on the audit procedures performed by us for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations provided to us by the Company and the books of account and other records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (1) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and Capital Work-In-Progress.
 - (B) The Company has maintained proper records showing full particulars of intangible assets.
 - (b) The Company has a regular program of physical verification of its property, plant and equipment by which the property, plant and equipment are verified in a phased manner. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification during the year.
 - (c) The title deeds of all immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements under the head "Property Plant and Equipment", are held in the name of the Company.
 - (d) The Company has not revalued any of its Property, Plant and Equipment and Intangible assets during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at 31st March, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (2) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The Company has maintained proper records of inventory. In our opinion, the coverage and procedure of such verification by the management is appropriate. The discrepancies noticed on verification between the physical stock and the book records were less than 10% in the aggregate for each class of inventory as stated in the financial statements. Such discrepancies have been properly dealt with in the books of account.
- (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- (3) The company has made investments in, provided guarantee or security and granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, in respect of which:
 - (a) The Company has provided guarantee and also granted loans/advances to its subsidiaries during the year and details of which are given below:

Aggregate amount guarantee provided or loans/ advances granted/ recovered during the year:	Amount (In Lakhs)
Corporate Guarantee & Performance Guarantee in respect of Raas Equipment Private Limited	1,825.00
A. Loan/Advances Provided to Subsidiaries	
Raas Equipment Private Limited	
- Total amount Granted	334.39
- Total amount Recovered	477.30
Balance outstanding as at balance sheet date	913.68
Deep International DMCC	
- Total amount Granted	0
- Total amount Recovered	428.15
Balance outstanding as at balance sheet date	0
Deep Onshore Services Private Limited	
- Total amount Granted	0.01
- Total amount Recovered	0
Balance outstanding as at balance sheet date	0.01
Deep Onshore Drilling Services Private Limited	
- Total amount Granted	0.23
- Total amount Recovered	0
Balance outstanding as at balance sheet date	0.23



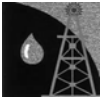
- (b) The investments made, guarantees provided, security given and the terms and conditions of the grant of all the above-mentioned loans and advances in the nature of loans and guarantees provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
- (c) In respect of loans granted and advances in the nature of loans provided by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts of principal amounts and interest have been regular as per stipulations
- (d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted and advances in the nature of loans provided by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) During the year, the company has not renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties. Hence, reporting under clause 3(iii)(e) is not applicable
- (f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

Aggregate Loans or advances in the nature of loans.	
- Repayable on demand (₹ in Lakhs)	913.92
Percentage of Total advances in the nature of loans	100%

- (4) In our opinion, The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- (5) The Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India, provisions of Sections 73 to 76 of the Act, or any other relevant provisions of the Act and the rules framed thereunder. Hence reporting under clause 3(v) of the Order is not applicable.
- (6) The maintenance of cost records has not been specified for the activates of the Company by the Central Government under Section 148(1) of the Companies Act, 2013. Hence reporting under clause 3(vi) of the Order is not applicable.
- (7) (a) The Company has generally been regular in depositing undisputed statutory dues including Goods and Service Tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and any other statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year end for a period of more than six months from the date they became payable.
- (b) The Statutory dues of income-tax, sales-tax, service-tax, duty of customs, duty of excise, value added tax and GST (as applicable) which have not been deposited as at 31st March, 2022 on account of any dispute, are given below:

Sr. No	Name of Statute	Nature of Dues	Amount (Rs. in Lakhs)	Period to which the amount relates (F.Y.)	Forum where dispute is pending
1	Income Tax Act, 1961	Income Tax	726.23	2019-20	CIT-Appeals
2	Income Tax Act, 1961	Income Tax	355.14	2020-21	CIT-Appeals

- (8) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (9) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
- (c) According to the information and explanations given to us, term loans raised during the year were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associate or joint ventures and hence, reporting under clause 3(ix)(e) of the Order is not applicable for the year under report.
- (f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, associate or joint ventures and hence, reporting on clause 3(ix)(f) of the Order is not applicable for the year under report.

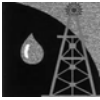


- (10) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Hence, reporting under clause 3(x)(a) of the Order is not applicable to the Company for the year under report.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) and hence, reporting under clause 3(x)(b) of the Order is not applicable for the year under report.
- (11) (a) No fraud by the Company or any fraud on the Company has been noticed or reported during the year.
- (b) 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, during the year and upto the date of this report.
- (c) As informed to us, no whistle blower complaints were received by the Company during the year.
- (12) The Company is not a Nidhi Company. Accordingly, provisions of paragraph 3(xii) (a), (b) and (c) of the Order are not applicable.
- (13) In our opinion and according to the information and explanations given to us, the Company is in compliance with Sections 177 and 188 of Companies Act, 2013 where applicable, in respect of all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- (14) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company, in determining the nature, timing and extent of our audit procedures.
- (15) In our opinion, the Company has not entered into any non-cash transactions with directors or persons connected with them, covered under section 192 of the Companies Act, 2013. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company for the year under report.
- (16) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi)(a), (b) and (c) of the Order is not applicable to the Company.
- (b) There is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (17) The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (18) There has been no resignation of the statutory auditors of the Company during the year.
- (19) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is 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.
- (20) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For, DHIRUBHAI SHAH & CO LLP
Chartered Accountants
Firm Regn. No. 102511W/W100298
Anik S. Shah
Partner

Place : Ahmedabad
Date : 7th May, 2022

Membership number: 140594
UDIN: 22140594AMHISF6010



ANNEXURE-B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph (f) under "Report on Other Legal and Regulatory Requirements" section of our report to the Members of **DEEP INDUSTRIES LIMITED** of even date for the year ended 31st March, 2022)

Independent Auditor's Report on the Internal Financial Controls with reference to the Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

In conjunction with our audit of the Standalone Financial Statements of **DEEP INDUSTRIES LIMITED** ('the Company'), as of and for the year ended 31st March 2022, we have audited the internal financial controls with reference to the standalone financial statements of the Company as of that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to the standalone financial statements and such internal financial controls were operating effectively as at 31st March, 2022, based on the internal financial controls with reference to the standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

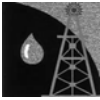
Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to the standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the standalone financial statements included obtaining an understanding of such internal financial controls, 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 standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with Reference to the Standalone Financial Statements

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of the standalone 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 standalone financial statements.

Inherent Limitations of Internal Financial Controls with Reference to the Standalone Financial Statements

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

For, DHIRUBHAI SHAH & CO LLP

Chartered Accountants

Firm Regn. No. 102511W/W100298

Anik S. Shah

Partner

Place : Ahmedabad
Date : 7th May, 2022

Membership number: 140594
UDIN: 22140594AMHISF6010



STATEMENT OF ASSETS AND LIABILITIES AS AT 31st MARCH, 2022

ASSETS	Note No.	As at 31 st March, 2022 ₹ In Lakhs	As at 31 st March, 2021 ₹ In Lakhs
NON-CURRENT ASSETS			
(a) Property, Plant and Equipment	4	45,732.95	46,054.32
(b) Capital Work in Progress	4	427.77	65.50
(c) Intangible Assets	4	38,495.47	38,496.58
(d) Financial Assets			
(i) Investments	5	1,817.29	1,746.18
(ii) Others Financial Assets	6	419.74	96.63
(e) Other Non-Current Assets	7	4,881.02	3,790.40
		<u>91,774.24</u>	<u>90,249.61</u>
CURRENT ASSETS			
(a) Inventories	8	2,201.94	3,025.33
(b) Financial Assets			
(i) Investments	9	5,644.16	1,280.30
(ii) Trade Receivables	10	12,741.07	10,738.26
(iii) Cash and Cash Equivalents	11	758.80	1,472.73
(iv) Other balances with banks	12	1,999.41	2,612.26
(v) Other Financial Assets	13	969.72	1,550.02
(c) Other Current Assets	14	5,134.72	2,226.55
		<u>29,449.82</u>	<u>22,905.45</u>
TOTAL ASSETS		<u><u>1,21,224.06</u></u>	<u><u>1,13,155.06</u></u>
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	15	3,200.00	3,200.00
(b) Other Equity	16	1,05,949.49	99,452.35
Total Equity		<u>1,09,149.49</u>	<u>1,02,652.35</u>
LIABILITIES			
NON-CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	17	885.66	848.28
(b) Deferred Tax Liabilities (Net)	18	4,899.29	3,096.43
		<u>5,784.95</u>	<u>3,944.71</u>
CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	19	1,710.49	3,240.92
(ii) Trade Payables			
- Dues to Micro & Small Enterprises	20	226.06	200.01
- Dues to Other than Micro & Small Enterprises	20	3,350.52	2,485.58
(iii) Other Financial Liabilities	21	395.36	219.82
(b) Other Current Liabilities	22	607.19	411.67
		<u>6,289.62</u>	<u>6,558.00</u>
TOTAL EQUITY & LIABILITIES		<u><u>1,21,224.06</u></u>	<u><u>1,13,155.06</u></u>

The accompanying notes 1 to 46 are an integral part of the Standalone Financial Statements

As per our report of even date attached
For DHIRUBHAI SHAH & CO LLP
Chartered Accountants
Firm Registration Number: 102511W / W100298

Anik S. Shah
Partner
Membership Number: 140594

Place : Ahmedabad
Date : 07-05-2022

FOR & ON BEHALF OF DEEP INDUSTRIES LTD

Paras Savla
Chairman & Managing Director
DIN:00145639

Rohan Shah
CFO & Whole time Director (Finance)
DIN : 09154526

Place : Ahmedabad
Date : 07-05-2022

Rupesh Savla
Managing Director
DIN : 00126303

Roshni Shah
Company Secretary
Membership No: A47037



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2022

(₹ in Lakhs except per equity share data)

Particulars	Note No.	Year ended 31 st March, 2022	Year ended 31 st March, 2021
INCOME			
Revenue from operations	23	27,156.68	17,845.14
Other income	24	<u>1,036.39</u>	<u>673.03</u>
TOTAL INCOME		28,193.07	18,518.17
EXPENSES			
Cost of Material Consumed & Operating Expenses	25	12,150.90	6,402.01
Employee benefits expense	26	2,208.10	2,174.37
Finance Costs	27	423.20	922.94
Depreciation and amortization expenses	28	2,326.31	8,719.00
Other expenses	29	<u>2,347.55</u>	<u>1,473.54</u>
TOTAL EXPENSES		19,456.06	19,691.85
Profit/(Loss) before exceptional items and tax		8,737.01	(1,173.68)
Exceptional items (net)		-	-
Profit/(Loss) before tax		8,737.01	(1,173.68)
Tax items			
(i) Current tax		-	-
(ii) Deferred tax		<u>(1,802.86)</u>	<u>7,489.51</u>
Total tax items		(1,802.86)	7,489.51
Profit for the year		6,934.15	6,315.83
Other Comprehensive Income			
Items that will not be re-classified to Profit or Loss	30	3.39	(1.18)
Items that will be re-classified to Profit or Loss	30	1.10	1.63
Income tax relating to items that will not be reclassified to Profit or Loss		-	-
Total Comprehensive Income for the year		6,938.64	6,316.28
Earnings Per Equity Share of face value of 10 each			
(1) Basic	31	21.67	19.74
(2) Diluted	31	21.67	19.74

The accompanying notes 1 to 46 are an integral part of the Standalone Financial Statements

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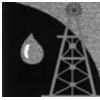


CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2022

PARTICULARS	Year ended 31 st	Year ended 31 st
	March, 2022	March, 2021
	₹ In Lakhs	₹ In Lakhs
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Profit/ (loss) Before Tax	8,737.01	(1,173.68)
Adjustments for:		
Depreciation and amortization	2,326.31	8,719.00
Interest and finance charges	423.20	922.94
Interest income	(215.56)	(303.89)
Dividend Income	(2.24)	(0.89)
Loss / (Gain) on Sale of Property, Plant and Equipment (Net)	(499.62)	(0.30)
Loss / (Gain) on Sale of Investment (Net)	(177.08)	(292.07)
Other Non Cash Items	54.11	0.45
Operating Profit before Working Capital Changes	10,646.12	7,871.55
Adjustments for changes in working capital :		
(Increase)/Decrease in Trade Receivables, Loans & Advances and other assets	(5,175.85)	2,297.69
(Increase)/Decrease in Inventories	823.39	(903.01)
Increase/(Decrease) in Trade Payables, Other liabilities and Provisions	1,268.54	(1,257.08)
Cash Generated from Operations	7,562.20	8,009.15
Income taxes paid	(565.18)	(411.72)
Net Cash generated by Operating activities (Total A)	6,997.01	7,597.43
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Payments for Property, Plant and Equipments	(2,553.72)	(266.94)
Proceeds from sale of Property, Plant and Equipments	687.27	1.00
Payments for Investments	(18,048.73)	(9,582.96)
Proceeds from Investment	13,737.84	7,718.26
Interest Received	215.56	303.89
Dividend Income	2.24	0.89
Proceed From Fixed Deposits	612.84	760.00
Net Cash used in Investing activities (Total B)	(5,346.70)	(1,065.86)
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Secured Loans	(1,493.05)	(4,441.58)
Dividend on Equity Shares paid	(448.00)	-
Finance Cost (Other than Non Cash)	(423.20)	(922.94)
Net Cash used in Financing activities (Total B)	(2,364.25)	(5,364.52)
Net Increase/(Decrease) in Cash and Cash Equivalents	(713.93)	1,167.05
Cash and bank balances at the beginning of the year	1,472.73	305.68
Cash and bank balances at the end of the year	758.80	1,472.73

NOTES:

- 1) The above cash flow statement has been prepared as per the "Indirect method" set out in the Indian Accounting Standard (Ind AS) - 7 Statement of Cash Flows
- 2) Figures in bracket indicate cash outflow.
- 3) Previous year figures have been regrouped and recast wherever necessary to confirm to current year's classification.



ANNUAL REPORT 2021-22
DEEP INDUSTRIES LIMITED
(Formerly known as Deep CH4 Limited)

Cash and cash equivalents at the end of the year consist of cash on hand, cheques, draft on hand and balance with banks as follows:

Particulars	As at 31 st March, 2022 ₹ In Lakhs	As at 31 st March, 2021 ₹ In Lakhs
Balances with banks		
In current accounts	461.52	1,468.18
In EEFC Accounts	286.35	0.00
In Escrow Accounts	-	0.01
Cash on hand	10.93	4.53
	<u>758.80</u>	<u>1,472.73</u>

The accompanying notes 1 to 46 are an integral part of the Standalone Financial Statements

As per our report of even date attached
For DHIRUBHAI SHAH & CO LLP
Chartered Accountants
Firm Registration Number: 102511W / W100298

Anik S. Shah
Partner
Membership Number: 140594

Place : Ahmedabad
Date : 07-05-2022

FOR & ON BEHALF OF DEEP INDUSTRIES LTD

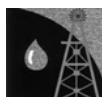
Paras Savla
Chairman & Managing Director
DIN:00145639

Rohan Shah
CFO & Whole time Director (Finance)
DIN : 09154526

Place : Ahmedabad
Date : 07-05-2022

Rupesh Savla
Managing Director
DIN : 00126303

Roshni Shah
Company Secretary
Membership No: A47037



STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON 31ST MARCH, 2022

(A) EQUITY SHARE CAPITAL

For the year ended 31st March, 2022

(₹ In Lakhs)

Particulars	Balance as at 1 st April, 2021 Changes	Change in Equity share capital due to prior period items	Restated balance as at 1 st April, 2021	Changes in Equity share capital during the year	Balance as at 31 st March, 2022
Equity Share Capital	3,200.00	-	3,200.00	-	3,200.00

For the year ended 31st March, 2021

(₹ In Lakhs)

Particulars	Balance as at 1 st April, 2021 Changes	Change in Equity share capital due to prior period items	Restated balance as at 1 st April, 2021	Changes in Equity share capital during the year	Balance as at 31 st March, 2022
Equity Share Capital	96,000.00	-	96,000.00	(92,800.00)	3,200.00

(B) OTHER EQUITY

For the year ended 31st March, 2022

(₹ In Lakhs)

Particulars	Capital Reserve	Security premium account	Retained Earnings	FVOCI Reserve	Total Equity
Balance as at 1st April, 2021	0.10	92,800.00	6,616.13	36.12	99,452.35
Addition / (Deduction During the Year)	6.50	-	-	-	6.50
Transferred from Statement of Profit and Loss	-	-	6,934.15	-	6,934.15
Dividend on Equity Shares	-	-	(448.00)	-	(448.00)
Other Comprehensive income/(loss) for the year	-	-	-	4.49	4.49
Balance as at 31st March, 2022	6.60	92,800.00	13,102.28	40.61	1,05,949.49

For the year ended 31st March, 2021

Particulars	Capital Reserve	Security premium account	Retained Earnings account	FVOCI Reserve	Total Equity
Balance as at 1st April, 2021	0.10	-	300.30	35.67	336.07
Addition / (Deduction During the Year)	-	92,800.00	-	-	92,800.00
Transferred from Statement of Profit and Loss	-	-	6,315.83	-	6,315.83
Dividend on Equity Shares	-	-	-	-	-
Other Comprehensive income/(loss) for the year	-	-	-	0.45	0.45
Balance as at 31st March, 2021	0.10	92,800.00	6,616.13	36.12	99,452.35

As per our report of even date attached
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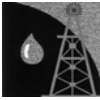
Paras Savla
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DIN : 09154526

Place : Ahmedabad
Date : 07-05-2022

Rupesh Savla
Managing Director
DIN : 00126303

Roshni Shah
Company Secretary
Membership No: A47037



**NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31ST MARCH, 2022**

1. CORPORATE INFORMATION

Deep Industries Limited (the “Company”) is a public limited company domiciled in India having its registered office situated at 12A & 14, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad, GJ 380058. The Company was incorporated on 15th November, 2006, under the provisions of the Companies Act, 1956 applicable in India and its equity shares are listed on the National Stock Exchange of India Limited (NSE) and BSE Limited. The Company is incorporated to carry on all or any of the business of prospecting, exploring, developing, opening and working mines, drilling and sinking shafts or wells and to pump, refine raise, dig and quarry coal bed methane, minerals, ores, gases such as methane gas i.e., CH₄. & to provide latest equipments like Air Compressor, Gas Compressor, Rigs, Exploration & Production equipments and other equipments, efficient services like operation and maintenance, man power deployment and execution of turnkey projects related to oil gas sector on charter hire basis and carry on business of transport operators, cartages and haulage contractors, garage proprietors, owners, charterers and lessors of road vehicles of every description and to act as carriers of goods by road, rail, water, air cartage contractors, forwarding, transporting and commission agents, custom agents, wharfingers, cargo superintendents, packers, warehouse- man, store-keeper and job-masters and carry on anywhere in India and out of India the business of running of transportation of all kinds on such lines/routes as the Company may deem fit and to transport all types of goods and generally to carry on the business of the common carriers.

2. BASIS OF PREPARATION

The Standalone Financial Statements of the Company are prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 and the subsequent amendments from time to time, notified under Section 133 of the Companies Act, 2013 (the “Act”) and other relevant provisions of the Act. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

2.1 Basis of Measurement

Company’s Standalone Financial Statements have been prepared on a historical cost convention except certain financial assets and liabilities which are measured at fair value as under

Items	Measurement Basis
Employee Defined Benefit Plans	Plan Assets measured at fair value less present value of defined benefit obligation
Certain Financial Assets and Liabilities (including Derivative Instruments)	Fair Value
Investments in Quoted Shares	Fair Value
Investments in Mutual Funds	Fair Value

2.2 USE OF ESTIMATES

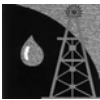
The preparation of Standalone financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying the accounting policies. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be adjusted due to estimates and assumptions turning out to be different from those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the Standalone financial statements.

Critical estimates and judgments

The areas involving critical estimates or judgments are:

- a) Estimation of current tax expense and payable – Refer accounting policies - 3.9
- b) Estimated useful life of property, plant & equipment and intangible assets – Refer accounting policies - 3.1
- c) Estimation of defined benefit obligation – Refer accounting policies - 3.8
- d) Estimation of fair values of contingent liabilities - Refer accounting policies - 3.12
- e) Recognition of revenue - Refer accounting policies - 3.4
- f) Recognition of deferred tax assets for carried forward tax losses – Refer accounting policies - 3.9
- g) Impairment of financial assets – Refer accounting policies - 3.2 & 3.5

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.



3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Property, plant and equipment:

Tangible Assets:

Items of property, plant and equipment are measured at cost, which include capitalised borrowing costs, less accumulated depreciation, and accumulated impairment losses, if any, except freehold land which is carried at historical cost.

Cost of an item of property, plant and equipment comprises its purchase price (after deducting trade discounts and rebates), including import duties and non-refundable purchase taxes, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

All other repair and maintenance costs are recognized in the statement of profit and loss as incurred unless they meet the recognition criteria for capitalization under Property, Plant and Equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss

Depreciation/ Amortization:

Depreciation is charged using straight line method on the basis of the expected useful life as specified in Schedule II to the Act. A residual value of 5% (as prescribed in Schedule II to the Act) of the cost of the assets is used for the purpose of calculating the depreciation charge. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. However, management reviews the residual values, useful lives and methods of depreciation of property, plant and equipment at each reporting period end and any revision to these is recognized prospectively in current and future periods.

Intangible assets:

Intangible assets including those acquired by the Company are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognised in profit or loss as incurred.

Amortization is calculated to write off the cost of intangible assets less their estimated residual values over the estimated useful lives using the straight line method and is included in Depreciation and Amortisation expense in the Statement of Profit and Loss. The estimated useful lives of computer software are considered not exceeding three years. Amortization method, useful lives and residual values are reviewed at the end of each financial year and adjusted, if appropriate. An item of intangible asset is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset.

Capital Work- in- progress:

Projects under commissioning and other Capital work-in-progress are carried at cost comprising of direct and indirect costs, related incidental expenses and attributable interest. Depreciation on Capital work-in-progress commences when assets are ready for their intended use and transferred from Capital work-in-progress Group to Tangible/Intangible Assets Group.

3.2 Impairment of Non-Financial Assets

The Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss.

In respect of assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

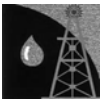
3.3 Foreign Currency Transactions and Translations

Company's Standalone Financial Statements are presented in Indian Rupees (INR), which is also a functional currency. All the values have been rounded off to the nearest thousand, unless otherwise indicated.

Initial Recognition:

Transactions in foreign currencies are recorded on initial recognition in the functional currency at the exchange rates prevailing on the date of the transaction.

In case of advance receipts/payments in a foreign currency, the spot exchange rate to use on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, shall be the date when an entity has received or paid advance consideration in a foreign currency.



Measurement at the Balance Sheet Date:

Foreign Currency monetary items of the Company, outstanding at the Balance Sheet date are restated at the year-end rates. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Treatment of Exchange Differences:

Exchange differences that arise on settlement of monetary items or on reporting at each Balance Sheet date of the Company's monetary items at the closing rate are recognised as income or expenses in the period in which they arise.

3.4 Revenue from Contracts with Customers

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. Goods & Service Tax (GST), Value Added Tax/Service Tax is not received by the Company on its own account. Rather, it is tax collected on value added to the services by the Company on behalf of the government. Accordingly, it is excluded from revenue. The specific recognition criteria described below must also be met before revenue is recognized.

(i) Service income:

Service income is recognised as per the terms of contracts with the customers when the related services are performed or the agreed milestones are achieved and are net of service tax or GST, wherever applicable.

(ii) Interest Income:

For all debt instruments measured either at amortized cost or at fair value through other comprehensive income [OCI], interest income is recorded using the effective interest rate [EIR]. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument [for example, prepayment, extension, call and similar options] but does not consider the expected credit losses.

(iii) Dividend income:

Dividend income from investments is recognized when the Company's right to receive payment is established which is generally when shareholders approve the dividend.

(iv) Other income is recognised when no significant uncertainty as to its determination or realisation exists.

3.5 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A. Financial Assets

a. Initial recognition and measurement:

All financial assets are recognised initially at fair value plus, in case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset, which are not at fair value through profit and loss, are added to fair value on initial recognition. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Statement of Profit and Loss.

b. Subsequent measurement:

For purposes of subsequent measurement, financial assets are classified in Three categories:

i. Financial assets carried at amortised cost:

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii. Financial assets at fair value through Other Comprehensive Income (FVOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

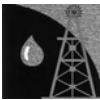
iii. Financial assets at fair value through Profit or Loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through Statement of Profit and Loss.

c. Derecognition:

A financial asset is derecognised when:

- The Company has transferred the right to receive cash flows from the financial assets or
- Retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay the cash flows to one or more recipients.



Where the Company transfers the financial asset, it evaluates the extent to which it retains the risk and rewards of the ownership of the financial assets. If the Company transfers substantially all the risks and rewards of ownership of the financial asset, the Company shall derecognise the financial asset and recognise separately as assets or liabilities any rights and obligations created or retained in the transfer. If the Company retains substantially all the risks and rewards of ownership of the financial asset, the Company shall continue to recognise the financial asset.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of the ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial assets. Where the Company retains control of the financial assets, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

d. Impairment of financial assets:

The Company assesses on a forward looking basis the Expected Credit Losses (ECL) associated with its assets measured at amortised cost and assets measured at fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

B. Financial liabilities:

a. Initial recognition and subsequent measurement:

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

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments. Changes in the amortised value of liability are recorded as finance cost.

C. Fair Value of Financial Instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may vary from actual realization on future date.

D. Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.6 Fair Value Measurement

The Company measures financial instruments such as investments in mutual funds, certain other investments etc. at fair value at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability at the measurement date. All assets and liabilities for which fair value is measured or disclosed in the Standalone financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

3.7 Inventories

Inventories of spare parts and oil are valued at the lower of cost or net realizable value. The cost is determined by Moving Average method. The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. The net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.

3.8 Employee benefits

Employee benefits include provident fund, pension fund, gratuity and compensated absences.

a. Defined Contribution Plans

The Company's contribution to provident fund and pension fund is considered as defined contribution plan and is charged as an expense as they fall due based on the amount of contribution required to be made and when services are rendered by the employees. The Company has no legal or constructive obligation to pay contribution in addition to its fixed contribution.

b. Defined Benefit Plans

The Company operates a defined benefit Gratuity Plan with approved Gratuity Fund and contributions are made to a separately administered approved Gratuity Fund. For defined benefit plans in the form of gratuity, the cost of providing



benefits is determined using 'the Projected Unit Credit method', with actuarial valuations being carried out at each Balance Sheet date. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to the Statement of Profit and Loss in subsequent periods. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost.

c. Short-term Employee Benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include salaries, wages, performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such compensated absences is accounted as under:

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

d. Long-term Employee Benefits

Compensated absences and other benefits like gratuity which are allowed to be carried forward over a period in excess of 12 months after the end of the period in which the employee renders the related service are recognised as a non-current liability at the present value of the defined benefit obligation as at the Balance Sheet date out of which the obligations are expected to be settled.

3.9 Taxes on Income

Income tax comprises Current and Deferred Tax. It is recognised in the Statement of Profit or Loss except to the extent that it relates to business combination or to an item recognised directly in equity or in other comprehensive income.

(a) Current Tax

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

(b) Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred tax liabilities are generally recognised in full.

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

Tax relating to items recognised directly in equity/ other comprehensive income is recognised in respective head and not in the Statement of Profit & Loss.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

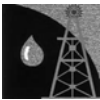
3.10 Borrowing costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition or construction of qualifying asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the respective asset until such time the assets are substantially ready for their intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred and reported in finance costs.

3.11 Earnings per equity share

Basic earnings per equity share is calculated by dividing the net profit after tax for the year attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted earnings per equity share is computed by dividing adjusted net profit after tax by the aggregate of weighted average number of equity shares and dilutive potential equity shares during the year.



3.12 Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Contingent liability is disclosed in the case of:

- * a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation.
- * a present obligation arising from past events, when no reliable estimate is possible.

Contingent assets are neither recognised nor disclosed in the Standalone Financial Statements.

3.13 Cash and Cash Equivalents

Cash and cash equivalents include cash and cheques in hand, bank balances, demand deposits with banks and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value where original maturity is three months or less.

3.14 Leases

The Company's lease asset classes primarily consist of leases for buildings. The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee

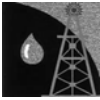
The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases.

For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term and useful life of the underlying asset. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.



3.15 Exceptional items

An item of income or expense which by its size, nature, type or incidence requires disclosure in order to improve an understanding of the performance of the Company is treated as an exceptional item and disclosed as such in the Standalone financial statements.

3.16 Recent Pronouncements

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23rd March, 2022, MCA notified the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1st April, 2022, as below:

I. Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired, and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

II. Ind AS 16 – Proceeds before intended use

The amendments specify that the excess of net sale proceeds of items produced while the Company is preparing the asset for its intended use over its cost of testing, if any, shall not be recognized in the profit or loss but shall be deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

III. Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification, and the Company does not expect the amendment to have any significant impact in its financial statements.

IV. Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the ‘10 percent’ test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

V. Code on Social Security

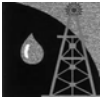
The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on 13th November, 2020, and invited suggestions from stakeholders which are under consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified. The Company will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2022

4 - PROPERTY, PLANT AND EQUIPMENT & CAPITAL WORK-IN-PROGRESS

(Rs. In Lakhs)

Particulars	TANGIBLE ASSETS										Total		
	Tankers	Vehicles	Air Compressor Packages	Gas Compressor Packages	Rigs	Computers	Building	Shed, Foundation & Road	Office Equipment, Furniture & Fixtures	Other Plant and Machinery		Softwares	Goodwill
Cost of Assets:													
As at 1st April, 2020	0.45	455.63	49.61	38914.35	21889.10	91.13	0.00	5959.85	311.31	132.95	54.53	64147.47	132006.38
Addition / Transfers	-	15.45	-	281.67	84.45	6.05	135.44	8.46	0.87	14.61	-	-	547.00
Disposal / Adjustments	-	12.52	-	-	-	-	-	-	-	-	-	-	12.52
As at 31st March, 2021	0.45	458.57	49.61	39196.02	21973.55	97.18	135.44	5968.31	312.18	147.56	54.53	64147.47	132540.87
Addition / Transfers	-	126.14	-	1,250.14	247.88	10.74	-	398.40	6.97	151.17	-	-	2,191.44
Disposal / Adjustments	-	69.81	-	204.38	-	-	-	-	-	-	-	-	274.19
As at 31st March, 2022	0.45	514.90	49.61	40,241.78	22,221.43	107.92	135.44	6,366.71	319.15	298.73	54.53	64,147.47	1,34,458.12
Depreciation / Amortization:													
As at 1st April, 2020	0.43	242.54	49.61	10,007.31	3,849.62	76.15	-	5,620.86	116.49	31.37	44.17	19,244.24	39,282.79
Charged for the year	-	49.36	-	1,486.04	696.44	9.06	2.86	21.87	29.21	7.15	2.27	6,414.75	8,719.00
Disposal / Adjustments	-	11.82	-	-	-	-	-	-	-	-	-	-	11.82
As at 31st March, 2021	0.43	280.08	49.61	11,493.35	4,546.06	85.21	2.86	5,642.73	145.71	38.52	46.44	25,658.99	47,989.
Charged for the year	-	40.74	-	1,509.26	700.16	8.31	0.71	18.64	29.37	18.02	1.11	-	2,326.31
Disposal / Adjustments	-	64.09	-	22.47	-	-	-	-	-	-	-	-	86.56
As at 31st March, 2022	0.43	256.73	49.61	12,980.14	5,246.22	93.52	3.57	5,661.37	175.08	56.54	47.55	25,658.99	50,229.71
Net Block													
As at 31st March, 2021	0.02	178.49	0.00	27,702.67	17,427.49	11.97	132.58	325.58	166.48	109.03	8.09	38,488.48	84,550.90
As at 31st March, 2022	0.02	258.17	0.00	27,261.64	16,975.21	14.40	131.87	705.34	144.07	242.19	6.98	38,488.48	84,228.41



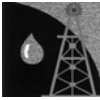
NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31ST MARCH 2022

(₹ In Lakhs)

Amount

4 PROPERTY, PLANT AND EQUIPMENT & CAPITAL WORK-IN-PROGRESS

Particular	INTANGIBLE ASSETS		
	Softwares	Goodwill	Total
Capital Work-in-Progress			
As at 1 st April, 2020	54.53	64,147.47	64,202.00
Addition / Transfers	-	-	-
Disposal / Adjustments	-	-	-
As at 1st April, 2021	54.53	64,147.47	64,202.00
Addition / Transfers	-	-	-
Disposal / Adjustments	-	-	-
As at 31st March, 2022	54.53	64,147.47	64,202.00
Depreciation / Amotization:			
As at 1st April, 2020	44.17	19,244.24	19,288.41
Charged for the year	2.27	6,414.75	6,417.02
Disposal / Adjustments	-	-	-
As at 1st April, 2021	46.44	25,658.99	25,705.43
Charged for the year	1.11	-	1.11
Disposal / Adjustments	-	-	-
As at 31st March, 2022	47.55	25,658.99	25,706.54
Net block			
As at 31st March, 2021	8.09	38,488.48	38,496.58
As at 31st March, 2022	6.98	38,488.48	38,495.47



**NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31ST MARCH 2022**

(₹ In Lakhs)

	Amount
4C PROPERTY, PLANT AND EQUIPMENT & CAPITAL WORK-IN-PROGRESS	
Capital Work-in-Progress	
As at 1 st April, 2020	345.56
Addition	43.30
Transfer / Adjustments	323.38
As at 31st March, 2021	65.50
Addition	362.27
Transfer / Adjustments	-
As at 31st March, 2022	427.77

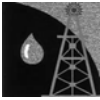
(₹ In Lakhs)

Capital Work-in-Progress Ageing Schedule Amount in CWIP for a period of

	<u>< 1 year</u>	<u>1-2 years</u>	<u>2-3 years</u>	<u>> 3 Year</u>	<u>Total</u>
Project in Progress as at 31 st March 2021	43.30	22.20	-	-	65.50
Project in Progress as at 31st March 2022	362.27	43.30	22.20	-	427.77

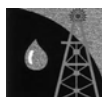
(₹ In Lakhs)

Sr. No.	Particulars	No. of Shares	As at 31 st March, 2022	No. of Shares	As at 31 st March, 2021
5 - INVESTMENTS - NON-CURRENT					
	Investments (Unquoted)				
	(A) Investments at Amortised Cost				
	(a) Investments in Equity Shares				
	- Investment in Subsidiaries				
	74% share in Deep Onshore Drilling Services Pvt. Ltd.	7,400	0.74	7,400	0.74
	100 % share in Deep International DMCC	50	8.90	50	8.90
	80 % share in RAAS EQUIPMENT PVT LTD	800	0.08	800	0.08
	100 % share in Deep Onshore Services Private Limited	1,000	0.10	1,000	0.10
	(b) Investments in Preference Shares				
	- Investment in Subsidiaries				
	15,00,000 Preference Share of Raas Equipment Pvt Ltd of ₹ 10 Each	15,00,000	150.00	15,00,000	150.00
	(c) Other Investments				
	- Preference Shares of Prabha Energy Pvt Ltd	93,000	1,581.00	93000	1,581.00
	- Shares of Mehsana Nagarik Co-Op Sahakari Bank Ltd.	400	0.10	400	0.10
	- 9Unicorns Accelerator Fund	-	70.00	-	-
	- National Saving Certificate	-	1.96	-	1.96
			1,812.88		1,742.88
	Investments (Quoted)				
	(A) Investments at Fair value through OCI				
	(a) Investments in Equity Shares				
	- Vama Industries Limited	12,500	1.12	2,500	0.18
	- Power Trading Corporation	4,000	3.29	4,000	3.12
			4.41		3.30
			1,817.29		1,746.18
	Market Value of Quoted Investment		4.41		3.30
	Book Value of Unquoted Investment		1,812.88		1,742.88



ANNUAL REPORT 2021-22
DEEP INDUSTRIES LIMITED
(Formerly known as Deep CH4 Limited)

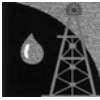
Sr. No.	Particulars	As at 31 st March, 2022 (₹ In Lakhs)	As at 31 st March, 2021 (₹ In Lakhs)			
6 -	OTHER FINANCIAL ASSETS - NON CURRENT					
	Security deposits (Unsecured, considered good)	107.28	96.63			
	Margin Money deposits with bank held as security with more than 12 months maturity	312.46	-			
		<u>419.74</u>	<u>96.63</u>			
7 -	OTHER NON CURRENT ASSETS					
	Capital Advances	1,028.01	437.73			
	Advances other than Capital Advances	15.77	9.40			
	Advance Taxes & TDS Receivables of Earlier years (Net of Provisions)	3,792.52	3,308.69			
	Balance with Govt Authorities	44.72	34.57			
		<u>4,881.02</u>	<u>3,790.40</u>			
8 -	INVENTORIES					
	As taken, valued and certified by the Management					
	At lower of Cost and Net Realizable Value					
a.	Stores and Spares	983.42	1,947.27			
b.	Others					
	- Stock of Oil & Lubricants	8.31	487.15			
c.	Equipment	1,210.21	590.92			
		<u>2,201.94</u>	<u>3,025.33</u>			
9 -	INVESTMENTS - CURRENT					
	Investments (Quoted)					
	Investments Measured at Fair Value through Profit and Loss					
	Investments in Mutual Funds					
	ICICI Prudential Flexible Income - Growth	1,439.30	-			
	HDFC Liquid Fund	1,661.68	-			
	Investment in Commodity	1,588.55	-			
	Investment in PMS	554.63	100.16			
	Investments (Unquoted)					
	Investment Others	400.00	-			
	Investment Measured at Amortised Cost					
	Investment in Silver commodity	-	1,180.14			
		<u>5,644.16</u>	<u>1,280.30</u>			
	Market Value of Quoted Investment	5,244.16	1,280.30			
	Book Value of Unquoted Investment	400.00	-			
10 -	TRADE RECEIVABLES - CURRENT					
	Trade Receivables considered good - Unsecured	12,741.07	10,738.26			
	Less: Allowance for expected credit loss	-	-			
		<u>12,741.07</u>	<u>10,738.26</u>			
	Trade Receivables ageing schedule as at 31st March, 2022					
		Outstanding for following periods from Bill date				Total
	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	10,322.90	2,171.87	246.30	-	-
ii.	Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-
iii.	Undisputed Trade Receivables - Credit impaired	-	-	-	-	-
iv.	Disputed Trade Receivables - Considered good	-	-	-	-	-
v.	Disputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-
vi.	Disputed Trade Receivables - Credit impaired	-	-	-	-	-
		<u>10,322.90</u>	<u>2,171.87</u>	<u>246.30</u>	-	<u>12,741.07</u>



Trade Receivables ageing schedule as at 31st March, 2021

Particulars	Outstanding for following periods from Bill date					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
i. Undisputed Trade Receivables - Considered good	8,116.00	1,607.10	1,015.16	-	-	10,738.26
ii. Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-
iii. Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-
iv. Disputed Trade Receivables - Considered good	-	-	-	-	-	-
v. Disputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-
vi. Disputed Trade Receivables - Credit impaired	-	-	-	-	-	-
	8,116.00	1,607.10	1,015.16	-	-	10,738.26

Sr. No.	Particulars	As at 31 st March, 2022 (₹ In Lakhs)	As at 31 st March, 2021 (₹ In Lakhs)
11 -	CASH AND CASH EQUIVALENTS		
A)	Balances with Banks		
-	In Current Accounts	461.52	1,468.18
-	In EEFC Accounts	286.35	0.00
-	In Escrow Accounts	-	0.01
		747.87	1,468.19
B)	Cash on Hand	10.93	4.53
		10.93	4.53
		758.80	1,472.73
12 -	OTHER BALANCES WITH BANKS		
A)	Eamarked balances with banks (Unpaid Dividend)	1.08	3.56
		1.08	3.56
B)	Others		
-	Margin Money deposits with bank held as security with more than 3 months but less than 12 months maturity	1,998.33	1,608.70
-	Fixed Deposits - Others	-	1,000.00
		1,998.33	2,608.70
		1,999.41	2,612.26
13 -	OTHER FINANCIAL ASSETS - CURRENT		
	Interest Accrued & Receivable - Fixed Deposits	38.35	99.19
	Interest Receivables - Others	2.01	-
	Advances to Subsidiaries	913.92	1,417.32
	Insurance Claim Receivable	-	2.34
	Advances to Staff	6.98	2.72
	Other Advances	8.46	28.44
		969.72	1,550.02
14 -	OTHERS CURRENT ASSETS		
	Unsecured, considered good, unless otherwise stated		
	Balance with Government Authorities	828.40	557.58
	Advance Taxes & TDS Receivables-(Net of Provisions)	483.00	406.76
	Prepaid Expenses	119.79	252.50
	Advances to Vendors	3,386.87	509.34
	Others Receivables	-	0.28
	Balancing Gratuity Fund	3.17	3.38
	ONGC Bank DD - Guarantee for Contracts	313.49	496.73
		5,134.72	2,226.55



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Sr. Particulars No.	As at 31 st March, 2022 (₹ In Lakhs)	As at 31 st March, 2021 (₹ In Lakhs)
15 - SHARE CAPITAL		
Authorised:		
3,20,66,000 Equity Shares of Rs. 10/- each (3,20,66,000 Equity Shares of Rs 10 Each)	3,206.60	3,206.60
Issued, Subscribed and paid-up:		
3,20,00,000 Equity Shares of Rs. 10 each fully paid up (PY - 3,20,00,000 Equity Shares of Rs. 10 each fully paid up)	3,200.00	3,200.00
	<u>3,200.00</u>	<u>3,200.00</u>

15.1 Reconciliation of number of Equity shares outstanding at the beginning & at the end of the reporting period

Particulars (Equity Shares of ₹ 10 Each Fully Paid up)	As at 31 March 2022		As at 31 March 2021	
	No of Shares	Value ₹	No of Shares	Value ₹
— At the beginning of the year	3,20,00,000	32,00,00,000	-	-
— Issue during the period	-	-	3,20,00,000	32,00,00,000
— Outstanding at the end of the year	<u>3,20,00,000</u>	<u>32,00,00,000</u>	<u>3,20,00,000</u>	<u>32,00,00,000</u>

15.2 Details of Equity Shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the Shareholders (Equity Shares of ₹ 10 Each Fully Paid up)	As at 31st March, 2022		As at 31st March, 2021	
	No. of Share held	% of Holding	No. of Share held	% of Holding
Rupesh Savla Family Trust	1,00,76,908	31.49%	1,00,76,908	31.49%
Shantilal Savla Family Trust	40,62,576	12.70%	40,62,576	12.70%
Priti Paras Savla	20,58,822	6.43%	20,58,822	6.43%
Dharen Shantilal Savla	20,58,822	6.43%	20,58,822	6.43%
	<u>1,82,57,128</u>	<u>57.05%</u>	<u>1,82,57,128</u>	<u>57.05%</u>

15.3 Details of Equity Shares held by Promoters holding more than 5% of the aggregate shares in the Company

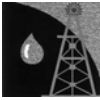
Name of the Shareholders (Equity Shares of ₹ 10 Each Fully Paid up)	As at 31st March, 2022		As at 31st March, 2021	
	No. of Share held	% of Holding	No. of Share held	% of Holding
Rupesh Savla Family Trust	1,00,76,908	31.49%	1,00,76,908	31.49%
Shantilal Savla Family Trust	40,62,576	12.70%	40,62,576	12.70%
Priti Paras Savla	20,58,822	6.43%	20,58,822	6.43%
Dharen Shantilal Savla	20,58,822	6.43%	20,58,822	6.43%
	<u>1,82,57,128</u>	<u>57.05%</u>	<u>1,82,57,128</u>	<u>57.05%</u>

15.4 The Company has only one class of equity shares having a par value of Rs. 10 per share, each shareholder is eligible for one vote per share. The Company declares and pays dividend in Indian Rupees. Dividend Proposed by Board of Directors is subject to approval of Shareholders in the ensuing Annual General Meeting.

15.5 In the event of liquidation, the Equity Shareholders are eligible to receive the remaining Assets of the company after Distribution of all Preferential amount, in proportion to Shareholding.

15.6 There are no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus shares and bought back during the last 5 years.

15.7 In accordance with the Scheme of Arrangement, the Company has issued 3,20,00,000 equity shares at an issue price of Rs. 300 (Rs 10 Face value and Rs 290 Security Premium), which was classified as Equity Suspense upto the last financial year. Also, the shares of the Company got listed with effect from April 27, 2021 and admitted to dealings on the Exchange in the list of 'T' Group Securities and subsequently transferred to 'B' group of securities w.e.f. May 11, 2021.



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Sr. No.	Particulars	As at 31 st March, 2022 (₹ In Lakhs)	As at 31 st March, 2021 (₹ In Lakhs)
16 - OTHER EQUITY			
(A) Other Reserves			
	Securities Premium		
	Balance as per last financial year	92,800.00	-
	Add: Addition during the year	-	92,800.00
		<u>92,800.00</u>	<u>92,800.00</u>
	Capital Reserve		
	Balance as per last financial year	0.10	0.10
	Add: Addition during the year	6.50	-
		<u>6.60</u>	<u>0.10</u>
(B) Retained Earnings			
	Balance as per last financial year	6,616.13	300.30
	Add: Net Profit For the year	6,934.15	6,315.83
	Less: Appropriations		
	Dividend on Equity Shares distributed for F.Y. 2020-21	(448.00)	-
		<u>13,102.28</u>	<u>6,616.13</u>
(C) Other Comprehensive Income			
	FVOCI Reserve		
	Balance as per last financial year	36.12	35.67
	Add/Less: Changes during the year	4.49	0.45
		<u>40.61</u>	<u>36.12</u>
	Total	<u><u>1,05,949.49</u></u>	<u><u>99,452.35</u></u>

Nature of Other Reserves

Securities Premium Account

Securities Premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

Capital Reserve

Represent a non-distributable reserve.

17 - NON-CURRENT - FINANCIAL LIABILITIES - BORROWINGS

Secured

a. Term Loans

From banks

- Rupee Term Loans	1,431.22	3,865.56
- Vehicle Loans & Other Loan	228.23	159.97
Less: Current Maturities of Long Term Debts	(773.79)	(3,177.24)
	<u>885.66</u>	<u>848.28</u>

17.1 Term Loan from Indusind bank:

(A) Primary Security:

Exclusive charge on Plant and Machinery (i.e Drilling Rig-23)Financed by this term loan.

Exclusive charge on the receivable of the project financed by this term loan

Escrow of all receivables from ONGC Ltd Ahmedabad Project which is funded by this term loan.

(B) Collateral Security:

Personal Guarantee of Mr. Rupesh Savla , Mr. Paras Savla and Mr. Dharen S Savla

Rate of Interest:

Floating rate - 6 Month CD Rate +3.31% (i.e 7.50% as at accounting period end)

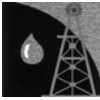
17.2 Term Loan from ICICI bank:

Primary Security:

Exclusive charge on the Movable Fixed Assets funded by Term Loan and Exclusive charge on receivables from the projects funded by Term Loan.

Rate of Interest:

The rate of interest for Term Loan is at floating rate - Repo Rate + 2.65% .(6.65% as at end of accounting period)



Sr. Particulars No.	As at 31 st March, 2022 (₹ In Lakhs)	As at 31 st March, 2021 (₹ In Lakhs)
17.3 Home Loan from ICICI bank:		
Primary Security:		
Property addressed: 302 Oasis, CTS No170 , Akruhi Road, Kandivali, Mumbai - 400101.		
Rate of Interest:		
Floating rate of interest - I Base Rate + 0.20% (i.e. 7.45% at the end of accounting period)		
17.4 Car Loan from ICICI bank: AUDI Q7		
Primary Security:		
Hypothecated against respective Vehicle		
Rate of Interest:		
Fixed rate of Interest i.e. 7.75%		
17.5 Car Loan from ICICI bank: HONDA CIVIC		
Primary Security:		
Hypothecated against respective Vehicle		
Rate of Interest:		
Fixed rate of Interest i.e. 8.57%		
17.6 Car Loan from ICICI bank: CELTOS KIA		
Primary Security:		
Hypothecated against respective Vehicle		
Rate of Interest:		
Fixed rate of Interest i.e. 8.21%		
17.7 Car Loan from ICICI bank: BMW		
Primary Security:		
Hypothecated against respective Vehicle		
Rate of Interest:		
Fixed rate of Interest i.e. 7.25%		
17.8 Car Loan from ICICI bank: MERCEDES BENZ		
Primary Security:		
Hypothecated against respective Vehicle		
Rate of Interest:		
Fixed rate of Interest i.e. 7.25%		
18 - DEFERRED TAX LIABILITIES (NET)		
Opening Balance	3,096.43	10,585.94
Addition during the year	1,802.86	(7,489.51)
Closing Balance	<u>4,899.29</u>	<u>3,096.43</u>
<p>On account of Scheme of Arrangement approved by Hon'able NCLT, the Company recognized 'Goodwill' in the books of account. On the said goodwill, the Company was claiming amortisation in the books of account and depreciation in the Tax laws while filing return of income for assessment years up to 2020-21. Now, with the amendment brought in by Finance Bill, 2021 on prospective basis, no depreciation would be allowable on goodwill from 01 April 2020 (assessment year 2021-22 onwards). As per the change, goodwill of a business or profession will not be considered as a depreciable asset and there would not be any depreciation on goodwill of a business or profession in any situation. Accordingly, the Company is required to reverse majority of its deferred tax liability created in earlier years (i.e. demerger effective from 1st April, 2017) and bring its deferred tax provision at par with the requirement of the law.</p>		
19 - CURRENT FINANCIAL LIABILITIES - BORROWINGS		
Secured		
a. Loans repayable on demand		
From banks		
- Cash Credits	260.38	63.68
- Bank Overdraft	676.32	-
Current Maturities of Long Term Debts	773.79	3,177.24
	<u>1,710.49</u>	<u>3,240.92</u>
19.1 Nature of Security for Current Financial Liabilities		
<p>Cash Credit Facilities of Axis Bank, State Bank of India and Indusind Bank is secured by hypothecation of inventory and Book Debt and Further secured by Personal Guarantees of Directors and Equitable Mortgage of Immovable property situated at Ahmedabad held in the name of Directors. ROI for cash credit facility from Axis Bank is 7.50% p.a. as at the period end and cash credit facility from Indusind Bank is floating rate of MCLR One year + 0.70%.</p>		



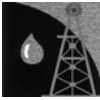
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Sr. No.	Particulars	As at 31 st March, 2022 (₹ In Lakhs)	As at 31 st March, 2021 (₹ In Lakhs)			
20 - TRADE PAYABLES - CURRENT						
	Total outstanding dues of micro enterprises and small enterprises	226.06	200.01			
	Total outstanding dues of other than micro enterprises and small enterprises	3,350.52	2,485.58			
		3,576.58	2,685.59			
	Outstanding for following periods from bill date		Total			
	Less than 1 year	1-2 years	2-3 years	More than 3 Years		
Trade payables ageing schedule as at 31st March, 2022						
(i)	MSME	45.51	180.55	-	-	226.06
(ii)	Others	3,189.25	161.27	-	-	3,350.52
(iii)	Disputed Dues-MSME	-	-	-	-	-
(iv)	Disputed Dues-Others	-	-	-	-	-
	Total	3,234.76	341.82	-	-	3,576.58
Trade payables ageing schedule as at 31st March, 2021						
(i)	MSME	200.01	-	-	-	200.01
(ii)	Others	2,480.40	5.18	-	-	2,485.58
(iii)	Disputed Dues-MSME	-	-	-	-	-
(iv)	Disputed Dues-Others	-	-	-	-	-
	Total	2,680.41	5.18	-	-	2,685.59
Note :						
DUES TO MICRO AND SMALL ENTERPRISES						
The dues of Micro Enterprises and Small Enterprises as required under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent information available with the Company is given below:						
Sr. No.	Particulars	As at 31 st March, 2022 (₹ In Lakhs)	As at 31 st March, 2021 (₹ In Lakhs)			
(A)	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year					
	(i) Principal amount due to micro enterprises and small enterprises	225.38	200.01			
	(ii) Interest due on above	0.68	-			
(B)	The amount of interest paid by buyer in terms of section 16 of MSMED Act, 2006 along with the amount of payment made to supplier beyond the appointed day during the year.	-	-			
(C)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-			
(D)	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-			
(E)	The amount of further interest remaining due and payable even in succeeding years, until such date when interest dues above are actually paid to the small enterprises, for the purpose of disallowance of deductible expenditure under section 23 of MSMED Act, 2006	-	-			
21 - OTHER FINANCIAL LIABILITIES - CURRENT						
	Unpaid Dividends	1.08	3.56			
	Salary payable	163.75	146.50			
	Other Payable	32.03	54.66			
	Expenses Payable	198.50	15.11			
		395.36	219.82			
22 - OTHER CURRENT LIABILITIES						
	Statutory liabilities	600.91	405.17			
	Advances received from Customers	6.28	-			
	Share Capital Payable to Share Holder	-	6.50			
		607.19	411.67			



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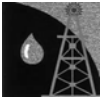
Sr. Particulars No.	Year Ended 31 st March, 22 (₹ In Lakhs)	Year Ended 31 st March, 21 (₹ In Lakhs)
23 - REVENUE FROM OPERATIONS		
(I) Operating Revenues:		
Sale of Services	26,238.23	17,554.16
Sale of Spares*	918.45	290.98
	<u>27,156.68</u>	<u>17,845.14</u>
*Sale of Spares are incidental to Sale of Services		
24 - OTHER INCOME		
Interest Income:		
From banks	135.64	262.75
From others	79.92	41.13
Dividend Income	2.24	0.89
Profit on sale of Mutual Fund (Net)	57.85	103.16
Profit on Sale of Equity Shares (Net)	2.40	14.98
Profit on Sale of Equity Future (Net)	7.70	6.24
Profit on Sale of Commodity (Net)	207.00	-
Profit on sale of Commodity - Future (Net)	-	216.29
Profit on sale of Equity Futures-Unrealized (Net)	(0.14)	-
Profit on Sale of Property, Plant & Equipment (Net)	499.62	0.30
Rent Income	3.07	-
Net gain on fair valuation of mutual funds	29.94	-
Insurance Claim Received	0.16	0.75
Net gain on foreign currency transaction and translation (other than finance cost)	-	22.21
Kasar/Vatav and Discount	-	0.88
Other Income	10.99	3.43
	<u>1,036.39</u>	<u>673.03</u>
25 - COST OF MATERIAL CONSUMED & OPERATING EXPENSES		
Consumption Spares, Oil & Other Operating Expense	7,964.30	5,068.93
Equipment Running & Maintenance Expenses	4,186.60	1,333.08
	<u>12,150.90</u>	<u>6,402.01</u>
26 - EMPLOYEE BENEFITS EXPENSES		
Salaries, Wages, Bonus and Other Employee Benefits	1,951.79	1,970.65
Director Remuneration & Perquisites	111.60	94.50
Contribution to Provident and Other funds	37.82	33.05
Staff & Labour Welfare expenses	106.89	76.17
	<u>2,208.10</u>	<u>2,174.37</u>
27 - FINANCE COSTS		
Interest Costs		
Interest on Financial Liabilities	223.95	736.64
Other borrowing costs		
Other Interest & Finance Charges	199.25	186.31
	<u>423.20</u>	<u>922.94</u>
28 - DEPRECIATION AND AMORTIZATION EXPENSES		
Depreciation & Amortization of Property, Plant & Equipments (Refer Note No. 4)	2,326.31	8,719.00
Amortization of Other Intangible Assets (Refer Note No. 4)	1.11	6,417.02
	<u>2,327.42</u>	<u>15,136.02</u>



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Sr. Particulars No.	Year Ended 31 st March, 22 (₹ In Lakhs)	Year Ended 31 st March, 21 (₹ In Lakhs)
29 - OTHER EXPENSES		
Power & Fuel Expenses	26.89	99.81
Repairs, maintenance and refurbishing		
- To Buildings	34.78	95.97
- To Machineries	21.48	30.00
- To Others	30.67	4.09
Rent Expenses	244.41	230.19
Rates and taxes	62.94	37.37
Insurance & Freight	132.08	112.24
Communication Expense	12.23	10.57
Legal and professional charges	683.54	209.44
ROC Filing Fees	0.49	15.05
Payment to the Auditors		
- As Statutory Audit fees	5.07	2.45
- For Taxation Matters	1.35	0.50
- For Other	0.64	7.62
Printing & Stationery Expenses	10.84	7.79
Office Expenses	97.42	85.46
CSR Expenditures	56.60	21.15
Donations	-	0.15
Travelling and Conveyance		
- For Director's Travelling	29.22	5.04
- For others	104.37	277.54
Security Service Charges	47.57	59.21
Advertisement & Sales Promotion Expenses	29.90	10.26
Hotel, Loading and Boarding Expense	108.31	81.86
Loss on Sale of Commodities & Related Expenses	-	48.60
Loss on Commodity (Net)	151.83	-
Brokerage & Commission Expenses	28.58	3.87
Storage Charges	9.63	-
Net Foreign Exchange Currency Fluctuation Loss	24.22	-
Bad Debts	325.10	-
Miscellaneous Expenses	67.39	16.04
Kasar Vata/Discount	-	1.27
	2,347.55	1,473.54
30 - OTHER COMPREHENSIVE INCOME		
Re-measurement of post employment benefit plans	3.39	(1.18)
Re-measurement gains/ (losses) on fair valuation of financial instruments	1.10	1.63
	4.49	0.45
31- EARNINGS PER EQUITY SHARE		
Net Profit attributable to the Equity Shareholders (₹ in lakhs) (A)	6,934.15	6,315.83
Weighted average number of Equity Shares outstanding during the period (B)	3,20,00,000	3,20,00,000
Nominal value of Equity Shares (₹)	10	10
Basic/Diluted Earnings per Share (₹) (A/B)	21.67	19.74

Sr. Particulars No.	As at 31 st March, 2022 (₹ In Lakhs)	As at 31 st March, 2021 (₹ In Lakhs)
32 - CONTINGENT LIABILITIES AND COMMITMENTS		
CONTINGENT LIABILITIES		
(a) Claims against the Company not acknowledged as debts (Net of Payments)	1081.37	-
(b) Guarantees given (Net)	3779.82	3552.60
CAPITAL COMMITMENTS	-	-



33 - SEGMENT REPORTING

The Company operates mainly in oil and gas exploration and all other activities are incidental thereto, which have similar risk and return. Accordingly, there are no separate reportable Segments as required under IND AS 108 "Operating Segment".
The Revenue from transactions with the single external customer amounting to 10% or more of the Company's Revenue is :

Name of the customer	(₹ in lakhs) Amount	% Share to Total Sales
OIL AND NATURAL GAS CORPORATION	13,701.59	50.45%
PRABHA ENERGY PRIVATE LIMITED	7,164.83	26.38%
	20,866.42	76.84%
Total Annual Sales During the year	27,156.68	100%

34 - DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 19 EMPLOYEE BENEFITS

The Company has classified the various benefits provided to employees as under:-

(a) Defined contribution plans

- Provident fund

The Company has recognized the following amounts in the statement of profit and loss:

Employers' contribution to provident fund

INR 37.82 Lakhs for year ended 31st March 2022 (year ended 31st March 2021 INR 33.05 Lakhs)

(b) Defined benefit plans

- Gratuity

In accordance with Indian Accounting Standard 19, actuarial valuation was done in respect of the aforesaid defined benefit plans based on the following assumptions

Key Assumptions considered :

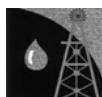
	Gratuity (funded)	
	As at 31 st March, 2022	As at 31 st March, 2021
Discount rate(per annum)	6.90%	6.50%
Future salary increase	6.00%	6.00%
Retirement age	58 years	58 years
Withdrawal rates		
- Up to 25 years	15.00%	15.00%
- From 26 to 35 years	12.00%	12.00%
- From 35 to 45 years	9.00%	9.00%
- From 45 to 55 years	6.00%	6.00%
- From 55 to 58 years	3.00%	3.00%

Financial Assumptions

The discount rate and salary increases assumed are the key financial assumptions and should be considered together; it is the difference or 'gap' between these rates which is more important than the individual rates in isolation.

Discount Rate

The rate used to discount other long term employee benefit obligation (both funded and unfunded) shall be determined by reference to market yield at the Balance Date on high quality corporate bonds. In countries where there is no deep market in such bonds the market yields (at the Balance Sheet Date) on government bonds shall be used. The currency and term of the corporate bond or government bond shall be consistent with currency and estimated term of the post employment benefit obligation.



Salary Escalation Rate

This is Management's estimate of the increases in the salaries of the employees over the long term. Estimated future salary increases should take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

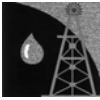
	Gratuity (Funded)	
	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
(A) Change in present value of the defined benefit obligation during the year		
Present value of obligation as at the beginning of the year	11.71	8.18
Interest Cost	0.71	0.52
Current Service Cost	3.94	3.16
Change in Financial Assumption	(0.37)	0.04
Due to Experience Adjustment	(3.56)	0.63
Benefits Paid	(0.13)	(0.81)
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	-	
Actuarial (Gain)/Loss on arising from Experience Adjustment	-	
Past Service Cost	-	-
Present value of obligation as at the end of the year	12.31	11.71
(B) Change in fair value of plan assets during the year		
Fair Value of plan assets at the beginning of the year	-	-
Interest Income	-	-
Contributions by the employer	-	-
Benefits paid	-	-
Return on plan assets	-	-
Fair Value of plan assets at the end of the year	-	-
(C) Net Asset/ (Liability) recorded in the Balance Sheet		
Present value of Funded obligation as at the end of the year	(3.17)	(3.38)
Present value of obligation as at the end of the year	-	
Net (Asset)/ Liability Current	(3.17)	(3.38)
Net (Asset)/ Liability-Non-Current	0.00	0.00
(D) Expenses recorded in the Statement of Profit & Loss during the year		
Interest Cost	(0.35)	(0.47)
Current Service Cost	3.94	3.16
Total expenses included in employee benefit expenses	3.59	2.69
(E) Recognized in Other Comprehensive Income during the year		
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	(0.37)	0.04
Actuarial (Gain)/Loss on arising from Experience Adjustment	(3.56)	0.63
Return on plan assets	0.54	0.51
Recognized in Other Comprehensive Income	(3.39)	1.18
(F) Maturity profile of defined benefit obligation		
Within 12 months of the reporting period	(3.17)	(3.38)
Between 2 and 5 years	-	-
Between 6 and 10 years	-	-
(G) Investment details of plan assets		
Policy of Insurance	100%	100%

Notes:

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligations has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

35 - CORPORATE SOCIAL RESPONSIBILITY

In accordance with the provisions of Section 135 of the Companies Act, 2013, Schedule VII and Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended, the Board of Directors of the Company had constituted a Corporate Social Responsibility (CSR) Committee. In terms of the provisions of the said Act, the Company was required to spend 56.59 lakhs



(previous year 21.15 lakhs) towards CSR activities during the year ended 31st March, 2022. The Company has incurred following expenditure towards CSR activities for the benefit of general public and in the neighbourhood of the Company.

Sr. No.	PARTICULARS	Year ended 31 st March, 22 (Rs. In Lakhs)	Year ended 31 st March, 21 (Rs. In Lakhs)
1	Prescribed CSR Expenditure (2% of Average Net Profits of the three immediately preceding financial years)	56.59	21.15
2	Add : Unspent amount of previous year	-	-
	Total amount to be spent for the financial year	56.59	21.15
3	Details of CSR Expenditure during the financial year 2021-22		
	(a) Promoting Education and enhancing vocational skills	56.60	21.15
	Total Amount spent during the financial year	56.60	21.15
4	Amount Unspent, if any.	-	-

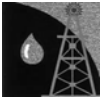
36 - DERIVATIVE INSTRUMENTS

(a) Derivatives outstanding as at balance sheet date

The company has entered into swap deals with IndusInd Bank for reducing interest cost by moving from INR floating interest rate to LIBOR fixed interest rate with underlying USD revenue contracts. The relevant detail is as under:

PARTICULARS	2021-22 (Rs. In Lakhs)	2020-21 (Rs. In Lakhs)
Currency Swap - 2	154.84	407.52
Start Date: 1st August, 2019		
End Date: 31st July, 2022		
Underlying USD amount: USD 10,50,467.90		
Fixed rate : 3.07 % p.a		
Currency Swap - 3	154.07	405.49
Start Date: 2nd August, 2019		
End Date: 31st Oct, 2022		
Underlying USD amount: USD 10,45,245.83		
Fixed rate : 3.03 % p.a		
Currency Swap - 4	131.01	344.81
Start Date: 13th September, 2019		
End Date: 31st Oct, 2022		
Underlying USD amount: USD 8,88,814.90		
Fixed rate : 3.07 % p.a		
Currency Swap - 5	128.41	337.96
Start Date: 26th September, 2019		
End Date: 31st Oct, 2022		
Underlying USD amount: USD 8,71,158.73		
Fixed rate : 2.93 % p.a		
Currency Swap - 6	-	478.16
Start Date: 17th January, 2020		
End Date: 30th Sept, 2021		
Underlying USD amount: USD 15,68,220.07		
Fixed rate : 3.95 % p.a		
Currency Swap - 7	-	475.29
Start Date: 30th January, 2020		
End Date: 30th Sept, 2021		
Underlying USD amount: USD 15,58,782.21		
Fixed rate : 3.99 % p.a		
Currency Swap - 8	-	486.96
Start Date: 24th February, 2020		
End Date: 30th Sept, 2021		
Underlying USD amount: USD 15,97,077.09		
Fixed rate : 4.40 % p.a		

Above swap deals have been fair valued and resultant gain / (loss) have been recorded through statement of profit and loss account.



- (b) The amount of foreign currency exposures that are not hedged by a derivative instrument or otherwise as at 31st March, 2022 & 31st March, 2021 are as under:

	(Amount in Lacs)			
	As at 31st March, 2022		As at 31st March, 2021	
	Foreign Currency (in USD Lakhs)	Rs in Lakhs	Foreign Currency (in USD Lakhs)	Rs in Lakhs
Receivables				
Loans and advances given	-	-	5.71	425.73
Investment in Deep International DMCC (refer Note 5)	0.14	8.90	0.14	8.90
Trade Receivables	20.29	1,538.49	52.20	3855.72
Payables				
Deep International DMCC	9.10	681.25	-	-
Loans & Advances to Creditors				
For Capital Goods	-	-	5.99	437.73
For Spares & Purchase	-	-	3.78	257.50

37 - RELATED PARTY DISCLOSURES AS PER INDIAN ACCOUNTING STANDARD-24

37.1 Name of the Related Parties and Nature of the Related Party Relationship with whom transactions have taken place during the reported period.

1. Subsidiaries

- Deep Onshore Drilling Services Pvt Ltd
- Deep International DMCC
- Raas Equipment Pvt Ltd
- Deep Onshore Services Pvt Ltd

2. Enterprises significantly influences by KMP, or Relatives of KMP

- Savla Oil & Gas Private Limited

3. Key Management Personnel

Name	Designation
Mr. Paras Savla	Chairman and Managing Director
Mr. Rupesh Savla	Managing Director
Mr. Dharen Savla	Whole-time Director (Resigned w.e.f from 24.06.2021)
Ms. Renuka Upadhyay	Independent Director (Resigned w.e.f from 11.05.2021)
Dr. Kirit Shelat	Independent Director (w.e.f. 10.11.2020)
Mr. Hemendrakumar Shah	Independent Director (w.e.f. 10.11.2020)
Mr. Rohan Shah	Chief Financial Officer & Whole-time Director (w.e.f. 24.06.2021)
Ms. Roshni Shah	Company Secretary (w.e.f. 01.01.2021)
Mr. Akshit Soni	Company Secretary (Resigned w.e.f from 05.12.2020)
Mrs. Shaily Dedhia	Independent Director (w.e.f. 24.06.2021)

4. Relative of Key Management Personnel

- | | |
|--------------------------|----------------------------|
| - Mr. Manoj Savla | - Mrs. Avani Savla |
| - Mrs. Mita Manoj Savla | - Mrs. Priti Paras Savla |
| - Mr. Shail Manoj Savla | - Mrs. Shital Rupesh Savla |
| - Mr. Shanil Paras Savla | |



37.2 Transactions with related parties:

(₹ In Lakhs)

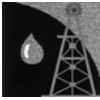
Nature of Transaction	Subsidiaries		Key Management Personnel and their relatives		Enterprises significantly influences by KMP, or Relatives of KMP		Total	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Remuneration, Salary and Sitting Fees		-	128.64	136.38	-	-	128.64	136.38
Rent	-	-	173.44	161.41	-	-	173.44	161.41
Sale of service	16.17	-	-	-	-	-	16.17	-
Investments made during the year	-	150.18	-	-	-	-	-	150.18
Sales of Spares & Fixed Asset	960.73	170.68	-	-	-	-	960.73	170.68
Purchase	-	46.32	-	-	-	-	-	46.32
Interest Charged	74.69	17.91	-	-	-	-	74.69	17.91
Advances Given	1,239.82	991.60	-	-	-	-	1,239.82	991.60
Advances recovered	905.45	214.40	-	-	-	-	905.45	214.40

	Payable		Receivable	
	As at 31-03-22 (₹ In Lakhs)	As at 31-03-21 (₹ In Lakhs)	As at 31-03-22 (₹ In Lakhs)	As at 31-03-21 (₹ In Lakhs)
Balance with Subsidiary				
Deep International DMCC	681.25	-	-	425.73
RAAS Equipment Pvt Ltd	-	-	913.68	991.60
Deep Onshore Services Private Limited	-	-	0.01	-
Deep Onshore Drilling Services Private Limited	-	-	0.23	-
Total	681.25	-	913.92	1,417.32

37.3 Breakup of compensation to Key Management Personnel & their relatives:

(₹ in lakhs)

Nature of Transaction	Key Management Personnel & their relatives	As at 31 st March, 2022		As at 31 st March, 2021	
1. Managerial Remuneration	Mr. Paras Savla	45.81	31.50		
	Mr. Rupesh Savla	42.00	31.50		
	Mr. Dharen Savla	11.07	31.50		
	Mr. Rohan Shah	16.96	14.96		
2. Salary	Mrs. Avani D. Shah	4.20	4.20		
	Ms. Roshni Shah	5.00	1.25		
	Mr. Axit Soni	-	3.42		
	Mr. Shail M Savla	-	13.75		
	Mr. Shanil P Savla	-	3.50		
3. Sitting fees	Dr. Kirit Shelat	1.20	0.20		
	Mr. Hemendrakumar Shah	1.20	0.20		
	Mrs. Shaily Dedhia	1.00	0.20		
	Mrs. Renuka Upadhyay	0.20	0.20		
		128.64	136.38		



37.4 Disclosures in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year:

Nature of Transaction	Related Party	As at 31 st March, 2022	As at 31 st March, 2021
1. Rent	Mr. Rupesh Savla	42.22	40.21
	Mr. Dharen Savla	28.11	26.77
	Mrs. Mita M. Savla	28.47	27.11
	Mrs. Priti P. Savla	28.47	27.11
	Mrs. Sheetal R. Savla	42.22	40.21
2. Sale of service	RAAS Equipment Pvt Ltd	16.17	-
3. Investments made during the year	RAAS Equipment Pvt Ltd	-	150.08
4. Sales of Spares & Fixed Asset	Deep International DMCC	960.73	-
	RAAS Equipment Pvt Ltd	-	170.68
5. Purchase	RAAS Equipment Pvt Ltd	-	46.32
6. Interest Charged	RAAS Equipment Pvt Ltd	72.28	-
	Deep International DMCC	2.41	17.91
7. Advances Given	Deep International DMCC	905.24	-
	RAAS Equipment Pvt Ltd	334.39	991.60
8. Advances recovered	Deep International DMCC	428.15	214.40
	RAAS Equipment Pvt Ltd	477.30	-

Note:

- (i) The above related party transactions have been reviewed periodically by the Board of Directors of the Company vis-à-vis the applicable provisions of the Companies Act, 2013, and justification of the rates being charged/ terms thereof and approved the same.
- (ii) The details of guarantees and collaterals extended by the related parties in respect of borrowings of the Company have been given at the respective notes.

38. FINANCIAL INSTRUMENTS - ACCOUNTING, CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS

38.1 All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is insignificant to the fair value measurements as a whole.

Level 1 : quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 : valuation techniques for which the lowest level inputs that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3 : valuation techniques for which the lowest level input which has a significant effect on fair value measurement is not based on observable market data.

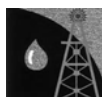
There have been no transfers between Level 2 and Level 3 during the period.

38.2 The management assessed that fair value of short term financial assets and liabilities significantly approximate their carrying amounts largely due to the short term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amounts at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

38.3 The Company determines fair values of financial assets or liabilities by discounting the contractual cash inflows / outflows using prevailing interest rates of financial instruments with similar terms. The initial measurement of financial assets and financial liabilities is at fair value.

38.4 The following methods and assumptions were used to estimate the fair values:

- The fair value of The Company's interest bearing borrowings are determined using discount rate that reflects The entity's discount rate at the end of the reporting period. The own non-performance risk as at the reporting period is assessed to be insignificant.
- The fair value of unquoted instruments and other financial assets and liabilities is estimated by discounting future cash flows using rates currently applicable for debt on similar terms, credit risk and remaining maturities.



38.5 Set out below, is a comparison by class of the carrying amounts and fair value of the Company's Financial Instruments.

Particulars	Carrying amount		Fair value		Fair value measurement using
	As At 31 st March, 2022	As At 31 st March, 2021	As At 31 st March, 2022	As At 31 st March, 2021	
Financial Assets					
Non-current					
(i) Investments					
A. Quoted	4.41	3.30	4.41	3.30	Level 1
B. Unquoted	1,812.88	1,742.88	1,812.88	1,742.88	Level 3
(ii) Other Financial Assets	419.74	96.63	419.74	96.63	Level 3
Current					
(i) Investments					
A. Quoted	5,244.16	1,280.30	5,244.16	1,280.30	Level 1
B. Unquoted	400.00	-	400.00	-	Level 3
(ii) Trade Receivables	12,741.07	10,738.26	12,741.07	10,738.26	Level 3
(iii) Cash and Cash Equivalents	758.80	1,472.73	758.80	1,472.73	Level 3
(iv) Bank balances other than above (iii)	1,999.41	2,612.26	1,999.41	2,612.26	Level 3
(vi) Other Financial Assets	969.72	1,550.02	969.72	1,550.02	Level 3
TOTAL	24,350.20	19,496.38	24,350.20	19,496.38	
Financial Liabilities					
Non-current					
(i) Borrowings	885.66	848.28	885.66	848.28	Level 3
Current					
(i) Borrowings	1,710.49	3,240.92	1,710.49	3,240.92	Level 3
(ii) Trade Payables	3,576.57	2,685.59	3,576.57	2,685.59	Level 3
(iii) Other Financial Liabilities	395.36	219.82	395.36	219.82	Level 3
TOTAL	6,568.09	6,994.62	6,568.09	6,994.62	

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's Risk Management framework encompasses practices relating to the identification, analysis, evaluation, treatment, mitigation and monitoring of the strategic, external and operational controls risks to achieving the Company's business objectives. It seeks to minimize the adverse impact of these risks, thus enabling the Company to leverage market opportunities effectively and enhance its long-term competitive advantage. The focus of risk management is to assess risks and deploy mitigation measures.

The Company's activities expose it to variety of financial risks namely market risk, credit risk and liquidity risk. The Company has various financial assets such as deposits, other receivables and cash and bank balances directly related to the business operations. The Company's principal financial liabilities comprise of trade and other payables. The Company's senior management's focus is to foresee the unpredictability and minimize potential adverse effects on the Company's financial performance. The Company's overall risk management procedures to minimize the potential adverse effects of financial market on the Company's performance are outlined hereunder:

The Company's Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management is carried out by the management in consultation with the Board of Directors. They provide principles for overall risk management, as well as policies covering specific risk areas.

The note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

(A) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and from its financial activities including deposits with banks and other financial instruments.

(i) Cash and cash equivalents:

The Company considers factors such as track record, size of institution, market reputation and service standard to select the banks with which deposits are maintained. The Company does not maintain significant deposit balances other than those required for its day to day operations. Credit risk on cash and cash equivalents is limited as these are generally held or invested in deposits with banks and financial institutions with good credit ratings.



(B) Liquidity Risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The Company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company relies on a mix of borrowings, capital and excess operating cash flows to meet its needs for funds. 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 that it has sufficient cash to meet operational needs.

The table below provides undiscounted cash flows towards non-derivative financial assets/ (liabilities) into relevant maturity based on the remaining period at the Balance Sheet date to the contractual maturity date and where applicable, their effective interest rates.

Particulars	As At 31 st March, 2022			Total
	Not later than 1 year	Later than 1 and not later than 5 years	Later than 5 years	
Financial assets				
Non-current				
(i) Investments	1817.29	-	-	1817.29
(ii) Other Financial Assets	419.74	-	-	419.74
Current				
(i) Investments	5,644.16	-	-	5,644.16
(ii) Trade Receivables	12,741.07	-	-	12,741.07
(iii) Cash and Cash Equivalents	758.80	-	-	758.80
(iv) Bank balances other than above (iii)	1,999.41	-	-	1,999.41
(v) Other Financial Assets	969.72	-	-	969.72
TOTAL	22,113.17	2,237.03	-	24,350.20

Financial Liabilities

Non-current

(i) Borrowings - - 885.66 885.66

Current

(i) Borrowings 1710.49 - - 1710.49

(ii) Trade Payables 3576.57 - - 3576.57

(iii) Other Financial Liabilities 395.36 - - 395.36

TOTAL 5682.42 885.66 - 6568.09

Particulars	As At 31 st March, 2021			Total
	Not later than 1 year	Later than 1 and not later than 5 years	Later than 5 years	

Financial assets

Non-current

(i) Investments 1746.18 - - 1746.18

(ii) Other Financial Assets 96.63 - - 96.63

Current

(i) Investments 1,280.30 - - 1,280.30

(ii) Trade Receivables 10,738.26 - - 10,738.26

(iii) Cash and Cash Equivalents 1,472.73 - - 1,472.73

(iv) Bank balances other than above (iii) 2,612.26 - - 2,612.26

(v) Others 1,550.02 - - 1,550.02

TOTAL 17,653.57 1,842.81 - 19,496.38

Financial Liabilities

Non-current

(i) Borrowings - 848.28 - 848.28

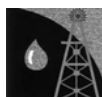
Current

(i) Borrowings 3,240.92 - - 3,240.92

(ii) Trade Payables 2685.59 - - 2685.59

(iii) Other Financial Liabilities 219.82 - - 219.82

TOTAL 6146.33 848.28 - 6994.62



(C) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks : foreign currency risk, interest risk and other price risk such as commodity risk.

(i) Interest rate risk

The Company's exposure to the risk of changes in market interest rates relates primarily to debts having floating rate of interest. Its objective in managing its interest rate risk is to ensure that it always maintains sufficient headroom to cover interest payment from anticipated cashflows which are regularly reviewed by the Board.

Particular	Change in Interest rate	Effect on Profit before tax 31 st March, 2022	Effect on Profit before tax 31 st March, 2021
Non-current & Current Borrowings	-0.50%	(12.98)	(20.46)
	0.50%	12.98	20.46

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates and arises where transactions are done in foreign currencies. It arises mainly where receivables and payables exist due to transactions entered in foreign currencies. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows approved policy parameters utilizing forward foreign exchange contracts whenever felt necessary. The Company does not enter into financial instrument transactions for trading or speculative purpose.

I. Foreign Currency Exposure

Refer Note 36 for foreign currency exposure as at reporting periods respectively.

II. Foreign Currency Sensitivity

1% increase or decrease in foreign exchange rates will have the following impact on the profit before tax

(₹ In lakhs)

Currency	2021-22		2020-21	
	1% Increase	1% Decrease	1% Increase	1% Decrease
USD	8.66	(8.66)	49.85	(49.85)
Total	8.66	(8.66)	49.85	(49.85)

(iii) Commodity Risk:

The Company is exposed to the movement in the price of key raw materials and other traded goods in the domestic and international markets. The Company has in place policies to manage exposure to fluctuation in prices of key raw materials used in operations. The Company enters into contracts for procurement of raw materials and traded goods, most of the transactions are short term fixed price contracts and a few transactions are long term fixed price contracts.

(D) Capital management

The Company manages its capital to be able to continue as a going concern while maximising the returns to shareholders through optimisation of the debt and equity balances. For the purpose of calculating gearing ratio, debt is defined as non current and current borrowings (excluding derivatives). Equity includes all capital and reserves of the Company attributable to equity holders of the Company. The Company is not subject to externally imposed capital requirements. The Board reviews the capital structure and cost of capital on an annual basis but has not set specific targets for gearing ratios. The risks associated with each class of capital are also considered as part of the risk reviews presented to the Board of Directors.

(₹ in lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Total Debt	2,596.15	4,089.20
Equity	3,200.00	3,200.00
Other Equity	1,05,949.49	99,452.35
Capital and total debt	1,11,745.64	1,06,741.55
Gearing ratio	2.32%	3.83%



40. ADDITIONAL REGULATORY INFORMATION - RATIOS

Ratios	Numerator	Denominator	As at 31 st March, 2022	As at 31 st March, 2021
Current ratio (in times)	Total Current assets	Total Current liabilities	4.68	3.49
Debt equity ratio (in times)	Total debt	Total equity	0.02	0.04
Debt service coverage ratio (in times)	Earnings available for debt service = Net profit after taxes+ Non-cash operating expenses + Interest+/-Deferred tax Expense	Debt service = Interest + Principal repayments	3.19	2.82
Return on equity (%)	Net Profit after taxes	Total equity	6.35%	6.15%
Inventory turnover ratio (in times)	Revenue from Operations (Net)	Closing Inventory	12.33	5.90
Trade receivable turnover ratio (in times)	Revenue from Operations (Net)	Closing Trade receivable	2.13	1.66
Trade Payable turnover Ratio (in times)	Cost of spares + other operating expenses	Closing Trade payables	3.40	2.38
Net capital turnover ratio (in times)	Revenue from Operations (Net)	Working capital = Total Current assets - Total Current liabilities	1.17	1.09
Net profit ratio (%)	Net Profit after taxes	Revenue from Operations (Net)	25.53	35.39
Return on capital employed (%)	Earnings before interest and taxes	Capital employed = Total Equity + Non Current Borrowing	8.32	-0.24
Return on Investment (%)	Earnings before interest and taxes	Total Assets	7.56%	-0.17%

1) Current ratio (in times)

The company has invested the surplus funds into certain investment buckets. During the year the company has repaid significant borrowings.

2) Debt equity ratio (in times)

Improved due to repayment of significant borrowings and substantial jump in profit before tax.

3) Inventory turnover ratio (in times)

Improved revenue cycles leading to better turnover ratio and lower inventory holding period.

4) Trade receivable turnover ratio (in times)

Increased due to improvement in debtor's collection cycle.

5) Trade Payable turnover Ratio (in times)

Increased due to better financial position of the company leading to intime payments of creditors.

6) Net profit ratio (%):

Decrease due to below reasons:

1. Exceptional DTA in previous year.
2. Decrease in depreciation due to non allowability of amortisation of goodwill.

If Eliminating the above exceptional items, ratio has been improved.

7) Return on capital employed (%)

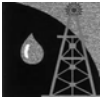
Major impact due to significant increase in turnover and better profitability of the company during the year.

8) Return on Investment (%)

Major impact due to significant increase in turnover and better profitability of the company during the year.

41 - STRUCK OFF COMPANIES

The Group does not have any transactions with companies struck - off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.



- 42 - Balances of Other Current Liabilities, Trade Receivables and Trade Payables are subject to confirmation, reconciliation and adjustments if any.
- 43 - In the opinion of the Management, current assets have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated except where indicated otherwise.
- 44 - Previous period figures have been regrouped, re-classified and re-arranged wherever considered necessary to confirm to the current year's classification.
- 45 - The MCA wide notification dated March 24, 2021 has amended Schedule III to the Companies Act, 2013 in respect of certain disclosures. The Company has incorporated appropriate changes in the above results.
- 46 - **Additional information as required under para 2 of General Instruction of Division II of Schedule III to the Companies Act, 2013.**
- A. The Company has not carried out any revaluation of Property, Plant and Equipment in any of the period reported in this Financial Statements hence reporting is not applicable.
- B. The company does not hold any benami property as defined under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder. No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder
- C. As per sanctioned letter issued by Banks, the Company is required to submit Stock statement to Banks on quarterly basis. As per comparison made of the stock statement vis-a-vis books of account, there are no material difference noted.
- D. The company does not have any charges or satisfaction, which is yet to be registered with ROC beyond the statutory period.
- E. The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (Such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- F. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- G. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- H. During FY 2021-22, the company has not raised any amount from issue of securities. The borrowed funds have been utilised for the specific purpose for which the funds were raised.
- I. The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- J. The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with the Companies (Restriction on number of Layers) Rules, 2017.

As per our report of even date attached
For DHIRUBHAI SHAH & CO LLP
Chartered Accountants
Firm Registration Number: 102511W / W100298

Anik S. Shah
Partner
Membership Number: 140594

Place : Ahmedabad
Date : 07-05-2022

FOR & ON BEHALF OF DEEP INDUSTRIES LTD

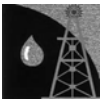
Paras Savla
Chairman & Managing Director
DIN:00145639

Rohan Shah
CFO & Whole time Director (Finance)
DIN : 09154526

Place : Ahmedabad
Date : 07-05-2022

Rupesh Savla
Managing Director
DIN : 00126303

Roshni Shah
Company Secretary
Membership No: A47037



INDEPENDENT AUDITOR'S REPORT

To,
The Members,
Deep Industries Limited (Formerly known as Deep CH4 Limited)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **DEEP INDUSTRIES LIMITED** (hereinafter referred to as the "Holding Company") and its Subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2022, and the Consolidated Statement of Profit and Loss (including Consolidated Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 the 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 their consolidated state of affairs (consolidated financial position) of the Group as at 31st March, 2022, the consolidated profit (consolidated financial performance including consolidated other comprehensive income), consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Opinion

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

Information Other than Financial Statements and Auditor's Report Thereon

The Holding Company's management and the Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance Report, and Shareholders' Information, but does not include the consolidated financial statements, and our auditor's report thereon.

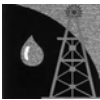
Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and the Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated changes in equity and the consolidated cash flows of the Group in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act read with the relevant Rules issued thereunder and other accounting principles generally accepted in India. The respective Management and Board of Directors of the entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each entity 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for



ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial results by the Management and the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial results, the respective Management and the Board of Directors of the entities included in the Group are responsible for assessing the ability of each entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the entities included in the Group are also responsible for overseeing the financial reporting process of each entity.

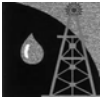
Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial results 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 consolidated financial results.

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 consolidated financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Companies Act, 2013 we are also responsible for expressing our opinion through a separate report on the complete set of consolidated financial statements on whether the entity has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the consolidated financial results made by the management and Board of Directors of the Holding Company.
- Conclude on the appropriateness of the management's and Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 consolidated financial results 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results / financial information of the entities within the Group to express an opinion on the consolidated financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial results may be



influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial results.

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

Other Matters

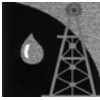
- 1) We did not audit the financial statements of 1 subsidiary, whose financial statements reflect total assets of Rs. 3,502.06 lakhs and net assets of Rs. 2535.79 lakhs as at 31st March, 2022 and total revenues of Rs. 3148.85 lakhs, as considered in the consolidated financial statements. These financial statements of 1 subsidiary have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of 1 subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.

Further, the above-mentioned subsidiary is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in United Arab Emirates and which have been audited by other auditor under generally accepted auditing standards applicable in United Arab Emirates. The Holding Company's management has converted the financial statements of such subsidiary, located outside India from accounting principles generally accepted in United Arab Emirates to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the report of other auditor and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with regard to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

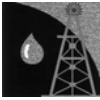
- (1) As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements of one subsidiary, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Consolidated Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.



- (d) In our opinion, the aforesaid consolidated 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 of the Holding Company as on 31st March, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiary company covered under the Act, none of the directors of the Group covered under the Act, are disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Group’s internal financial controls with reference to consolidated financial statements.
- (g) With respect to the matter to be included in the Auditor’s Report in accordance with the requirement of section 197(16) of the Act, as amended:

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

- (h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditor’s) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries:
 - i. The consolidated financial statements disclose the impact of pending litigations as at 31st March, 2022 on the consolidated financial position of the Group as detailed in Note No.32 to the consolidated financial statements.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.
 - iv. (a) The respective Managements of the Holding Company and its subsidiary, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The respective Managements of the Holding Company and its subsidiary, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or any of such subsidiary from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (c) Based on the audit procedures that we have considered reasonable and appropriate in the circumstances performed by us on the Holding Company and its subsidiary whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. (a) The dividend declared or paid during the year by the Holding Company is in compliance with section 123 of the Companies Act, 2013.

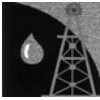


- (b) The Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act as applicable.
- (2) With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("CARO") issued by the Central Government of India in terms of Section 143(11) of the Act, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the companies included in the consolidated financial statements.

Place : Ahmedabad
Dated : 7th May, 2022

For, Dhirubhai Shah & Co LLP
Chartered Accountants
Firm Regn. No. 102511W/W100298

Anik S Shah
Partner
Membership number: 140594
UDIN:22140594AMHISJ3454



ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph (f) under "Report on Other Legal and Regulatory Requirements" section of our report to the Members of **DEEP INDUSTRIES LIMITED** of even date for the year ended 31st March, 2022)

Independent Auditor's Report on the Internal Financial Controls with reference to the consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

In conjunction with our audit of the consolidated financial statements of **DEEP INDUSTRIES LIMITED** ("the Holding Company") and its subsidiaries, (the Holding Company and its subsidiaries together referred to as "Group") as of and for the year ended 31st March 2022, we have audited the internal financial controls with reference to the consolidated financial statements of the Holding Company and its subsidiary company which is a company incorporated in India, as of that date.

In our opinion, the Holding Company and its subsidiary company have in all material respects, adequate internal financial controls with reference to the consolidated financial statements and such internal financial controls were operating effectively as at 31st March, 2022, based on the internal financial controls with reference to the consolidated financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

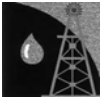
Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to the consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the consolidated financial statements included obtaining an understanding of such internal financial controls, 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 consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system with reference to the consolidated financial statements of the Holding Company and its Subsidiary Company, as aforesaid.

Meaning of Internal Financial Controls with Reference to the Consolidated Financial Statements

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;



- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated 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 consolidated financial statements.

Inherent Limitations of Internal Financial Controls with Reference to the Consolidated Financial Statements

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

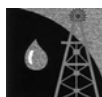
Other Matter

Our aforesaid report under Section 143(3)(i) of the Companies Act, 2013 on the adequacy and operating effectiveness of the internal financial controls with reference to the consolidated financial statements insofar as it relates to 1 subsidiary is based on the corresponding reports of the auditors on the audit of such company. Our opinion is not modified in respect of this matter.

Place : Ahmedabad
Dated : 7th May, 2022

For, Dhirubhai Shah & Co LLP
Chartered Accountants
Firm Regn. No. 102511W/W100298

Anik S Shah
Partner
Membership number: 140594
UDIN:22140594AMHISJ3454



CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2022

₹ In Lakhs

ASSETS	Note No.	As at 31 st March, 2022	As at 31 st March, 2021
NON-CURRENT ASSETS			
(a) Property, Plant and Equipment	4	48,346.67	48,276.58
(b) Capital Work in Progress	4	460.40	65.57
(c) Intangible Assets	4	38,499.15	38,496.58
(d) Financial Assets			
(i) Investments	5	1,695.37	1,586.36
(ii) Other Financial Assets	6	451.52	106.40
(e) Other Non-Current Assets	7	4,881.07	3,714.17
		<u>94,334.19</u>	92,245.66
CURRENT ASSETS			
(a) Inventories	8	3,974.40	3,895.55
(b) Financial Assets			
(i) Investments	9	5,644.16	1,281.30
(ii) Trade Receivables	10	13,545.76	12,763.10
(iii) Cash and Cash Equivalents	11	1,201.53	1,942.96
(iv) Other balances with banks	12	1,999.41	2,612.26
(v) Other Financial Assets	13	63.84	132.70
(c) Other Current Assets	14	5,278.84	2,414.39
		<u>31,707.95</u>	25,042.26
TOTAL ASSETS		<u><u>1,26,042.14</u></u>	<u><u>1,17,287.92</u></u>
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	15	3,200.00	3,200.00
(b) Other Equity	16	1,09,804.92	1,02,974.38
Total Equity		<u>1,13,004.92</u>	1,06,174.38
Non Controlling Interest		30.74	3.73
LIABILITIES			
NON-CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	17	1,131.87	848.28
(b) Deferred Tax Liabilities (Net)	18	4,913.51	3,098.22
		<u>6,045.39</u>	3,946.50
CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	19	2,047.36	3,240.92
(ii) Trade Payables	20		
- Dues to Micro & Small Enterprises		424.67	244.79
- Dues to Other than Micro & Small Enterprises		3,402.40	2,994.50
(iii) Other Financial Liabilities	21	453.28	270.77
(b) Other Current Liabilities	22	633.39	412.33
		<u>6,961.09</u>	7,163.31
TOTAL EQUITY & LIABILITIES		<u><u>1,26,042.14</u></u>	<u><u>1,17,287.92</u></u>

The accompanying notes 1 to 44 are an integral part of the Consolidated Financial Statements

As per our report of even date attached
For **DHIRUBHAI SHAH & CO LLP**
Chartered Accountants
Firm Registration Number: 102511W / W100298

Anik S. Shah
Partner
Membership Number: 140594

Place : Ahmedabad
Date : 07-05-2022

FOR & ON BEHALF OF DEEP INDUSTRIES LTD

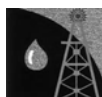
Paras Savla
Chairman & Managing Director
DIN:00145639

Rohan Shah
CFO & Whole time Director (Finance)
DIN : 09154526

Place : Ahmedabad
Date : 07-05-2022

Rupesh Savla
Managing Director
DIN : 00126303

Roshni Shah
Company Secretary
Membership No: A47037



CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2022

(₹ In Lakhs)

	Note No.	Year ended 31 st March, 2022	Year ended 31 st March, 2021
INCOME			
Revenue from operations	23	32,162.90	19,370.55
Other income	24	463.77	655.13
TOTAL INCOME		32,626.67	20,025.68
EXPENSES			
Cost of Material Consumed, Operating Expenses & Changes In Inventories	25	14,930.77	7,028.81
Employee benefits expense	26	2,766.94	2,660.36
Finance Costs	27	476.85	936.33
Depreciation and amortization expenses	28	2,392.11	8,758.89
Other expenses	29	2,989.77	1,646.91
TOTAL EXPENSES		23,556.44	21,031.31
Profit/(Loss) before exceptional items and tax		9,070.23	(1,005.62)
Exceptional items (net)		-	-
Profit/(Loss) before tax		9,070.23	(1,005.62)
Tax Items			
(i) Current tax		(15.13)	(1.77)
(ii) Deferred tax		(1,815.29)	7,487.72
Total tax items		(1,830.42)	7,485.95
Profit for the year		7,239.81	6,480.32
Other Comprehensive Income			
Items that will not be re-classified to Profit or Loss	30	3.39	(1.18)
Items that will be re-classified to Profit or Loss		1.10	1.63
Income tax relating to items that will not be reclassified to Profit or Loss		-	-
Other Comprehensive Income for the year		4.49	0.45
Total Comprehensive Income for the year		7,244.30	6,480.78
Profit For the year attributable to:			
Owners		7,212.80	6,476.88
Non-controlling interest		27.01	3.44
Other comprehensive income for the year attributable to:			
Owners		0.45	(1.14)
Non-controlling interest		-	-
Total comprehensive income for the year attributable to:			
Owners		4.49	0.45
Non-controlling interest		-	-
Total comprehensive income for the year attributable to:			
Owners		7,217.29	6,477.33
Non-controlling interest		27.01	3.44
Earnings Per Equity Share of face value of 10 each			
(1) Basic	31	22.62	20.25
(2) Diluted	31	22.62	20.25

The accompanying notes 1 to 46 are an integral part of the Consolidated Financial Statements

As per our report of even date attached
For **DHIRUBHAI SHAH & CO LLP**
Chartered Accountants
Firm Registration Number: 102511W / W100298

Anik S. Shah
Partner
Membership Number: 140594

Place : Ahmedabad
Date : 07-05-2022

FOR & ON BEHALF OF DEEP INDUSTRIES LTD

Paras Savla
Chairman & Managing Director
DIN:00145639

Rohan Shah
CFO & Whole time Director (Finance)
DIN : 09154526

Place : Ahmedabad
Date : 07-05-2022

Rupesh Savla
Managing Director
DIN : 00126303

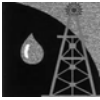
Roshni Shah
Company Secretary
Membership No: A47037



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2022

(₹ In Lakhs)

PARTICULARS	Year ended 31 st March, 22	Year ended 31 st March, 21
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Profit/ (loss) Before Tax	9,070.25	(1,005.62)
Adjustments for:		
Depreciation and amortization	2,392.11	8,758.89
Interest and finance charges	422.52	936.33
Interest income	(215.56)	(285.98)
Dividend Income	(2.24)	(0.89)
Loss / (Gain) on Sale of Property, Plant and Equipment (Net)	(1.23)	(0.30)
Loss / (Gain) on Investment (Net)	(122.98)	(292.07)
Other Non Cash Items	65.72	(42.18)
Operating Profit before Working Capital Changes	11,608.59	8,068.18
Adjustments for changes in working capital :		
(Increase)/Decrease in Trade Receivables, Loans & Advances and other assets	(3,297.40)	2,478.26
(Increase)/Decrease in Inventories	(78.85)	(1,249.63)
Increase/(Decrease) in Trade Payables, Other liabilities and Provisions	(2,201.02)	(797.46)
Cash Generated from Operations	6,031.32	8,499.35
Income taxes paid	(567.18)	(411.72)
Net Cash generated by Operating activities (Total A)	5,464.14	8,087.63
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Payments for Property, Plant and Equipments	(3,064.50)	(455.87)
Proceeds from sale of Property, Plant and Equipments	206.12	1.00
Payments for Investments	(18,086.75)	(9,432.78)
Proceeds from Investment	13,737.85	7,718.26
Proceeds from Fixed Deposits	(612.85)	760.00
Interest Received	215.56	285.98
Dividend Income	2.24	0.89
Net Cash used in Investing activities (Total B)	(7,602.33)	(1,122.52)
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds/Payment from Secured Loans	2,267.27	(4,441.58)
Dividend on Equity Shares paid	(448.00)	-
Finance Cost (Other than Non Cash)	(422.52)	(936.33)
Net Cash used in Financing activities (Total C)	1,396.76	(5,377.91)
Net Increase/(Decrease) in Cash and Cash Equivalents	(741.43)	1,587.20
Cash and bank balances at the beginning of the year	1,942.96	355.76
Cash and bank balances at the end of the year	1,201.53	1,942.96



NOTES:

- 1) The above cash flow statement has been prepared as per the "Indirect method" set out in the Indian Accounting Standard (Ind AS) - 7 Statement of Cash Flows
- 2) Figures in bracket indicate cash outflow.
- 3) Previous year figures have been regrouped and recast wherever necessary to confirm to current year's classification.

Cash and cash equivalents at the end of the year consist of cash on hand, cheques, draft on hand and balance with banks as follows:

Particulars	As at 31st March, 2022 ₹ In Lakhs	As at 31st March, 2021 ₹ In Lakhs
Balances with banks		
In current accounts	903.63	1,937.52
In EEFC Accounts	286.35	0.00
In Escrow Accounts	-	0.01
Cash on hand	11.55	5.42
	<u>1,201.53</u>	<u>1,942.96</u>

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Firm Registration Number: 102511W / W100298

Anik S. Shah
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DIN : 00126303

Roshni Shah
Company Secretary
Membership No: A47037



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON 31ST MARCH, 2022

(A) EQUITY SHARE CAPITAL

For the year ended 31st March, 2022

(₹ In Lakhs)

Particulars	Balance as at 1 st April, 2021	Change in Equity share capital due to prior period items	Restated balance as at 1 st April, 2021	Changes in Equity share capital during the year	Balance as at 31 st March, 2022
Equity Share Capital	3,200.00	-	3,200.00	-	3,200.00

For the year ended 31st March, 2021

(₹ In Lakhs)

Particulars	Balance as at 1 st April, 2020	Change in Equity share capital due to prior period items	Restated balance as at 1 st April, 2020	Changes in Equity share capital during the year	Balance as at 31 st March, 2021
Equity Share Capital	96,000.00	-	96,000.00	(92,800.00)	3,200.00

(B) OTHER EQUITY

For the year ended 31st March, 2022

(₹ In Lakhs)

Particulars	Non- Monetary Foreign Currency Translation Reserve	Capital Reserve	Security premium account	Retained Earnings	FVOCI Reserve	Total Equity
Balance as at 1st April, 2021	138.27	0.10	92,800.00	9,999.89	36.12	1,02,974.38
Addition / (Deduction) During the Year	54.75	6.50	-	-	-	61.25
Transferred from Statement of Profit and Loss	-	-	-	7,212.80	-	7,212.80
Dividend on Equity Shares	-	-	-	(448.00)	-	(448.00)
Other Comprehensive income/(loss) for the year	-	-	-	-	4.49	4.49
Balance as at 31st March, 2022	193.02	6.60	92,800.00	16,764.69	40.61	1,09,804.92

For the year ended 31st March, 2021

Particulars	Non- Monetary Foreign Currency Translation Reserve	Capital Reserve	Security premium account	Retained Earnings	FVOCI Reserve	Total Equity
Balance as at 1st April, 2020	180.90	0.10	-	3,523.01	35.67	3,739.68
Addition / (Deduction) During the Year	(42.63)	-	92,800.00	-	-	92,757.37
Transferred from Statement of Profit and Loss	-	-	-	6,476.88	-	6,476.88
Dividend on Equity Shares	-	-	-	-	-	-
Other Comprehensive income/(loss) for the year	-	-	-	-	0.45	0.45
Balance as at 31st March, 2021	138.27	0.10	92,800.00	9,999.89	36.12	1,02,974.38

As per our report of even date attached
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Firm Registration Number: 102511W / W100298

Anik S. Shah
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Roshni Shah
Company Secretary
Membership No: A47037



**NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2022**

1. CORPORATE INFORMATION

Deep Industries Limited (the “Company”) is a public limited company domiciled in India having its registered office situated at 12A & 14, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad, GJ 380058. The Company was incorporated on 15th November, 2006, under the provisions of the Companies Act, 1956 applicable in India and its equity shares are listed on the National Stock Exchange of India Limited (NSE) and BSE Limited. The Company is incorporated to carry on all or any of the business of prospecting, exploring, developing, opening and working mines, drilling and sinking shafts or wells and to pump, refine raise, dig and quarry coal bed methane, minerals, ores, gases such as methane gas i.e., CH₄. and to provide latest equipment like Air Compressor, Gas Compressor, Rigs, Exploration & Production equipments and other equipments, efficient services like operation and maintenance, man power deployment and execution of turnkey projects related to oil gas sector on charter hire basis and carry on business of transport operators, cartages and haulage contractors, garage proprietors, owners, charterers and lessors of road vehicles of every description and to act as carriers of goods by road, rail, water, air cartage contractors, forwarding, transporting and commission agents, custom agents, wharfingers, cargo superintendents, packers, warehouse- man, store-keeper and job-masters and carry on anywhere in India and out of India the business of running of transportation of all kinds on such lines/routes as the Company may deem fit and to transport all types of goods and generally to carry on the business of the common carriers.

The Consolidated Financial Statements include the consolidated Balance Sheet, consolidated Statement of Profit and Loss, consolidated Statement of Changes in Equity and consolidated Cash Flow Statement of the Parent Company and its undermentioned subsidiaries (hereinafter referred as the ‘Group’).

Company / Firm	Country of incorporation	% Of holding
Raas Equipment Private Limited	India	80%
Deep Onshore Service Private Limited	India	100%
Deep Onshore Drilling Private Limited	India	74%
Deep International DMCC	UAE	100%

2. BASIS OF PREPARATION

The Consolidation Financial Statements of the Group are prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 and the subsequent amendments from time to time, notified under Section 133 of the Companies Act, 2013 (the “Act”) and other relevant provisions of the Act. The accounting policies have been consistently applied by the Group and are consistent with those used in the previous year.

These Consolidated Financial Statements of the Group as at and for the year ended 31st March, 2022 (including comparatives) were approved and authorised for issue by the Board of Directors of the Company on 07th May, 2022.

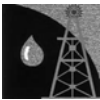
2.1 BASIS OF MEASUREMENT

Group’s Consolidation Financial Statements have been prepared on a historical cost convention except certain financial assets and liabilities which are measured at fair value as under

Items	Measurement Basis
Employee Defined Benefit Plans	Plan Assets measured at fair value less present value of defined benefit obligation
Certain Financial Assets and Liabilities (including Derivative Instruments)	Fair Value
Investments in Quoted Shares	Fair Value
Investments in Mutual Funds	Fair Value

2.2 BASIS OF CONSOLIDATION

- (i) The Consolidated Financial Statements incorporate the financial statements of the Parent Company and its subsidiaries. For this purpose, an entity which is, directly or indirectly, controlled by the Parent Company is treated as subsidiary. The Parent Company together with its subsidiaries constitute the Group. Control exists when the Parent Company, directly or indirectly, has power over the investee, is exposed to variable returns from its involvement with the investee and has the ability to use its power to affect its returns.
- (ii) The Consolidated Financial Statements of the Group combines financial statements of the Parent Company and its subsidiaries line-by-line by adding together the like items of assets, liabilities, income and expenses. All intra-group assets, liabilities, income, expenses and unrealised profit/losses on intra-group transactions are eliminated on consolidation. The accounting policies of subsidiaries have been harmonised to ensure the consistency with the policies adopted by the Parent Company. The Consolidated Financial Statements have been presented to extent possible, in a same manner as Parent Company’s Standalone Financial Statements.



Profit or loss and each component of other comprehensive income are attributed to the owners of the Parent Company and to the non-controlling interests and have been shown separately in the financial statements.

- (iii) Non-controlling interest represents that part of the total comprehensive income and net assets of subsidiaries attributable to interests which are not owned, directly or indirectly, by the Parent Company.

2.3 USE OF ESTIMATES

The preparation of consolidation financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying the accounting policies. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be adjusted due to estimates and assumptions turning out to be different from those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the Consolidation financial statements.

Critical estimates and judgments

The areas involving critical estimates or judgments are:

- a) Estimation of current tax expense and payable – Refer accounting policies - 3.9
- b) Estimated useful life of property, plant & equipment and intangible assets – Refer accounting policies - 3.1
- c) Estimation of defined benefit obligation – Refer accounting policies - 3.8
- d) Estimation of fair values of contingent liabilities - Refer accounting policies - 3.12
- e) Recognition of revenue - Refer accounting policies - 3.4
- f) Recognition of deferred tax assets for carried forward tax losses – Refer accounting policies - 3.9
- g) Impairment of financial assets – Refer accounting policies - 3.2 & 3.5

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the group and that are believed to be reasonable under the circumstances.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Property, plant and equipment:

Tangible Assets:

Items of property, plant and equipment are measured at cost, which include capitalised borrowing costs, less accumulated depreciation, and accumulated impairment losses, if any, except freehold land which is carried at historical cost.

Cost of an item of property, plant and equipment comprises its purchase price (after deducting trade discounts and rebates), including import duties and non-refundable purchase taxes, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

All other repair and maintenance costs are recognized in the statement of profit and loss as incurred unless they meet the recognition criteria for capitalization under Property, Plant and Equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

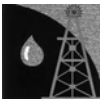
Depreciation/ Amortization:

Depreciation is charged using straight line method on the basis of the expected useful life as specified in Schedule II to the Act. A residual value of 5% (as prescribed in Schedule II to the Act) of the cost of the assets is used for the purpose of calculating the depreciation charge. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. However, management reviews the residual values, useful lives and methods of depreciation of property, plant and equipment at each reporting period end and any revision to these is recognized prospectively in current and future periods.

Intangible assets:

Intangible assets including those acquired by the group are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognised in profit or loss as incurred.



Amortization is calculated to write off the cost of intangible assets less their estimated residual values over the estimated useful lives using the straight-line method and is included in Depreciation and Amortisation expense in the Statement of Profit and Loss. The estimated useful lives of computer software are considered not exceeding three years. Amortization method, useful lives and residual values are reviewed at the end of each financial year and adjusted, if appropriate. An item of intangible asset is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset.

Capital Work- in- progress:

Projects under commissioning and other Capital work-in-progress are carried at cost comprising of direct and indirect costs, related incidental expenses and attributable interest. Depreciation on Capital work-in-progress commences when assets are ready for their intended use and transferred from Capital work-in-progress Group to Tangible/Intangible Assets Group.

3.2 Impairment of Non-Financial Assets

The Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss.

In respect of assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.3 Foreign Currency Transactions and Translations

Group's Consolidation Financial Statements are presented in Indian Rupees (INR), which is also a functional currency. All the values have been rounded off to the nearest thousand, unless otherwise indicated.

Initial Recognition:

Transactions in foreign currencies are recorded on initial recognition in the functional currency at the exchange rates prevailing on the date of the transaction.

In case of advance receipts/payments in a foreign currency, the spot exchange rate to use on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, shall be the date when an entity has received or paid advance consideration in a foreign currency.

Measurement at the Balance Sheet Date:

Foreign Currency monetary items of the Group, outstanding at the Balance Sheet date are restated at the year-end rates. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Treatment of Exchange Differences:

Exchange differences that arise on settlement of monetary items or on reporting at each Balance Sheet date of the Group's monetary items at the closing rate are recognised as income or expenses in the period in which they arise.

3.4 Revenue from Contracts with Customers

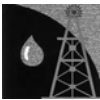
Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. Goods & Service Tax (GST), Value Added Tax/Service Tax is not received by the Group on its own account. Rather, it is tax collected on value added to the services by the Group on behalf of the government. Accordingly, it is excluded from revenue. The specific recognition criteria described below must also be met before revenue is recognized.

(i) Service income:

Service income is recognised as per the terms of contracts with the customers when the related services are performed or the agreed milestones are achieved and are net of service tax or GST, wherever applicable.

(ii) Interest Income:

For all debt instruments measured either at amortized cost or at fair value through other comprehensive income [OCI], interest income is recorded using the effective interest rate [EIR]. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument [for example, prepayment, extension, call and similar options] but does not consider the expected credit losses.



(iii) **Dividend income:**

Dividend income from investments is recognized when the Group's right to receive payment is established which is generally when shareholders approve the dividend.

(iv) Other income is recognised when no significant uncertainty as to its determination or realisation exists.

3.5 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A. Financial Assets

a. Initial recognition and measurement:

All financial assets are recognised initially at fair value plus, in case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset, which are not at fair value through profit and loss, are added to fair value on initial recognition. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Statement of Profit and Loss.

b. Subsequent measurement:

For purposes of subsequent measurement, financial assets are classified in Three categories:

i. Financial assets carried at amortised cost:

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii. Financial assets at fair value through Other Comprehensive Income (FVOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iii. Financial assets at fair value through Profit or Loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through Statement of Profit and Loss.

c. Derecognition:

A financial asset is derecognised when:

The Group has transferred the right to receive cash flows from the financial assets or

Retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Group transfers the financial asset, it evaluates the extent to which it retains the risk and rewards of the ownership of the financial assets. If the Group transfers substantially all the risks and rewards of ownership of the financial asset, the Group shall derecognise the financial asset and recognise separately as assets or liabilities any rights and obligations created or retained in the transfer. If the Group retains substantially all the risks and rewards of ownership of the financial asset, the Group shall continue to recognise the financial asset.

Where the Group has neither transferred a financial asset nor retains substantially all risks and rewards of the ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial assets. Where the Group retains control of the financial assets, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

d. Impairment of financial assets:

The Group assesses on a forward looking basis the Expected Credit Losses (ECL) associated with its assets measured at amortised cost and assets measured at fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

B. Financial liabilities:

a. Initial recognition and subsequent measurement:

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

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments. Changes in the amortised value of liability are recorded as finance cost.



C. Fair Value of Financial Instruments

In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may vary from actual realization on future date.

D. Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.6 Fair Value Measurement

The Group measures financial instruments such as investments in mutual funds, certain other investments etc. at fair value at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability at the measurement date. All assets and liabilities for which fair value is measured or disclosed in the Consolidation financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

3.7 Inventories

Inventories of spare parts and oil are valued at the lower of cost or net realizable value. The cost is determined by Moving Average method. The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. The net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.

3.8 Employee benefits

Employee benefits include provident fund, pension fund, gratuity and compensated absences.

a. Defined Contribution Plans

The Group's contribution to provident fund and pension fund is considered as defined contribution plan and is charged as an expense as they fall due based on the amount of contribution required to be made and when services are rendered by the employees. The Group has no legal or constructive obligation to pay contribution in addition to its fixed contribution.

b. Defined Benefit Plans

The Group operates a defined benefit Gratuity Plan with approved Gratuity Fund and contributions are made to a separately administered approved Gratuity Fund. For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using 'the Projected Unit Credit method', with actuarial valuations being carried out at each Balance Sheet date. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to the Statement of Profit and Loss in subsequent periods. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost.

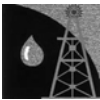
c. Short-term Employee Benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include salaries, wages, performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such compensated absences is accounted as under:

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

d. Long-term Employee Benefits

Compensated absences and other benefits like gratuity which are allowed to be carried forward over a period in excess of 12 months after the end of the period in which the employee renders the related service are recognised as a non-current liability at the present value of the defined benefit obligation as at the Balance Sheet date out of which the obligations are expected to be settled.



3.9 Taxes on Income

Income tax comprises Current and Deferred Tax. It is recognised in the Statement of Profit or Loss except to the extent that it relates to business combination or to an item recognised directly in equity or in other comprehensive income.

(a) Current Tax

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

(b) Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred tax liabilities are generally recognised in full.

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

Tax relating to items recognised directly in equity/ other comprehensive income is recognised in respective head and not in the Statement of Profit & Loss.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

3.10 Borrowing costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition or construction of qualifying asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the respective asset until such time the assets are substantially ready for their intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred and reported in finance costs.

3.11 Earnings per equity share

Basic earnings per equity share is calculated by dividing the net profit after tax for the year attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the year.

Diluted earnings per equity share is computed by dividing adjusted net profit after tax by the aggregate of weighted average number of equity shares and dilutive potential equity shares during the year.

3.12 Provisions, Contingent Liabilities and Contingent Assets:

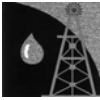
Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Contingent liability is disclosed in the case of:

- * a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation.
- * a present obligation arising from past events, when no reliable estimate is possible.

Contingent assets are neither recognised nor disclosed in the Consolidation Financial Statements.



3.13 Cash and Cash Equivalents

Cash and cash equivalents include cash and cheques in hand, bank balances, demand deposits with banks and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value where original maturity is three months or less.

3.14 Leases

The Group's lease asset classes primarily consist of leases for buildings. The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Group as a lessee

The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases.

For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term and useful life of the underlying asset. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

3.15 Exceptional items

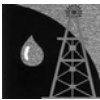
An item of income or expense which by its size, nature, type or incidence requires disclosure in order to improve an understanding of the performance of the Group is treated as an exceptional item and disclosed as such in the Consolidation financial statements.

3.16 Recent Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23rd March, 2022, MCA notified the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1st April, 2022, as below:

I. Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired, and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Group does not expect the amendment to have any significant impact in its financial statements.



II. Ind AS 16 – Proceeds before intended use

The amendments specify that the excess of net sale proceeds of items produced while the Group is preparing the asset for its intended use over its cost of testing, if any, shall not be recognized in the profit or loss but shall be deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The Group does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

III. Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification, and the Group does not expect the amendment to have any significant impact in its financial statements.

IV. Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Group does not expect the amendment to have any significant impact in its financial statements.

V. Code on Social Security

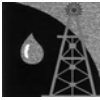
The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Group towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on 13th November, 2020, and invited suggestions from stakeholders which are under consideration by the Ministry. The Group will assess the impact and its evaluation once the subject rules are notified. The Group will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2022

4 - PROPERTY, PLANT AND EQUIPMENT & CAPITAL WORK-IN-PROGRESS

(Rs. In Lakhs)

Particulars	TANGIBLE ASSETS										Total	
	Tankers	Vehicles	Air Compressor Packages	Gas Compressor Packages	Rigs	Computers	Building	Shed, Foundation & Road	Office Equipment, Furniture & Fixtures	Other Plant and Machinery		
Cost of Assets:												
As at 1st April, 2020	0.45	455.63	49.61	41,005.20	21,889.10	91.13	-	5,959.85	311.31	132.95	69,895.24	
Addition / Transfers	-	15.45	-	281.67	84.45	7.12	147.56	136.28	7.05	55.31	734.88	
Disposal / Adjustments	-	12.52	-	-	-	-	-	-	-	-	12.52	
As at 31st March, 2021	0.45	458.57	49.61	41,286.87	21,973.55	98.24	147.56	6,096.13	318.36	188.26	70,617.59	
Addition / Transfers	-	126.14	-	1,356.62	247.88	16.61	14.92	470.11	20.35	395.53	2,648.17	
Disposal / Adjustments	-	69.81	-	204.38	-	-	-	-	-	-	274.19	
As at 31st March, 2022	0.45	514.90	49.61	42,439.11	22,221.43	114.85	162.48	6,566.24	338.71	583.79	72,991.57	
Depreciation / Amortization:												
As at 1st April, 2020	0.43	242.54	49.61	10,023.88	3,849.62	76.15	-	5,620.86	116.49	31.37	20,010.96	
Charged for the year	-	49.36	-	1,524.26	696.44	9.11	2.86	23.00	29.26	7.59	2,341.88	
Disposal / Adjustments	-	11.82	-	-	-	-	-	-	-	-	11.82	
As at 31st March, 2021	0.43	280.08	49.61	11,548.14	4,546.06	85.26	2.86	5,643.86	145.76	38.96	22,341.02	
Charged for the year	-	40.74	-	1,551.08	700.16	9.24	1.37	26.71	30.90	30.24	2,390.44	
Disposal / Adjustments	-	64.09	-	22.47	-	-	-	-	-	-	86.56	
As at 31st March, 2022	0.43	256.73	49.61	13,076.75	5,246.22	94.50	4.23	5,670.57	176.66	69.20	24,644.90	
Net Block												
As at 31st March, 2021	0.02	178.49	0.00	29,738.72	17,427.49	12.99	144.70	452.27	172.60	149.30	48,276.58	
As at 31st March, 2022	0.02	258.17	0.00	29,362.36	16,975.21	20.35	158.25	895.67	162.05	514.59	48,346.67	



**NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2022**

(₹ In Lakhs)

4 PROPERTY, PLANT AND EQUIPMENT & CAPITAL WORK-IN-PROGRESS

Particular	INTANGIBLE ASSETS		
	Softwares	Goodwill	Total
Cost of Assets			
As at 1 st April, 2020	54.53	64,147.47	64,202.00
Addition / Transfers	-	-	-
Disposal / Adjustments	-	-	-
As at 1st April, 2021	54.53	64,147.47	64,202.00
Addition / Transfers	4.25	-	4.25
Disposal / Adjustments	-	-	-
As at 31st March, 2022	58.78	64,147.47	64,206.25
Depreciation / Amotization:			
As at 1st April, 2020	44.17	19,244.24	19,288.41
Charged for the year	2.27	6,414.75	6,417.01
Disposal / Adjustments	-	-	-
As at 1st April, 2021	46.44	25,658.99	25,705.42
Charged for the year	1.68	-	1.68
Disposal / Adjustments	-	-	-
As at 31st March, 2022	48.12	25,658.99	25,707.10
Net block			
As at 31st March, 2021	8.09	38,488.48	38,496.58
As at 31st March, 2022	10.66	38,488.48	38,499.15

(₹ In Lakhs)
Amount

4 PROPERTY, PLANT AND EQUIPMENT & CAPITAL WORK-IN-PROGRESS

Capital Work-in-Progress		
As at 1 st April, 2020		345.63
Addition		43.31
Transfer / Adjustments		323.38
As at 31st March, 2021		65.57
Addition		394.83
Amount of Transfer / Adjustments		-
As at 31st March, 2022		460.40

(₹ In Lakhs)

Capital Work-in-Progress Ageing Schedule Amount in CWIP for a period of

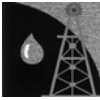
	< 1 year	1-2 years	2-3 years	> 3 Year	Total
Project in Progress as at 31 st March 2021	43.31	22.26	-	-	65.57
Project in Progress as at 31st March 2022	394.83	43.31	22.26	-	460.40



ANNUAL REPORT 2021-22
DEEP INDUSTRIES LIMITED
(Formerly known as Deep CH4 Limited)

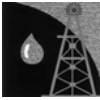
(₹ In Lakhs)					
Sr. No.	Particulars	No. of Shares	As at 31 st March, 2022	No. of Shares	As at 31 st March, 2021
5 -	INVESTMENTS - NON-CURRENT				
	Investments (Unquoted)				
	Investments at Cost				
	Other Investments				
	- Preference Shares of Prabha Energy Pvt Ltd	93,000	1,581.00	93,000.00	1,581.00
	- Shares of Mehsana Nagarik Co-Op Sahakari Bank Ltd.	400	0.10	400	0.10
	- National Saving Certificate	-	1.96	-	1.96
	- 9Unicorns Accelerator Fund		70.00		-
	- Other Investment		37.90		-
			<u>1,690.96</u>		<u>1,583.06</u>
	Investments (Quoted)				
	Investments at Fair value through OCI				
	Investments in Equity Shares				
	- Vama Industries Limited	12,500	1.12	2,500	0.18
	- Power Trading Corporation	4,000	3.29	4,000	3.12
			<u>4.41</u>		<u>3.30</u>
			<u>1,695.37</u>		<u>1,586.36</u>
	Market Value of Quoted Investment		4.41		3.30
	Book Value of Unquoted Investment		<u>1,690.96</u>		<u>1,583.06</u>

Sr. No.	Particulars	As at 31 st March, 2022 (₹ In Lakhs)	As at 31 st March, 2021 (₹ In Lakhs)
6 -	OTHER FINANCIAL ASSETS - NON CURRENT		
	Security deposits (Unsecured, considered good)	109.60	106.40
	Margin Money deposits with bank held as security with more than 12 months maturity	341.92	-
		<u>451.52</u>	<u>106.40</u>
7 -	OTHER NON CURRENT ASSETS		
	Capital Advances	1,028.01	437.73
	Advances other than Capital Advances	15.77	9.40
	Advance Taxes & TDS Receivables of Earlier years (Net of Provisions)	3,792.52	3,232.44
	Balance with Govt Authorities	44.72	34.57
	Pre-Operative Expenses	0.05	0.02
		<u>4881.07</u>	<u>3714.17</u>
8 -	INVENTORIES		
	As taken, valued and certified by the Management		
	At lower of Cost and Net Realizable Value		
	a. Stores and Spares	1,925.08	2,716.77
	b. Equipment	1,210.21	595.64
	c. Raw Material & Components	690.42	-
	d. Work in Progress	140.38	96.00
	e. Others		
	- Stock of Oil & Lubricants	8.31	487.15
		<u>3,974.40</u>	<u>3,895.55</u>



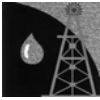
Sr. No.	Particulars	As at 31 st March, 2022 (₹ In Lakhs)	As at 31 st March, 2021 (₹ In Lakhs)
9 -	INVESTMENTS - CURRENT		
	Investments (Quoted)		
	Investments Measured at Fair Value through Profit and Loss		
	Investments in Mutual Funds		
	ICICI Prudential Flexible Income - Growth	1,439.30	-
	HDFC Liquid Fund	1,661.68	-
	Baroda Pioneer Liquid Fund	-	0.99
	Investment in Commodity	1,588.55	
	Investment in PMS	554.63	100.16
	Investments (Unquoted)		
	Investments Others	400.00	
	Investment Measured at Amortised Cost		
	Investment in Silver commodity	-	1,180.14
		<u>5,644.16</u>	<u>1,281.30</u>
	Market Value of Quoted Investment	5,244.16	1,281.30
	Book Value of Unquoted Investment	400.00	
10 -	TRADE RECEIVABLES - CURRENT		
	Trade Receivables considered good - Unsecured	13,545.76	12,763.10
	Less: Allowance for expected credit loss	-	-
		<u>13,545.76</u>	<u>12,763.10</u>

Particulars	Outstanding for following periods from Bill date						Total
	Note Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Trade Receivables ageing schedule as at 31st March, 2022							
i. Undisputed Trade Receivables - Considered good	184.42	10,721.07	2,393.65	246.62	-	-	13,545.76
ii. Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
iii. Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-
iv. Disputed Trade Receivables - Considered good	-	-	-	-	-	-	-
v. Disputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
vi. Disputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-
	<u>184.42</u>	<u>10,721.07</u>	<u>2,393.65</u>	<u>246.62</u>	<u>-</u>	<u>-</u>	<u>13,545.76</u>
Trade Receivables ageing schedule as at 31st March, 2021							
i. Undisputed Trade Receivables - Considered good	613.60	8,263.84	2,870.50	1,015.16	-	-	12,763.10
ii. Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
iii. Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-
iv. Disputed Trade Receivables - Considered good	-	-	-	-	-	-	-
v. Disputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
vi. Disputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-
	<u>613.60</u>	<u>8,263.84</u>	<u>2,870.50</u>	<u>1,015.16</u>	<u>-</u>	<u>-</u>	<u>12,763.10</u>



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DEEP INDUSTRIES LIMITED
 (Formerly known as Deep CH4 Limited)

Sr. No.	Particulars	As at 31 st March, 2022 (₹ In Lakhs)	As at 31 st March, 2021 (₹ In Lakhs)
11 - CASH AND CASH EQUIVALENTS			
A)	Balances with Banks		
	- In Current Accounts	903.63	1,937.52
	- In EEFC Accounts	286.35	0.00
	- In Escrow Accounts	-	0.01
		<u>1,189.98</u>	<u>1,937.53</u>
B)	Cash on Hand	11.55	5.42
		<u>11.55</u>	<u>5.42</u>
		<u>1,201.53</u>	<u>1,942.96</u>
12 - OTHER BALANCES WITH BANKS			
A)	Earmarked balances with banks (Unpaid Dividend)	1.08	3.56
		<u>1.08</u>	<u>3.56</u>
B)	Others		
	- Margin Money deposits with bank held as security with more than 3 months but less than 12 months maturity	1,998.33	1,608.70
	- Fixed Deposits - Others	-	1,000.00
		<u>1,998.33</u>	<u>2,608.70</u>
		<u>1,999.41</u>	<u>2,612.26</u>
13 - OTHER FINANCIAL ASSETS - CURRENT			
	Interest Accrued & Receivable - Fixed Deposits	38.35	99.19
	Interest Receivables - Others	2.01	-
	Insurance Claim Receivable	-	2.34
	Advances to Staff	6.97	2.72
	Security Deposit	8.05	-
	Other Advances	8.46	28.44
		<u>63.84</u>	<u>132.70</u>
14 - OTHERS CURRENT ASSETS			
	Unsecured, considered good, unless otherwise stated		
	Balance with Government Authorities	936.00	611.40
	Advance Taxes & TDS Receivables-(Net of Provisions)	483.00	481.26
	Prepaid Expenses	124.30	262.74
	Advances to Vendors	3,418.60	558.60
	Balancing Gratuity Fund	3.17	3.38
	ONGC Bank DD - Guarantee for Contracts	313.49	496.73
	Others current assets	0.28	0.28
		<u>5,278.84</u>	<u>2,414.39</u>
15 - EQUITY SHARE CAPITAL			
	Authorised:		
	3,20,66,000 Equity Shares of Rs. 10/- each (3,20,66,000 Equity Shares of Rs 10 Each)	3,206.60	3,206.60
	Issued, Subscribed and paid-up:		
	3,20,00,000 Equity Shares of Rs. 10 each fully paid up	3,200.00	3,200.00
	(PY - 3,20,00,000 Equity Shares of Rs. 10 each fully paid up)	<u>3,200.00</u>	<u>3,200.00</u>



15.1 Reconciliation of number of Equity shares outstanding at the beginning & at the end of the reporting year

(Rs in Lakhs)

Particulars (Equity Shares of ₹ 10 Each Fully Paid up)	As at 31 March 2022		As at 31 March 2021	
	No of Shares	Value ₹	No of Shares	Value ₹
— At the beginning of the year	3,20,00,000.00	3,200.00	-	-
— Issue/Adjustments during the period	-	-	3,20,00,000.00	3,200.00
— Outstanding at the end of the year	3,20,00,000.00	3,200.00	3,20,00,000.00	3,200.00

15.2 Details of Equity Shares held by shareholders holding more than 5% of the aggregate shares in the Holding Company

Name of the Shareholders (Equity Shares of ₹ 10 Each Fully Paid up)	As at 31st March, 2022		As at 31st March, 2021	
	No. of Share held	% of Holding	No. of Share held	% of Holding
Rupesh Savla Family Trust	1,00,76,908	31.49%	1,00,76,908	31.49%
Shantilal Savla Family Trust	40,62,576	12.70%	40,62,576	12.70%
Priti Paras Savla	20,58,822	6.43%	20,58,822	6.43%
Dharen Shantilal Savla	20,58,822	6.43%	20,58,822	6.43%
	1,82,57,128	57.05%	1,82,57,128	57.05%

15.3 Details of Equity Shares held by Promoters holding more than 5% of the aggregate shares in the Company

Name of the Shareholders (Equity Shares of ₹ 10 Each Fully Paid up)	As at 31st March, 2022		As at 31st March, 2021	
	No. of Share held	% of Holding	No. of Share held	% of Holding
Rupesh Savla Family Trust	1,00,76,908	31.49%	1,00,76,908	31.49%
Shantilal Savla Family Trust	40,62,576	12.70%	40,62,576	12.70%
Priti Paras Savla	20,58,822	6.43%	20,58,822	6.43%
Dharen Shantilal Savla	20,58,822	6.43%	20,58,822	6.43%
	1,82,57,128	57.05%	1,82,57,128	57.05%

15.4 The Company has only one class of equity shares having a par value of Rs. 10 per share, each shareholder is eligible for one vote per share. The Company declares and pays dividend in Indian Rupees. Dividend Proposed by Board of Directors is subject to approval of Shareholders in the ensuing Annual General Meeting.

15.5 In the event of liquidation, the Equity Shareholders are eligible to receive the remaining Assets of the company after Distribution of all Preferential amount, in proportion to Shareholding.

15.6 There are no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus shares and bought back during the last 5 years.

15.7 In accordance with the Scheme of Arrangement, the Company has issued 3,20,00,000 equity shares at an issue price of Rs. 300 (Rs 10 Face value and Rs 290 Security Premium), which was classified as Equity Suspense upto the last financial year. Also, the shares of the Company got listed with effect from April 27, 2021 and admitted to dealings on the Exchange in the list of 'T' Group Securities and subsequently transferred to 'B' group of securities w.e.f. May 11, 2021.



Sr. Particulars No.	As at 31 st March, 2022 (₹ In Lakhs)	As at 31 st March, 2021 (₹ In Lakhs)
16 - OTHER EQUITY		
(A) Other Reserves		
Securities Premium		
Balance as per last financial year	92,800.00	-
Add: Addition during the year	-	92,800.00
	<u>92,800.00</u>	<u>92,800.00</u>
Capital Reserve		
Balance as per last financial year	0.10	0.10
Add: Addition during the year	6.50	-
	<u>6.60</u>	<u>0.10</u>
(B) Retained Earnings		
Balance as per last financial year	9,999.89	3,523.01
Add: Net Profit For the year	7,212.80	6,476.88
Less: Appropriations		
Dividend on Equity Shares distributed for F.Y. 2020-21	(448.00)	-
	<u>16,764.69</u>	<u>9,999.89</u>
(C) Non-Monetary Foreign Currency Translation Reserve	193.02	138.27
(D) Other Comprehensive Income		
FVOCI Reserve		
Balance as per last financial year	36.12	35.67
Add/Less: Changes during the year	4.49	0.45
	<u>40.61</u>	<u>36.12</u>
Total	<u><u>1,09,804.92</u></u>	<u><u>1,02,974.38</u></u>

Nature of Other Reserves

Securities Premium Account

Securities Premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

Capital Reserve

Represent a non-distributable reserve.

17 - NON-CURRENT - FINANCIAL LIABILITIES - BORROWINGS

Secured

a. Term Loans

From banks

- Rupee Term Loans	1,736.52	3,865.56
- Vehicle Loans	228.23	159.97
Less: Current Maturities of Long Term Debts	(832.88)	(3,177.24)
	<u>1,131.87</u>	<u>848.28</u>

17.1 Term Loan from Indusind bank:

(A) Primary Security:

Exclusive charge on Plant and Machinery (i.e Drilling Rig-23)Financed by this term loan.

Exclusive charge on the receivable of the project financed by this term loan

Escrow of all receivables from ONGC Ltd Ahmedabad Project which is funded by this term loan.

(B) Collateral Security:

Personal Guarantee of Mr. Rupesh Savla , Mr. Paras Savla and Mr. Dharen S Savla

Rate of Interest:

Floating rate - 6 Month CD Rate +3.31% (i.e 7.50% as at accounting period end)

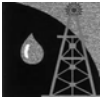
17.2 Term Loan from ICICI bank:

Primary Security:

Exclusive charge on the Movable Fixed Assets funded by Term Loan and Exclusive charge on receivables from the projects funded by Term Loan.

Rate of Interest:

The rate of interest for Term Loan is at floating rate - Repo Rate + 2.65% .(6.65% as at end of accounting period)



Sr. No.	Particulars	As at 31 st March, 2022 (₹ In Lakhs)	As at 31 st March, 2021 (₹ In Lakhs)
17.3	Home Loan from ICICI bank: Primary Security: Property addressed: 302 Oasis, CTS No170 , Akruli Road, Kandivali, Mumbai - 400101. Rate of Interest: Floating rate of interest - I Base Rate + 0.20% (i.e. 7.45% at the end of accounting period)		
17.4	Car Loan from ICICI bank: AUDI Q7 Primary Security: Hypothecated against respective Vehicle Rate of Interest: Fixed rate of Interest i.e. 7.75%		
17.5	Car Loan from ICICI bank: HONDA CIVIC Primary Security: Hypothecated against respective Vehicle Rate of Interest: Fixed rate of Interest i.e. 8.57%		
17.6	Car Loan from ICICI bank: CELTOS KIA Primary Security: Hypothecated against respective Vehicle Rate of Interest: Fixed rate of Interest i.e. 8.21%		
17.7	Car Loan from ICICI bank: BMW Primary Security: Hypothecated against respective Vehicle Rate of Interest: Fixed rate of Interest i.e. 7.25%		
17.8	Car Loan from ICICI bank: MERCEDES BENZ Primary Security: Hypothecated against respective Vehicle Rate of Interest: Fixed rate of Interest i.e. 7.25%		
17.9	Term Loan from Axis Bank Primary Security: Term Loan from Axis bank is secured by exclusive hypothecation over entire moveable fixed assets of the company. Collateral Security: Equitable Mortgage on Industrial Land and Building situated at Survey No. 189 /I P I /2/3 & 189-2 P 5/6/7 /8 iyava, sanand having 12200 square meter belongs to Mrs. Mita Savla, Mrs. Priti Savla, Mr. Dharen Savla and Rupesh Savla Family Trust. Rate of Interest: Rate of Interest on term loan is REPO + 4.50% i.e. 8.50%		
18 -	DEFERRED TAX LIABILITIES (NET)		
	Opening Balance	3,098.22	10,585.94
	Addition during the year	1,815.29	(7,487.72)
	Closing Balance	<u>4,913.51</u>	<u>3,098.22</u>

On account of Scheme of Arrangement approved by Hon'able NCLT, the Group recognized 'Goodwill' in the books of account. On the said goodwill, the Group was claiming amortisation in the books of account and depreciation in the Tax laws while filling return of income for assessment years up to 2020-21. Now, with the amendment brought in by Finance Bill, 2021 on prospective basis, no depreciation would be allowable on goodwill from 01 April 2020 (assessment year 2021-22 onwards). As per the change, goodwill of a business or profession will not be considered as a depreciable asset and there would not be any depreciation on goodwill of a business or profession in any situation. Accordingly, the Group is required to reverse majority of its deferred tax liability created in earlier years (i.e. demerger effective from 1st April, 2017) and bring its deferred tax provision at par with the requirement of the law.



Sr. Particulars No.	As at 31 st March, 2022 (₹ In Lakhs)	As at 31 st March, 2021 (₹ In Lakhs)
19 - CURRENT FINANCIAL LIABILITIES - BORROWINGS		
Secured		
<i>From banks</i>		
- Cash Credits	538.16	63.68
- Bank Overdraft	676.32	-
Current Maturities of Long Term Debts	<u>832.88</u>	<u>3,177.24</u>
	<u>2,047.36</u>	<u>3,240.92</u>

19.1 Nature of Security for Current Financial Liabilities

Cash Credit Facilities of Axis Bank, State Bank of India and Indusind Bank is secured by hypothecation of inventory and Book Debt and Further secured by Personal Guarantees of Directors and Equitable Mortgage of Immovable property situated at Ahmedabad held in the name of Directors. ROI for cash credit facility from Axis Bank is 7.50% p.a. as at the period end and cash credit facility from Indusind Bank is floating rate of MCLR One year + 0.70%.

19.2 Cash Credit facilities from Axis Bank

Primary Security:

Cash Credit facilities from Axis bank is secured by exclusive hypothecation over entire moveable current assets of the company.

Collateral Security:

Equitable Mortgage on Industrial Land and Building situated at Survey No. 189 /I P I /2/3 & 189-2 P 5/6/7 /8 iyava, sanand having 12200 square meter belongs to Mrs. Mita Savla, Mrs. Priti Savla, Mr. Dharen Savla and Rupesh Savla Family Trust.

Rate of Interest:

Rate of Interest on term loan is REPO + 4.50% i.e. 8.50%

Sr. Particulars No.	As at 31 st March, 2022 (₹ In Lakhs)	As at 31 st March, 2021 (₹ In Lakhs)
------------------------	---	---

20 - TRADE PAYABLES - CURRENT

Total outstanding dues of micro enterprises and small enterprises	424.67	244.79
Total outstanding dues of other than micro enterprises and small enterprises	<u>3,402.40</u>	<u>2,994.50</u>
	<u>3,827.07</u>	<u>3,239.29</u>

Outstanding for following periods from Bill date/ Due date						Total
Not due	Less than 1 year	1-2 years	2-3 years	More than 3 Years		

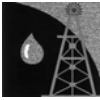
Trade payables ageing schedule as at 31st March, 2022

(i) MSME	128.51	115.49	180.67	-	-	424.67
(ii) Others	-	3,241.13	161.27	-	-	3,402.40
(iii) Disputed Dues-MSME	-	-	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-	-	-
Total	128.51	3,356.62	341.94	-	-	3,827.07

Outstanding for following periods from Bill date/ Due date						Total
Not due	Less than 1 year	1-2 years	2-3 years	More than 3 Years		

Trade payables ageing schedule as at 31st March, 2021

(i) MSME	41.63	203.16	-	-	-	244.79
(ii) Others	101.37	2,887.95	5.18	-	-	2,994.50
(iii) Disputed Dues-MSME	-	-	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-	-	-
Total	143.00	3,091.11	5.18	-	-	3,239.29

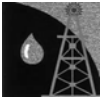


Note :

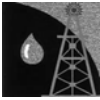
DUES TO MICRO AND SMALL ENTERPRISES

The dues of Micro Enterprises and Small Enterprises as required under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent information available with the Group is given below:

Particulars	As at 31 st March, 2022 (₹ In Lakhs)	As at 31 st March, 2021 (₹ In Lakhs)
(A) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
(i) Principal amount due to micro enterprises and small enterprises	423.97	244.79
(ii) Interest due on above	0.70	-
(B) The amount of interest paid by buyer in terms of section 16 of MSMED Act, 2006 along with the amount of payment made to supplier beyond the appointed day during the year.	-	-
(C) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
(D) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(E) The amount of further interest remaining due and payable even in succeeding years, until such date when interest dues above are actually paid to the small enterprises, for the purpose of disallowance of deductible expenditure under section 23 of MSMED Act, 2006		
21 - OTHER FINANCIAL LIABILITIES - CURRENT		
Unpaid Dividends	1.08	3.56
Salary payable	196.12	146.50
Other Payable	32.03	54.66
Expenses Payable	224.05	66.05
	<u>453.28</u>	<u>270.77</u>
22 - OTHER CURRENT LIABILITIES		
Statutory liabilities	610.19	405.83
Other Tax Liabilities (Net)	8.33	-
Share Capital Payable to Share Holder	-	6.50
Advance from Customer	14.87	-
	<u>633.39</u>	<u>412.33</u>
Sr. Particulars	Year Ended	Year Ended
No.	31st March, 22	31st March, 21
	(₹ In Lakhs)	(₹ In Lakhs)
23 - REVENUE FROM OPERATIONS		
(I) Operating Revenues:		
Sale of Services	26,184.89	17,554.16
Sale of Product	4,975.55	1,696.09
Sale of Spares	918.45	120.30
Other support service incidental to product sales	84.01	-
	<u>32,162.90</u>	<u>19,370.55</u>

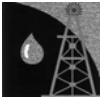


Sr. Particulars No.	Year Ended 31 st March, 22 (₹ In Lakhs)	Year Ended 31 st March, 21 (₹ In Lakhs)
24 - OTHER INCOME		
Interest Income:		
From banks	136.08	262.75
From others	5.23	23.23
Dividend Income	2.24	0.89
Profit on sale of Mutual Fund (Net)	57.85	103.16
Profit on Sale of Equity Shares (Net)	2.40	14.98
Profit on Sale of Equity Future (Net)	7.70	6.24
Profit on Sale of Commodity (Net)	207.00	-
Profit on sale of Commodity - Future (Net)	-	216.29
Profit on sale of Equity Futures-Unrealized (Net)	(0.14)	-
Profit on Sale of Property, Plant & Equipment (Net)	1.23	0.30
Rent Income	3.07	-
Insurance Claim Received	0.16	0.75
Net gain on foreign currency transaction and translation (other than finance cost)	-	22.19
Kasar/Vatav and Discount	-	0.88
Net gain on fair valuation of mutual funds	29.94	0.03
Other Income	10.98	3.43
	<u>463.77</u>	<u>655.13</u>
25 - COST OF MATERIAL CONSUMED, OPERATING EXPENSES & CHANGES IN INVENTORIES		
Consumption of Material, Spares, Oil & Other Operating Expenses	11,213.50	6,210.13
Changes in inventories of Finished Goods, WIP & Stock in Trade	(469.33)	(514.41)
Equipment Running & Maintenance Expenses	4,186.60	1,333.08
	<u>14,930.77</u>	<u>7,028.81</u>
26 - EMPLOYEE BENEFITS EXPENSES		
Salaries, Wages, Bonus and Other Employee Benefits*	2,618.70	2,550.10
Contribution to Provident and Other funds	37.82	33.05
Staff & Labour Welfare expenses	110.42	77.21
	<u>2,766.94</u>	<u>2,660.36</u>
*Including Directors Remuneration and Perquisites.		
27 - FINANCE COSTS		
Interest Costs		
Interest Expenses on Financial Liabilities	270.43	717.42
Other borrowing costs		
Other Interest & Finance Charges	206.42	218.91
	<u>476.85</u>	<u>936.33</u>
28 - DEPRECIATION AND AMORTIZATION EXPENSES		
Depreciation & Amortization of Property, Plant & Equipments (Refer Note No. 4)	2,390.44	2,341.88
Amortization of Other Intangible Assets (Refer Note No. 4)	1.68	6,417.01
	<u>2,392.11</u>	<u>8,758.89</u>



ANNUAL REPORT 2021-22
DEEP INDUSTRIES LIMITED
(Formerly known as Deep CH4 Limited)

Sr. No.	Particulars	Year Ended 31 st March, 22 (₹ In Lakhs)	Year Ended 31 st March, 21 (₹ In Lakhs)
29 -	OTHER EXPENSES		
	Power & Fuel Expenses	31.50	103.21
	Repairs, maintenance and refurbishing		
	- To Buildings	34.78	95.97
	- To Machineries	21.48	30.00
	- To Others	32.34	16.96
	Rent Expenses	268.67	243.44
	Rates and taxes	63.92	44.09
	Insurance & Freight	177.96	132.80
	Job Work & Machining Charges	10.61	2.97
	Communication Expense	16.60	13.99
	Consumption of stores and spare parts	25.87	-
	Legal and professional charges	784.42	282.81
	ROC Filing Fees	0.49	15.05
	Payment to the Auditors		
	- As Statutory Audit fees	5.17	2.99
	- For Taxation Matters	1.35	0.50
	- For Other	0.64	7.62
	Printing & Stationery Expenses	13.43	7.97
	CSR Expense	56.60	21.15
	Donation	-	0.15
	Office Exp	105.07	86.11
	Erection and Commissioning Expense	-	4.23
	Travelling and Conveyance	168.87	291.73
	Testing & Inspection Expenses	3.75	-
	Security Service Charges	50.93	60.74
	Other Maintenance Expense	16.90	-
	Advertisement, publicity and business promotion	32.99	10.26
	Hotel, Loading and Boarding Expense	108.31	81.86
	Loss on Commodity (Net)	151.83	9.88
	Brokerage & Commission Expenses	51.98	3.87
	Bad Debt	623.24	-
	Storage Charges	9.63	-
	Loss on Sale of Commodities and Related Expenses	-	48.60
	Erection and Commission Expense	25.78	-
	Net foreign Exchange Currency Fluctuation Loss	25.15	-
	Miscellaneous Expenses	69.51	26.69
	Kasar Vatav/ Discount	-	1.27
		2,989.77	1,646.91
30 -	OTHER COMPREHENSIVE INCOME		
	Re-measurement of post employment benefit plans	3.39	(1.18)
	Re-measurement gains/ (losses) on fair valuation of financial instruments	1.10	1.63
		4.49	0.45
31 -	EARNINGS PER EQUITY SHARE		
	Net Profit attributable to the Equity Shareholders (₹ in lakhs) (A)	7,212.80	6,476.88
	Weighted average number of Equity Shares outstanding during the period (B)	3,20,00,000	3,20,00,000
	Nominal value of Equity Shares (₹)	10	10
	Basic/Diluted Earnings per Share (₹) (A/B)	22.62	20.25



Sr. Particulars No.	31 st March, 2022	(₹ In Lakhs) 31 st March, 2021
32 - CONTINGENT LIABILITIES AND COMMITMENTS		
CONTINGENT LIABILITIES		
(a) Claims against the Company not acknowledged as debts (Net of Payments)	1,081.38	-
(b) Guarantees given (Net)	4,699.82	3,552.60
COMMITMENTS	-	-

33 - SEGMENT REPORTING

The Group operates mainly in oil and gas exploration, Gas Compressors and all other activities are incidental thereto, which have similar risk and return. Accordingly, there are no separate reportable Segments as required under IND AS 108 “ Operating Segment “

The Revenue from transactions with the single external customer amounting to 10% or more of the Group’s Revenue is :

Name of the customer

	(₹ in lakhs) Amount	% Share to Total Sales
Oil And Natural Gas Corporation	13,701.59	42.60%
Prabha Energy Private Limited	7,164.83	22.28%
	20,866.42	64.88%
Total Annual Sales During the year	32,162.90	100%

34 - DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 19 EMPLOYEE BENEFITS

The Parent Company has classified the various benefits provided to employees as under:-

(a) Defined contribution plans

Provident fund

The Parent Company has recognized the following amounts in the statement of profit and loss:

Employers’ contribution to provident fund :- INR 37.82 Lakhs for year ended 31st March 2022 (year ended 31st March 2021 INR 33.05 Lakhs)

(b) Defined benefit plans

Gratuity

In accordance with Indian Accounting Standard 19, actuarial valuation was done in respect of the aforesaid defined benefit plans based on the following assumptions -

Key Assumptions considered :

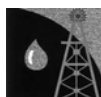
	Gratuity (Funded)	
	31 st March, 2022	31 st March, 2021
Discount rate(per annum)	6.90%	6.50%
Future salary increase	6.00%	6.00%
Retirement age	58 years	58 years
Withdrawal rates		
- Up to 25 years	15.00%	15.00%
- From 26 to 35 years	12.00%	12.00%
- From 35 to 45 years	9.00%	9.00%
- From 45 to 55 years	6.00%	6.00%
- From 55 to 58 years	3.00%	3.00%

Financial Assumptions

The discount rate and salary increases assumed are the key financial assumptions and should be considered together; it is the difference or ‘gap’ between these rates which is more important than the individual rates in isolation.

Discount Rate

The rate used to discount other long term employee benefit obligation (both funded and unfunded) shall be determined by reference to market yield at the Balance Date on high quality corporate bonds. In countries where there is no deep market in such bonds the market yields (at the Balance Sheet Date) on government bonds shall be used. The currency and term of the corporate bond or government bond shall be consistent with currency and estimated term of the post employment benefit obligation.



Salary Escalation Rate

This is Management's estimate of the increases in the salaries of the employees over the long term. Estimated future salary increases should take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

	Gratuity (Funded)	
	As at 31 st March, 2022	As at 31 st March, 2021
(A) Change in present value of the defined benefit obligation during the year		
Present value of obligation as at the beginning of the year	11.71	8.18
Interest Cost	0.71	0.52
Current Service Cost	3.94	3.16
Change in Financial Assumption	(0.37)	0.04
Due to Experience Adjustment	(3.56)	0.63
Benefits Paid	(0.13)	(0.81)
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	-	-
Actuarial (Gain)/Loss on arising from Experience Adjustment	-	-
Past Service Cost	-	-
Present value of obligation as at the end of the year	12.31	11.71
(B) Change in fair value of plan assets during the year		
Fair Value of plan assets at the beginning of the year	-	-
Interest Income	-	-
Contributions by the employer	-	-
Benefits paid	-	-
Return on plan assets	-	-
Fair Value of plan assets at the end of the year	-	-
(C) Net Asset/ (Liability) recorded in the Balance Sheet		
Present value of Funded obligation as at the end of the year	(3.17)	(3.38)
Present value of obligation as at the end of the year	-	-
Net (Asset)/ Liability Current	(3.17)	(3.38)
Net (Asset)/ Liability-Non-Current	0.00	0.00
(D) Expenses recorded in the Statement of Profit & Loss during the year		
Interest Cost	(0.35)	(0.47)
Current Service Cost	3.94	0.52
Total expenses included in employee benefit expenses	3.59	0.05
(E) Recognized in Other Comprehensive Income during the year		
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	(0.37)	0.04
Actuarial (Gain)/Loss on arising from Experience Adjustment	(3.56)	0.63
Return on plan assets	0.54	0.51
Recognized in Other Comprehensive Income	(3.39)	1.18
(F) Maturity profile of defined benefit obligation		
Within 12 months of the reporting period	(3.17)	(3.38)
Between 2 and 5 years	-	-
Between 6 and 10 years	-	-
(G) Investment details of plan assets		
Policy of Insurance	100%	100%

Notes:

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligations has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.



35 - DERIVATIVE INSTRUMENTS

(a) Derivatives outstanding as at balance sheet date

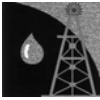
The Parent company has entered into swap deals with HDFC Bank Ltd, IDFC Bank Ltd. And IndusInd Bank for reducing interest cost by moving from INR floating interest rate to LIBOR fixed interest rate with underlying USD revenue contracts. The relevant detail is as under:

PARTICULARS	2021-22 (Rs. In Lakhs)	2020-21 (Rs. In Lakhs)
IndusInd Bank		
Currency Swap - 1	154.84	407.52
Start Date: 1st August, 2019		
End Date: 31st July, 2022		
Underlying USD amount: USD 10,50,467.90		
Fixed rate : 3.07 % p.a		
Currency Swap - 2	154.07	405.49
Start Date: 2nd August, 2019		
End Date: 31st Oct, 2022		
Underlying USD amount: USD 10,45,245.83		
Fixed rate : 3.03 % p.a		
Currency Swap - 3	131.01	344.81
Start Date: 13th September, 2019		
End Date: 31st Oct, 2022		
Underlying USD amount: USD 8,88,814.90		
Fixed rate : 3.07 % p.a		
Currency Swap - 4	128.41	337.96
Start Date: 26th September, 2019		
End Date: 31st Oct, 2022		
Underlying USD amount: USD 8,71,158.73		
Fixed rate : 2.93 % p.a		
Currency Swap - 5	-	478.16
Start Date: 17th January, 2020		
End Date: 30th Sept, 2021		
Underlying USD amount: USD 15,68,220.07		
Fixed rate : 3.95 % p.a		
Currency Swap - 6	-	475.29
Start Date: 30th January, 2020		
End Date: 30th Sept, 2021		
Underlying USD amount: USD 15,58,782.21		
Fixed rate : 3.99 % p.a		
Currency Swap - 7	-	486.96
Start Date: 24th February, 2020		
End Date: 30th Sept, 2021		
Underlying USD amount: USD 15,97,077.09		
Fixed rate : 4.40 % p.a		

Above swap deals have been fair valued and resultant gain / (loss) have been recorded through statement of profit and loss account.

(b) The amount of foreign currency exposures that are not hedged by a derivative instrument or otherwise as at 31st March, 2022 and 31st March, 2021 are as under:

	(Amount in Lacs)			
	As at 31st March, 2022		As at 31st March, 2021	
	Foreign Currency (USD)	Rs	Foreign	Rs Currency (USD)
Receivables				
Trade Receivables	20.29	1,538.49	52.20	3,855.72
Loands & Advances to Creditors				
For Capital Goods	-	-	5.99	437.73
For Spares & Purchase	-	-	3.78	257.50



36 - RELATED PARTY DISCLOSURES AS PER INDIAN ACCOUNTING STANDARD-24

36.1 Name of the Related Parties and Nature of the Related Party Relationship with whom transactions have taken place during the reported period.

1. Enterprises significantly influences by KMP, or Relatives of KMP

Savla Oil & Gas Private Limited
 Rupesh Savla Family Trust

2. Key Management Personnel

KMP of Deep Industries Limited

KMP of Deep Industries Limited	Designation
Mr. Paras Savla	Chairman and Managing Director
Mr. Rupesh Savla	Managing Director
Mr. Dharen Savla	Whole-time Director (Resigned w.e.f from 24.06.2021)
Ms. Renuka Upadhyay	Independent Director (Resigned w.e.f from 11.05.2021)
Dr. Kirit Shelat	Independent Director (w.e.f. 10.11.2020)
Mr. Hemendrakumar Shah	Independent Director (w.e.f. 10.11.2020)
Mr. Rohan Shah	Chief Financial Officer & Whole-time Director (w.e.f. 24.06.2021)
Ms. Roshni Shah	Company Secretary (w.e.f. 01.01.2021)
Mr. Akshit Soni	Company Secretary (Resigned w.e.f from 05.12.2020)
Mrs. Shaily Dedhia	Independent Director (w.e.f. 24.06.2021)

KMP of RAAS Equipement Private Limited

Mr. Rupeshbhai Kantilal Savla	Director (Ceased w.e.f. 22/06/2021)
Mr. Rajesh Siyaram Sharma	Director (w.e.f. 22/06/2021)
Mr. Neel Mukeshbhai Savla	Director (w.e.f. 22/06/2021)
Mr. Shail Manoj Savla	Director (w.e.f. 22/06/2021)
Mr. Shanil Paras Savla	Director (Ceased w.e.f. 22/06/2021)

KMP of Deep Onshore Drilling Services Private Limited

Mr. Rupesh Kantilal Savla	Director (Ceased w.e.f. 22/06/2021)
Mr. Dharen Shantilal Savla	Director (Ceased w.e.f. 22/06/2021)
Mr. Parasbhai Shantilal Savla	Director (Ceased w.e.f. 22/06/2021)
Mr. Neel Mukeshbhai Savla	Director (w.e.f. 22/06/2021)
Mr. Darshan Vilas Bhangale	Director (w.e.f. 22/06/2021)
Mr. Harendra Gyanprakash Mehta	Director (w.e.f. 22/06/2021)

KMP of Deep Onshore Services Private Limited

Mr. Rupesh Kantilal Savla	Director (w.e.f. 23/06/2020)
Mr. Dharen Shantilal Savla	Director (w.e.f. 23/06/2020)
Mr. Parasbhai Shantilal Savla	Director (w.e.f. 23/06/2020)

KMP of Deep International DMCC

Mr. Chris Mcmilan	Vice President
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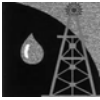
3. Relative of Key Management Personnel

- Mr. Manoj Savla	- Mrs. Avani Savla
- Mrs. Mita Manoj Savla	- Mrs. Priti Paras Savla
- Mr. Shail Manoj Savla	- Mrs. Shital Rupesh Savla
- Mr. Shanil Paras Savla	- Mr. Dharen Shantilal Savla
- Mrs. Stela McMilan	

36.2 Transactions with related parties:

(₹ In Lakhs)

Nature of Transaction	Key Management Personnel and their relatives		Enterprises significantly influences by KMP, or Relatives of KMP		Total	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Remuneration, Salary and Sitting Fees	412.15	339.23	-	-	412.15	339.23
Rent	182.63	161.41	9.19	-	191.82	161.41
Security Deposit Given for rent	3.02	-	3.02	-	6.04	-



36.3 Breakup of compensation to Key Management Personnel & their relatives:

(₹ in lakhs)

Nature of Transaction	Key Management Personnel & their relatives	As at 31 st March, 2022	As at 31 st March, 2021
1. Managerial Remuneration	Mr. Paras Savla	45.81	31.50
	Mr. Rupesh Savla	42.00	31.50
	Mr. Dharen Savla	11.07	31.50
	Mr. Rohan Shah	16.96	14.96
	Mr. Shanil Savla	7.50	-
	Mr. Rajesh Sharma	36.30	-
	Mr. Chris Mcmilan	111.62	109.99
	Mr. Stela McMilan	128.09	92.85
2. Salary	Mrs. Avani D. Shah	4.20	4.20
	Ms. Roshni Shah	5.00	1.25
	Mr. Axit Soni	-	3.42
	Mr. Shail M Savla	-	13.75
	Mr. Shanil P Savla	-	3.50
3. Sitting fees	Dr. Kirit Shelat	1.20	0.20
	Mr. Hemendrakumar Shah	1.20	0.20
	Mrs. Shaily Dedhia	1.00	0.20
	Mrs. Renuka Upadhyay	0.20	0.20
		412.15	339.23

36.4 Disclosures in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year:

Nature of Transaction	Related Party	As at 31 st March, 2022	As at 31 st March, 2021
1. Rent	Mr. Rupesh Savla	42.22	40.21
	Mr. Dharen Savla	28.11	26.77
	Mrs. Mita M. Savla	28.47	27.11
	Mrs. Priti P. Savla	28.47	27.11
	Mrs. Sheetal R. Savla	42.22	40.21
2. Security Deposit Given for rent	Rupesh Savla Family Trust	3.02	-
	Dharen Shantilal Savla	1.01	-
	Mrs. Priti Paras Savla	1.01	-
	Mrs. Mitaben Manoj Savla	1.01	-

Note:

- (i) The above related party transactions have been reviewed periodically by the Board of Directors of the Company vis-à-vis the applicable provisions of the Companies Act, 2013, and justification of the rates being charged/ terms thereof and approved the same.
- (ii) The details of guarantees and collaterals extended by the related parties in respect of borrowings of the Company have been given at the respective notes.

37. FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS

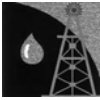
37.1 All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is insignificant to the fair value measurements as a whole.

Level 1 : quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 : valuation techniques for which the lowest level inputs that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3 : valuation techniques for which the lowest level input which has a significant effect on fair value measurement is not based on observable market data.

There have been no transfers between Level 2 and Level 3 during the period.



37.2 The management assessed that fair value of short term financial assets and liabilities significantly approximate their carrying amounts largely due to the short term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amounts at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

37.3 The group determines fair values of financial assets or liabilities by discounting the contractual cash inflows / outflows using prevailing interest rates of financial instruments with similar terms. The initial measurement of financial assets and financial liabilities is at fair value.

37.4 The following methods and assumptions were used to estimate the fair values:

- The fair value of The group's interest bearing borrowings are determined using discount rate that reflects The entity's discount rate at the end of the reporting period. The own non-performance risk as at the reporting period is assessed to be insignificant.
- The fair value of unquoted instruments and other financial assets and liabilities is estimated by discounting future cash flows using rates currently applicable for debt on similar terms, credit risk and remaining maturities.

Particulars	Carrying amount		Fair value		Fair value measurement using
	As At 31 st March, 2022	As At 31 st March, 2021	As At 31 st March, 2022	As At 31 st March, 2021	
Financial Assets					
Non-current					
(i) Investments					
A. Quoted	4.41	3.30	4.41	3.30	Level 1
B. Unquoted	1,690.96	1,583.06	1,690.96	1,583.06	Level 3
(ii) Other Financial Assets	451.52	106.40	451.52	106.40	Level 3
Current					
(i) Investments					
A. Quoted	5,244.16	1,281.30	5,244.16	1,281.30	Level 1
B. Unquoted	400.00	-	400.00	-	Level 3
(ii) Trade Receivables	13,545.76	12,763.10	13,545.76	12,763.10	Level 3
(iii) Cash and Cash Equivalents	1,201.53	1,942.96	1,201.53	1,942.96	Level 3
(iv) Bank balances other than above (iii)	1,999.41	2,612.26	1,999.41	2,612.26	Level 3
(vi) Others	63.84	132.70	63.84	132.70	Level 3
TOTAL	24,601.59	20,425.08	24,601.59	20,425.08	
Financial Liabilities					
Non-current					
(i) Borrowings	1,131.87	848.28	1,131.87	848.28	Level 3
Current					
(i) Borrowings	2,047.36	3,240.92	2,047.36	3,240.92	Level 3
(ii) Trade Payables	3,827.07	3,239.29	3,827.07	3,239.29	Level 3
(iii) Other Financial Liabilities	453.28	270.77	453.28	270.77	Level 3
TOTAL	7,459.58	7,599.26	7,459.58	7,599.26	

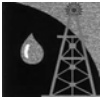
38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The group's Risk Management framework encompasses practices relating to the identification, analysis, evaluation, treatment, mitigation and monitoring of the strategic, external and operational controls risks to achieving the group's business objectives. It seeks to minimize the adverse impact of these risks, thus enabling the group to leverage market opportunities effectively and enhance its long-term competitive advantage. The focus of risk management is to assess risks and deploy mitigation measures.

The group's activities expose it to variety of financial risks namely market risk, credit risk and liquidity risk. The group has various financial assets such as deposits, other receivables and cash and bank balances directly related to the business operations. The group's principal financial liabilities comprise of trade and other payables. The group's senior management's focus is to foresee the unpredictability and minimize potential adverse effects on the group's financial performance. The group's overall risk management procedures to minimize the potential adverse effects of financial market on the group's performance are outlined hereunder:

The group's Board of Directors have overall responsibility for the establishment and oversight of the group's risk management framework.

The group's risk management is carried out by the management in consultation with the Board of Directors. They provide principles for overall risk management, as well as policies covering specific risk areas.



The note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

(A) Credit risk

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the group's receivables from customers and from its financial activities including deposits with banks and other financial instruments.

(i) Cash and cash equivalents:

The group considers factors such as track record, size of institution, market reputation and service standard to select the banks with which deposits are maintained. The group does not maintain significant deposit balances other than those required for its day to day operations. Credit risk on cash and cash equivalents is limited as these are generally held or invested in deposits with banks and financial institutions with good credit ratings.

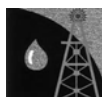
(B) Liquidity Risk

Liquidity risk is the risk that the group will face in meeting its obligations associated with its financial liabilities. The group's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The group's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements. The group relies on a mix of borrowings, capital and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. The group monitors rolling forecasts of its liquidity requirements to ensure that it has sufficient cash to meet operational needs.

The table below provides undiscounted cash flows towards non-derivative financial assets/ (liabilities) into relevant maturity based on the remaining period at the Balance Sheet date to the contractual maturity date and where applicable, their effective interest rates.

Particulars	As At 31 st March, 2022			Total
	Not later than 1 year	Later than 1 and not later than 5 years	Later than 5 years	
Financial assets				
Non-current				
(i) Investments				
A. Quoted	-	4.41	-	4.41
B. Unquoted	-	1690.96	-	1,690.96
(ii) Other Financial Assets	-	451.52	-	451.52
Current				
(i) Investments				
A. Quoted	5,244.16	-	-	5,244.16
B. Unquoted	400.00	-	-	400.00
(ii) Trade Receivables	13,545.76	-	-	13,545.76
(iii) Cash and Cash Equivalents	1,201.53	-	-	1,201.53
(iv) Bank balances other than above (iii)	1,999.41	-	-	1,999.41
(v) Others	63.84	-	-	63.84
TOTAL	22,454.70	2,146.89	-	24,601.59
Financial Liabilities				
Non-current				
(i) Borrowings	-	1,131.87	-	1,131.87
Current				
(i) Borrowings	2,047.36	-	-	2,047.36
(ii) Trade Payables	3,827.07	-	-	3,827.07
(iii) Other Financial Liabilities	453.28	-	-	453.28
TOTAL	6,327.71	1,131.87	-	7,459.58



Particulars	As At 31 st March, 2021			Total
	Not later than 1 year	Later than 1 and not later than 5 years	Later than 5 years	
Financial assets				
Non-current				
(i) Investments				
A. Quoted	-	3.30	-	3.30
B. Unquoted	-	1,583.06	-	1,583.06
(ii) Other Financial Assets	-	106.40	-	106.40
Current				
(i) Investments				
A. Quoted	1,281.30	-	-	1,281.30
B. Unquoted	-	-	-	-
(ii) Trade Receivables	12,763.10	-	-	12,763.10
(iii) Cash and Cash Equivalents	1,942.96	-	-	1,942.96
(iv) Bank balances other than above (iii)	2,612.26	-	-	2,612.26
(v) Others	132.70	-	-	132.70
TOTAL	18,732.32	1,692.77	-	20,425.08
Financial Liabilities				
Non-current				
(i) Borrowings	-	848.28	-	848.28
Current				
(i) Borrowings	3,240.92	-	-	3,240.92
(ii) Trade Payables	3,239.29	-	-	3,239.29
(iii) Other Financial Liabilities	270.77	-	-	270.77
TOTAL	6,750.97	848.28	-	7,599.26

(C) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks : foreign currency risk, interest risk and other price risk such as commodity risk.

(i) Interest rate risk

The group's exposure to the risk of changes in market interest rates relates primarily to debts having floating rate of interest. Its objective in managing its interest rate risk is to ensure that it always maintains sufficient headroom to cover interest payment from anticipated cashflows which are regularly reviewed by the Board.

Particular	Change in Interest rate	Effect on Profit before tax 31 st March, 2022	Effect on Profit before tax 31 st March, 2021
Non-current & Current Borrowings	-0.50%	(15.90)	(20.45)
	0.50%	15.90	20.45

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates and arises where transactions are done in foreign currencies. It arises mainly where receivables and payables exist due to transactions entered in foreign currencies. The group evaluates exchange rate exposure arising from foreign currency transactions and follows approved policy parameters utilizing forward foreign exchange contracts whenever felt necessary. The group does not enter into financial instrument transactions for trading or speculative purpose.

I. Foreign Currency Exposure

Refer Note 35 for foreign currency exposure as at reporting periods respectively.



II. Foreign Currency Sensitivity

1% increase or decrease in foreign exchange rates will have the following impact on the profit before tax

(₹ In lakhs)

Currency	2021-22		2020-21	
	1% Increase	1% Decrease	1% Increase	1% Decrease
USD	15.38	(15.38)	45.51	(45.51)
Total	15.38	(15.38)	45.51	(45.51)

(iii) Commodity Risk:

The group is exposed to the movement in the price of key raw materials and other traded goods in the domestic and international markets. The group has in place policies to manage exposure to fluctuation in prices of key raw materials used in operations. The group enters into contracts for procurement of raw materials and traded goods, most of the transactions are short term fixed price contracts and a few transactions are long term fixed price contracts. Note on Capital Management is missing

D) Capital Management

“The group manages its capital to be able to continue as a going concern while maximising the returns to shareholders through optimisation of the debt and equity balances. For the purpose of calculating gearing ratio, debt is defined as non current and current borrowings (excluding derivatives). Equity includes all capital and reserves of the group attributable to equity holders of the group. The group is not subject to externally imposed capital requirements. The Board reviews the capital structure and cost of capital on an annual basis but has not set specific targets for gearing ratios. The risks associated with each class of capital are also considered as part of the risk reviews presented to the Board of Directors.”

(₹ in lakhs)

Particulars	As at	As at
	31 st March, 2022	31 st March, 2021
Total Debt	3,179.23	4,089.20
Equity	3,200.00	3,200.00
Other Equity	1,09,804.92	1,02,974.38
Capital and total debt	1,16,184.15	1,10,263.58
Gearing ratio	2.74%	3.71%

39 - STRUCK OFF COMPANIES

The Group does not have any transactions with companies struck - off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.

40 - Balances of Other Current Liabilities, Trade Receivables and Trade Payables are subject to confirmation, reconciliation and adjustments if any.

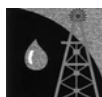
41- In the opinion of the Management, current assets have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated except where indicated otherwise.

42 - Previous period figures have been regrouped, re-classified and re-arranged wherever considered necessary to confirm to the current year's classification.

43 - The MCA wide notification dated March 24, 2021 has amended Schedule III to the Companies Act, 2013 in respect of certain disclosures. The Company has incorporated appropriate changes in the above results.

44. Statement showing shares of entities in Consolidated Network and Consolidated Total Comprehensive Income

Particulars	Country of origin	Proportionate ownership interest	Proportionate ownership interest
		2021-22	2020-21
Subidiaries:			
Raas Equipment Private Limited	India	80%	80%
Deep International DMCC	UAE	100%	100%
Deep Onshore Service Private Limited	India	100%	100%
Deep Onshore Drilling Private Limited	India	74%	74%



ANNUAL REPORT 2021-22
DEEP INDUSTRIES LIMITED
(Formerly known as Deep CH4 Limited)

Name of Entity	Net Assets		Profit and Loss		Other Comprehensive Income		Total Comprehensive Income	
	% in consolidated	Amount	% in consolidated Profit and Loss	Amount	% in consolidated Other Comprehensive Income	Amount	% in consolidated Total Comprehensive Income	Amount
As on 31st March, 2022								
Parent								
Deep Industries Limited	96.59%	1,09,149.49	96.14%	6,934.15	100.00%	4.49	96.14%	6,938.64
Parent Total	96.59%	1,09,149.49	96.14%	6,934.15	100.00%	4.49	96.14%	6,938.64
Subsidiaries								
Raas Equipment Private Limited	0.27%	302.30	1.87%	135.02	0.00%	-	1.87%	135.02
Deep International DMCC	2.41%	2,727.98	3.11%	224.61	0.00%	-	3.11%	224.61
Deep Onshore Service Private Limited	0.00%	0.09	0.00%	-	0.00%	-	0.00%	-
Deep Onshore Drilling Private Limited	0.00%	1.15	0.00%	0.03	0.00%	-	0.00%	0.03
Subsidiaries Total	2.68%	3,031.52	4.99%	359.67	0.00%	-	4.98%	359.67
Non Controlling Interest Total	0.03%	30.74	0.37%	27.01	0.00%	-	0.37%	27.01
Adjustment in Consolidated Accounts	0.70%	793.16	-1.50%	-108.02	0.00%	-	-1.50%	-108.02
Total	100.00%	1,13,004.92	100.00%	7,212.80	100.00%	4.49	100.00%	7,217.29
As on 31st March, 2021								
Parent								
Deep Industries Limited	96.68%	1,02,652.35	97.51%	6,315.83	100.00%	0.45	97.51%	6,316.28
Parent Total	96.68%	1,02,652.35	97.51%	6,315.83	100.00%	0.45	97.51%	6,316.28
Subsidiaries								
Raas Equipment Private Limited	0.16%	167.28	0.27%	17.18	0.00%	-	0.27%	17.18
Deep International DMCC	2.68%	2,844.62	3.78%	244.94	0.00%	-	3.78%	244.94
Deep Onshore Service Private Limited	0.00%	0.09	0.00%	-0.01	0.00%	-	0.00%	-0.01
Deep Onshore Drilling Private Limited	0.00%	1.12	0.00%	0.03	0.00%	-	0.00%	0.03
Subsidiaries Total	2.84%	3,013.11	4.05%	262.13	0.00%	-	4.05%	262.13
Non Controlling Interest Total	0.00%	3.73	0.05%	3.44	0.00%	-	0.05%	3.44
Adjustment in Consolidated Accounts	0.48%	505.19	-1.61%	-104.52	0.00%	-	-1.61%	-104.52
Total	100.00%	1,06,174.38	100.00%	6,476.88	100.00%	0.45	100.00%	6,477.33

As per our report of even date attached
For DHIRUBHAI SHAH & CO LLP
Chartered Accountants
Firm Registration Number: 102511W / W100298

Anik S. Shah
Partner
Membership Number: 140594

Place : Ahmedabad
Date : 07-05-2022

FOR & ON BEHALF OF DEEP INDUSTRIES LTD

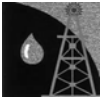
Paras Savla
Chairman & Managing Director
DIN:00145639

Rohan Shah
CFO & Whole time Director (Finance)
DIN : 09154526

Place : Ahmedabad
Date : 07-05-2022

Rupesh Savla
Managing Director
DIN : 00126303

Roshni Shah
Company Secretary
Membership No: A47037



[Pursuant to first proviso to sub section (3) of section 129 read with rule 5 of Companies (accounts) Rules, 2014]
Statement containing the salient features of the financial statements of Subsidiaries/Associates/Joint Ventures
Part A - Subsidiaries

Sr. No.	Name of Subsidiary	The date since when subsidiary was acquired	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	Reporting Currency	Exchange Rate	INR - Lakhs										Extent of shareholding (in percentage)
						Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments other than Investment in subsidiaries	Turnover	Profit/[Loss] before Taxation	Provision for Taxation	Profit/[Loss] after Taxation	Proposed Dividend	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
1	Raas Equipment Private Limited	15/06/2020	March 31, 2022	INR	1	150.10	152.20	2,054.97	1,752.67	0.00	1,910.71	162.57	27.56	135.02	0.00	80.00%
2	Deep International DMCC	20/06/2020	March 31, 2022	USD	75.84	10.33	2,718.86	3,503.60	774.42	0.00	3206.15	223.64	0.00	223.64	0.00	100.00%
3	Deep Onshore Drilling Services Private Limited	20/06/2020	March 31, 2022	INR	1	1.00	0.15	1.37	0.29	-	-	0.03	-	0.03	-	74.00%
4	Deep Onshore Services Private Limited	23/06/2020	March 31, 2022	INR	1	0.10	-0.01	0.14	0.05	0.00	0.00	-0.05	0.00	-0.05	0.00	100.00%

Notes:

The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations - NIL
- Names of subsidiaries which have been liquidated or sold during the year - NIL

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Part B - Associates and Joint Ventures

Not Applicable

As per our report of even date attached

For DHIRUBHAI SHAH & CO LLP

Chartered Accountants

Firm Registration Number: 102511W / W100298

Anik S. Shah

Partner

Membership Number: 140594

Place : Ahmedabad

Date : 07-05-2022

FOR & ON BEHALF OF DEEP INDUSTRIES LTD

Paras Savla

Chairman & Managing Director

DIN:00145639

Rohan Shah

CFO & Whole time Director (Finance)

DIN : 09154526

Place : Ahmedabad

Date : 07-05-2022

Rupesh Savla

Managing Director

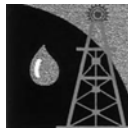
DIN : 00126303

Roshni Shah

Company Secretary

Membership No: A47037

To,



DEEP INDUSTRIES LIMITED
(Formerly known as Deep CH4 Limited)

Registered Office :

Registered Office: 12A &14, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad – 380058

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