

DEEP INDUSTRIES LIMITED

(Formerly known as Deep CH4 Limited)

Oil and Gas Field Services



15th
Annual Report
2020-21



BOARD OF DIRECTORS

Mr. Paras Savla	Chairman & Managing Director (Re-designated w.e.f. September 1, 2020)
Mr. Rupesh Savla	Managing Director (Re-designated w.e.f. September 1, 2020)
Mr. Dharen Savla	Whole – Time Director (Re-designated w.e.f. September 1, 2020 and Resigned w.e.f. June 24, 2021)
Mr. Rohan Shah	Whole – Time Director - Finance (Additional) (Appointed w.e.f. June 24, 2021)
Dr. Kirit Shelat	Independent Director (Appointed w.e.f. November 10, 2020)
Mr. Hemendrakumar Shah	Independent Director (Appointed w.e.f. November 10, 2020)
Mrs. Renuka Upadhyay	Independent Director (Appointed w.e.f. November 10, 2020 and Resigned w.e.f. May 11, 2021)
Mrs. Shaily Dedhia	Independent Director (Additional) (Appointed w.e.f. June 24, 2021)

KEY MANAGERIAL PERSONNEL

Mr. Rohan Shah	Chief Financial Officer (Appointed w.e.f. September 15, 2020)
CS Akshit Soni	Company Secretary (Appointed w.e.f. September 15, 2020 and Resigned w.e.f. December 5, 2020)
CS Roshni Shah	Company Secretary (Appointed w.e.f. January 1, 2021)

BANKERS

IndusInd Bank Ltd.
Axis Bank Ltd.
HDFC 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 15th Annual General Meeting

NOTICE is hereby given that the 15th Annual General Meeting (“AGM”) of the Shareholders of **DEEP INDUSTRIES LIMITED (formerly known as Deep CH4 Limited)** will be held on Thursday, September 16, 2021 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, 2021 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Paras Savla (DIN: 00145639), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. Appointment of Mr. Rohan Shah, CFO (DIN: 09154526) as Whole Time Director (Finance).

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 152, 161 and other applicable provisions (including any modification or re-enactment thereof), if any, of the Companies Act, 2013 (“the Act”), other applicable regulations, if any, of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Articles of Association, Mr. Rohan Shah, Chief Financial Officer (CFO) of the Company (DIN: 09154526) who was appointed as an Additional Director with effect from June 24, 2021 for 5 (five) years and who shall hold office upto the date of the ensuing Annual General Meeting of the Company and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Rohan Shah, as a candidate for the office of Whole Time Director (Finance) of the Company, who is eligible for appointment as Whole Time Director (Finance) of the Company and who has declared that he has not been debarred from holding the office of Whole Time Director (Finance) or continuing as a Whole Time Director (Finance) of Company by SEBI/ MCA or any other authority, whose appointment has been recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, be and is hereby appointed as a Whole Time Director (Finance) of the Company, liable to retire by rotation.”

“**RESOLVED FURTHER 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 the relevant provisions of the Articles of Association of the Company and all applicable guidelines as applicable from time to time, the consent of the members be and is hereby accorded to the appointment of Mr. Rohan Shah, CFO as an Whole Time Director (Finance) of the Company for a period of 5 (Five) years effective from June 24, 2021, on terms and conditions including remuneration 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, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

I. Salary: upto Rs. 2,00,000 per month

II. 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 travelling, 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) He shall be free to resign his office by giving proper notice in writing to the Company.
- (a) The term of office of Mr. Rohan Shah as Whole Time Director (Finance) 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 Schedule V of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof, for the time being in force) or such other limits as may be prescribed by the Government from time to time as minimum remuneration.”

“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 Company Secretary, to give effect to the aforesaid resolution.”

4. Appointment of Mrs. Shaily Dedhia (DIN: 08853685) as an Independent Director.

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

“RESOLVED THAT pursuant to the provisions of Section 149, 152, 161 and other applicable provisions (including any modification or re-enactment thereof), if any, of the Companies Act, 2013 (“the Act”), the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV of the Act (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for time being in force), the relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (“SEBI Listing Regulations”), Mrs. Shaily Dedhia (DIN: 08853685), who was appointed as an Additional Director with effect from June 24, 2021 for 5 (five) years and who shall hold office upto the date of the ensuing Annual General Meeting of the Company, who has submitted a declaration that she meets the criteria for independence as provided in 149(6) of the Act and 16(1)(b) of SEBI Listing Regulations and also declared that she has not been debarred from holding the office of director or continuing as a Director of Company by SEBI/ MCA or any other authority and in respect of whom the Company has received a notice in writing from a member under Section 160(1) of the Act, signifying her intention to propose Mrs. Shaily Dedhia as a candidate for the office of a Director of the Company, whose appointment has been recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a first term of 5 (five) consecutive years with effect from June 24, 2021.”

“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.”

5. To approve Loans, Investments, Guarantee or Security under Section 185 of Companies Act, 2013.

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 185 and all other applicable provisions (including any modification or re-enactment thereof), if any, of the Companies Act, 2013 (“the Act”), read with applicable rules and regulations made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Companies (Amendment) Act, 2017, the consent of the member be and is hereby accorded to authorize the Board of Directors of the Company (hereinafter referred to as the Board, which term shall be deemed to include, unless the context otherwise required, any committee of the Board or any director or officer(s) authorised by the Board to exercise the powers conferred on the Board under this resolution) to advance any loan including any loan represented by a book debt, or give any guarantee or provide any security in connection with any loan taken by any entity which is a subsidiary or associate or joint venture of the Company, and entities which are controlled by directors of Company, being entities covered under the category of ‘a person in whom any of the Director of the Company is interested’ as specified in the explanation to subsection 2 of the said Section, upto an aggregate sum of ` 100 Crores (Rupees One Hundred Crores Only) in their absolute discretion deem beneficial and in the interest of the Company, provided that such loans are utilized by the borrowing company for its principal business activities.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board of Directors of the Company be and is hereby authorized, to approve, decide, vary or modify the terms and conditions applicable for the aforesaid loan, Investment, Corporate Guarantee and to do all such acts, deeds, matters and things as they may, in their absolute discretion deem necessary, desirable or expedient and things in connection therewith and incidental thereto as the Board in its absolute discretion deem fit without being required to seek any further consent or approval of the members or otherwise to the end and intent that they 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.”

6. 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.

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 42, 62 and all other applicable provisions, if any, 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, Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the “SEBI ICDR Regulations”), the provisions of the Foreign Exchange Management Act, 1999, (“FEMA”) and rules and regulations framed there under as amended from time to time and subject to other applicable rules, regulations and guidelines issued by the Securities and Exchange Board of India (“SEBI”), the Reserve Bank of India (“RBI”), the Government of India (“GOI”), the Stock Exchanges 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, SEBI, Stock Exchanges, RBI, 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 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 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 if any issue of Securities is made by way of a QIP in terms of Chapter VIII of the SEBI ICDR Regulations (hereinafter referred to as “Eligible Securities” within the meaning of the SEBI ICDR Regulations), the allotment of the Eligible Securities, or any combination of Eligible Securities as may be decided by the Board shall be completed within twelve months from the date of this resolution or such other time as may be allowed under the SEBI ICDR Regulations from time to time.”



“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 in the event of the issue of Securities as aforesaid by way of Preferential Issue in terms of Chapter VII of SEBI (ICDR) Regulations, as amended from time to time and the relevant provisions/ rules of/ under Companies Act, 2013:

- a) The relevant date for the purpose of determining the pricing of the Securities would, pursuant to Chapter VII of the SEBI (ICDR) Regulations, and/ or other applicable regulations, be, in case of issue of equity shares, the date thirty days prior to the date on which the meeting of shareholders is held to consider the proposed preferential issue, or in case of preferential issue of convertible securities, either the relevant date referred to above or a date thirty days prior to the date on which the holders of the convertible securities become entitled to apply for the equity shares;
- b) The tenure and pricing shall be determined in compliance with principles and provisions set out in the regulations 75 and 76 (including 76A and 76B), respectively, of Chapter VII of the SEBI (ICDR) Regulations, as amended from time to time;
- c) The Securities so issued would be locked-in as set out in regulation 78 of Chapter VII of the SEBI (ICDR) Regulations, as amended from time to time;
- d) The allotment of the Securities so issued shall be completed within a period of 15 days from the passing of the shareholders’ resolution or from the date of receipt of any approval or permission by any regulatory authority.

“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 Board of Directors
For, Deep Industries Limited
(Formerly known as Deep CH4 Limited)
Roshni Shah
Company Secretary
Membership No. A47037

Date : August 12, 2021
Place : Ahmedabad

Registered Office:
Deep Industries Limited
(Formerly known as Deep CH4 Limited)
12A & 14, Abhishree Corporate Park,
Ambli- Bopal Road, Ambli, Ahmedabad – 380058

NOTES:

1. In view of the continuing outbreak of the COVID-19 pandemic, the 15th AGM will be held on Thursday, September 16, 2021 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 (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 and circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 (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 15th 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. 3 to 6 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 Directors of the Company seeking their appointment or 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 Friday, September 10, 2021 to Thursday, September 16, 2021.
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. In compliance with the aforesaid MCA Circulars and SEBI Circulars, 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. Members may note that the Notice and Annual Report 2020-21 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.
12. Nomination Facility: As per the provisions of Section 72 of the Act and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, as amended, Members holding shares in dematerialized form, the Nomination Form may be filed with the respective Depository Participant.
13. 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.
14. Shareholders attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
15. 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.
16. Shareholders requested to intimate queries, if any, to the Company at least 10 days before the date of the meeting to enable the management to keep the required information available at the meeting.
17. **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. September 9, 2021, 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. September 9, 2021, 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 Monday, September 13, 2021 at 9:00 a.m. and will end on Wednesday, September 15, 2021 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, 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 Ms. Shilpi Thapar, Practising Company Secretary (Membership No. FCS - 5492 and CP No. 6779), 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.

- 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	<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. 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	<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.nsd.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.nsd.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.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@cdsliindia.com or contact at 022- 23058738 and 22-23058542-43.
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

18. LOGIN METHOD FOR E-VOTING AND JOINING VIRTUAL MEETING FOR SHAREHOLDERS OTHER THAN INDIVIDUAL SHAREHOLDERS HOLDING IN DEMAT FORM & PHYSICAL SHAREHOLDERS:

- 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. **Facility for Non – Individual Shareholders and Custodians – Remote Voting**
 - 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 should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - 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 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.
- 19. 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 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.
 - 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 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 AGM.



- j. If any Votes are cast by the shareholders through the e-voting available during the 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.

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

- 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.
- For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP).
- 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 022- 23058738 and 022-23058542/43.

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 on 022-23058542/43.

21. GENERAL INSTRUCTION AND INFORMATION FOR MEMBERS:

- The Company has appointed Ms. Shilpi Thapar, Proprietor of M/s Shilpi Thapar & Associates, Practising Company Secretaries, Ahmedabad as the Scrutinizer to scrutinize the remote e-voting & e-voting process in a fair and transparent manner.
- The Scrutinizer shall, immediately after the conclusion of voting at the 15th 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.
- 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 Exchange i.e. BSE Limited and National Stock Exchange of India Limited where the equity shares of the Company are listed.
- Since the 15th 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 – (ABC-1), Beside Gala Business Centre, Near St. Xavier's College Corner, Off C. G. Road, Navarangpura, 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	: Ms. Shilpi Thapar, Proprietor of M/s Shilpi Thapar & Associates, Practising Company Secretaries Email Id: csshilpithapar@gmail.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:

SPECIAL BUSINESS:

Item No.3

The Board of Director, on the recommendation of the Nomination and Remuneration Committee in its meeting held on June 24, 2021, appointed Mr. Rohan Shah, CFO (DIN: 09154526) as Additional Director and also designated him as Whole Time Director (Finance) of the Company for the period of five (5) years effective from June 24, 2021 to June 23, 2026, at the remuneration, in accordance with norms laid down in section 196, 197 and other applicable provisions of the Companies Act, 2013 and the rules made there under Schedule V of Companies act, 2013 and terms & Conditions have been set out in the resolution.

Brief resume of Mr. Rohan Shah is provided in the annexure to the Notice.

The Board of Directors recommends the resolution as set out in Item No. 3 of the accompanying notice for the approval of the Shareholders of the Company as a Special Resolution.

Except Mr. Rohan Shah and his relatives, 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. 4

The Board of Director, on the recommendation of the Nomination and Remuneration Committee in its meeting held on June 24, 2021, appointed Mrs. Shaily Dedhia (DIN: 08853685) as Additional Director (Non-Executive Independent Director) of the Company for the first period of five (5) years effective from June 24, 2021 to June 23, 2026.

Brief resume of Mrs. Shaily Dedhia is provided in the annexure to the Notice.

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.

Except Mrs. Shaily Dedhia and her relatives, 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.5

The Company is expected to render support for the business requirements of other companies in the group, from time to time. However, owing to certain restrictive provisions contained in the Section 185 of the Companies Act, 2013, the Company was unable to extend financial assistance by way of loan, guarantee or security to other entities in the Deep Group. In the light of amendments notified effective May 7, 2018, inter-alia replacing the provisions Section 185 of Companies Act, 2013, the Company with the approval of members by way of passing special resolution, would be in a position to provide financial assistance by way of loan to other entities in the group or give guarantee or provide security in respect of loans taken by such entities, for their principal business activities.

Hence, in order to enable the Company to advance loan to Subsidiaries/ Joint Ventures /Associates/ other Companies/ Firms in which Directors are interested directly or indirectly under section 185 of the Companies Act, 2013 requires approval of members by way of passing Special Resolution.

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 a Special 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

This special resolution contained in the Notice under Item No. 6 relates to a resolution by the Company enabling the Board 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"), including by way of a qualified institutions placement in accordance with Chapter VIII of the SEBI ICDR Regulations, 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. The special resolution also seeks to empower the Board to issue Eligible Securities by way of QIP to QIBs in accordance with Chapter VIII of the SEBI ICDR Regulations. The pricing of the Eligible Securities that may be issued to QIBs pursuant to SEBI ICDR Regulations shall be freely determined subject to such price not being less than the floor price calculated in accordance with Chapter VIII of the SEBI ICDR Regulations ("QIP Floor Price"). Further, the Board may also offer a discount of not more than 5% or such other percentage as permitted on the QIP Floor Price calculated in accordance with the pricing formula provided under SEBI ICDR Regulations. The "Relevant Date" for this purpose will be the date when the Board (including Committee thereof) decides to open the QIP for subscription. 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. 6 of the accompanying notice for the approval of the Shareholders of the Company as a Special 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.



ANNEXURE TO THE NOTICE

Details of Directors seeking Appointment/Re-appointment at the 15th 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. Rohan Shah	Mrs. Shaily Dedhia
DIN	00145639	09154526	08853685
Date of Birth	August 25, 1971	August 28, 1979	December 12, 1983
Age in years	50 Years	42 Years	38 Years
Date of Appointment	November 15, 2006	June 24, 2021	June 24, 2021
Qualifications	He is a Commerce Graduate from Gujarat University, Ahmedabad.	He is a professionally qualified Chartered Accountant from the Institute of Chartered Accountants of India.	She is qualified Company Secretary and holds Bachelor degree in Commerce & Law and Master degree in commerce with management from Mumbai University.
Experience & Expertise	He has been successful in transforming Deep Industries from a transportation service provider to a full-fledged energy infrastructure equipment solutions provider. Being a founder and a promoter, he holds more than 30 years of experience in the industry.	He holds more than 15 years of professional experience in the field of Finance, Accounts, Audit and Statutory Compliances.	She holds vast experience of more than 11 years in legal, secretarial and other ancillary matters.
Brief Resume	Please refer Company's website: www.deepindustries.com for detailed profile.		
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 who was appointed as a Managing Director and is liable to retire by rotation	As per the resolution at Item No. 3 of the Notice convening this Meeting read with explanatory statement thereto, He is proposed to be appointed as Whole Time Director (Finance) for a term of Five (5) years commencing from June 24, 2021.	As per the resolution at Item No. 4 of the Notice convening this Meeting read with explanatory statement thereto, She is proposed to be appointed as Independent Director for a first term of Five (5) years commencing from June 24, 2021.
Remuneration last drawn by such person, if any	₹ 31.50 Lakhs	₹ 14.96 Lakhs as Chief Financial Officer (CFO) of the Company	Not Applicable
Shareholding in the Company as on March 31, 2021	100 Shares	Nil	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	None	He is Chief Financial Officer (CFO) of the Company	None
Number of Meetings of the Board attended during the year.	9 Meetings	5 Meetings as Chief Financial Officer (CFO) of the Company	Not Applicable
Directorship in other Companies	1. Deep Onshore Services Private Limited 2. Savla Oil And Gas Private Limited 3. Deep Methane Private Limited	-	1. Deep Energy Resources Limited (DERL) 2. Vadilal Industries Limited (VIL)
Chairman/ Member of the Committees of Board of other Companies	-	-	DERL: Nomination & Remuneration Committee - Member Corporate Social Responsibility Committee - Member VIL : Nomination & Remuneration Committee - Member Audit Committee - Member
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.	She 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.



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 15th Annual Report of the Company along with the Audited Financial Statements for the financial year ended on March 31, 2021.

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, 2021, is summarised below:

Particulars	Standalone		Consolidated	
	2020-21	2019-20	2020-21	2019-20
Revenue from Operations	17845.14	25113.85	19370.55	26184.71
Other Income	673.03	300.45	655.13	301.64
Total Revenue	18518.17	25414.29	20025.68	26486.35
Total Expenses	19691.85	23972.42	21031.31	23671.59
Profit/(Loss) Before Tax	(1173.68)	1441.87	(1005.62)	2814.77
Less: Tax Expenses	(7489.51)	(295.37)	(7485.95)	(295.37)
Profit/(Loss) for the Year	6315.83	1737.24	6480.32	3110.14
Other Comprehensive Income/ (Loss) for the year	0.45	(1.14)	0.45	(1.14)
Total Comprehensive Income/ (Loss) for the year	6316.28	1736.10	6480.78	3109.00
Earning per Equity Share (Basic and Diluted)	19.74	5.43	20.25	9.72

OPERATIONS

Performance of Company:

During the year under review, the Company's Standalone revenues from operations was decreased to ` 17845.14 Lakhs as compared to ` 25113.85 Lakhs in the previous year, while Consolidated revenues from operations was decreased to ` 19370.55 Lakhs as compared to ` 26184.71 Lakhs in the previous year, due to the financial year 2020-21 was extra ordinary year in the sense that COVID-19 had an unimaginable and immediate impact across the globe, affecting almost all the industries, geographies and ultimately the businesses – especially the business and operational processes went through paradigm shift. The phenomena was global as well as local. For us, in particular for Q1 – FY 2020-21 and for initial portion of Q2 – FY 2020-21, we witnessed labor and mobility issues for our ongoing projects. These were largely in terms of unavailability of labor in the wake of stringent lock down as well as training them to adapt to newer operational processes which were compliant with COVID-19 guidelines.

The Company's Standalone net profit was increased to ` 6315.83 Lakhs as compared to ` 1737.24 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, 2021, Deep Industries Limited (Formerly known as Deep CH4 Limited) has four (4) Subsidiaries Companies out of which three Companies i.e. Deep Onshore Drilling Services Private Limited, Deep Onshore Service Private Limited and Raas Equipment Private Limited, are registered in India, and Deep International DMCC, is registered in Dubai.

- Deep International DMCC, Subsidiary Company in which the Company holds 100% Equity Share Capital and during the year, Deep International DMCC has made Profit of ` 147.29 Lakhs.
- Raas Equipment Private Limited, Subsidiary Company in which the Company holds 80% Equity Share Capital and during the year, Raas Equipment Private Limited has Profit of ` 17.18 lakhs.



- c. Deep Onshore Service Private Limited, Subsidiary Company in which the Company holds 100% Equity Share Capital and during the year, Deep Onshore Service Private Limited has Profit of ₹ -0.01 Lakhs.
- d. Deep Onshore Drilling 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 ₹ 0.02 Lakhs.

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

DIVIDEND

Your Directors have not recommended any dividend on Equity Shares for the year under review.

RESERVES

The Board has not transferred the amount to General Reserves for the financial year 2020-21 and an amount of ₹ 6616.13 Lakhs is retained as surplus in the Statement of profit and Loss of Standalone financials.

SCHEME OF ARRANGEMENT

The Scheme of Arrangements in the nature of Demerger of Oil and Gas Services undertaking of Deep Energy Resources Limited (Formerly known as Deep Industries Limited) ('Demerged Company') into Deep Industries Limited (Formerly known as Deep CH4 Limited) ('Resulting Company') under Section 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 ("Scheme") was sanctioned by Hon'ble National Company Law Tribunal ("NCLT"), Ahmedabad Bench vide its order dated March 17, 2020 with an appointment date April 1, 2017.

The effective date of the Scheme on and from June 20, 2020 upon the filing of Certified Copy of the Order with the Registrar of Companies, Gujarat.

CHANGE OF NAME OF THE COMPANY

The Company's name has been changed from 'Deep CH4 Limited' to 'Deep Industries Limited' with effect from September 25, 2020 with reference to the Clause 11.4 of the Scheme of Arrangement in the nature of Demerger.

SHARE CAPITAL

Pursuant to Scheme of Arrangement in the nature of Demerger, the Authorised Share Capital of the Company has increased from ₹ 6.6 lakhs to ₹ 3206.60 lakhs. Further, the Company had issued and allotted shares on November 12, 2020 to Shareholders of Demerged Company whose names appeared in the beneficiary's holding position statement furnished by National Securities Depositories Limited and Central Securities Depositories Limited as on November 11, 2020 i.e. 'Record Date' in the exchange ratio of 1:1 as per Scheme. On the account of scheme and allotment, the Paid up Share Capital of the Company has increased from ₹ 6.6 lakhs to ₹ 3200.00 lakhs.

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.

LISTING OF EQUITY SHARES

Your Directors are pleased to inform that, subsequent to the year under review; the Company got listed and commenced trading on the BSE Limited (Scrip Code: 543288) and the National Stock Exchange of India Limited (Symbol: DEEPINDS) on April 27, 2021. Pursuant to listing of equity shares on stock exchanges, your Company enjoys the benefit of enhanced brand name and creation of public market for the equity shares of the Company.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANY

During the year under review, Deep Onshore Service Private Limited and Raas Equipment Private Limited which became Subsidiaries of the Company by subscribing the Memorandum of Association. Further, pursuant to Scheme of Arrangement in the nature of Demerger, Deep Onshore Drilling Services Private Limited and Deep International DMCC became Subsidiaries of the Company. Except this, there are no Company which has become or ceased to be Company's Subsidiaries, Joint Venture and Associate Company.

As on March 31, 2021, your Company has four (4) Subsidiaries. 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

Pursuant to Scheme of Arrangement in the nature of Demerger, the business of Oil and Gas field Services has been parked into the Resulting Company i.e. Deep Industries Limited (Formerly known as Deep CH4 Limited) and as result the Company is operating in business of Oil and Gas Field Services, 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, provided guarantee and made an investment under the provisions of section 186 of the Companies Act, 2013. The Company has not given any loan. The said details of 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, 2021 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, Nine (9) meetings of the Board of Directors were held, as required under the Companies Act, 2013. 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:

- a. The Board of Directors, with the approval of the members of the Company in members' meeting held on September 15, 2020, has re-designated Mr. Paras Savla as Chairman and Managing Director, Mr. Rupesh Savla as Managing Director and Mr. Dharen Savla as Whole Time Director with effect from September 1, 2020 for a period of Five (5) years, with terms and conditions including remuneration.
- b. The Board of Directors has appointed CA Rohan Shah as Chief Financial Officer (CFO) and CS Akshit Soni as a Company Secretary designated as Key Managerial Personnel and Compliance Officer with effect from September 15, 2020.
- c. The Board of Directors, with the approval of the members of the Company in members' meeting held on November 11, 2020, has appointed Dr. Kirit Shelat, Mr. Hemendrakumar Shah and Mrs. Renuka Upadhyay with effect from November 10, 2020 for a first term of five (5) consecutive years commencing from November 10, 2020 to November 9, 2025 in the Board meeting held on November 10, 2020.
- d. The Board of Directors, on recommendation of the Nomination and Remuneration Committee, has appointed CS Roshni Shah as a Company Secretary designated as Key Managerial Personnel and Compliance Officer of the Company with effect from January 1, 2021 at the meeting of Board of Directors of the Company held on January 1, 2021.
- e. Mr. Rohan Shah, CFO: The Board of Directors on recommendation of the Nomination and Remuneration Committee appointed Mr. Rohan Shah, CFO as an Additional Director designated as Whole Time Director (Finance) with effect from June 24, 2021 for a period of Five (5) years, with terms and conditions including remuneration. In terms of Section 161 of



the Act, he holds office up to the date of this Annual General Meeting. Accordingly, the Board recommends the resolution in relation to the appointment of Mr. Rohan Shah as a Whole Time Director (Finance) for the approval of the Shareholders of the Company.

- f. Mrs. Shaily Dedhia: The Board of Directors on recommendation of the Nomination and Remuneration Committee appointed Mrs. Shaily Dedhia as an Additional Director designated as Non – Executive Independent Director with effect from June 24, 2021 for a period of Five (5) years. In terms of Section 161 of the Act, she holds office up to the date of this Annual General Meeting. Accordingly, the Board recommends the resolution in relation to the appointment of Mrs. Shaily Dedhia as an Independent Director, for a first term of five (5) consecutive years commencing from June 24, 2021 to June 23, 2026 for the approval of the Shareholders of the Company.

The Company has received requisite Notices from Members under Section 160 of the Companies Act, 2013 in respect of aforesaid matters as stated at Sr. No (e) and (f), proposing their candidature for the office of Director. The resolutions for appointment of aforementioned Directors along with their brief profile forms part of the Notice of the 15th Annual General Meeting.

Retirement by Rotation:

In accordance with the Articles of Association and the relevant provisions of the Companies Act, 2013, Mr. Paras 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:

- a. CS Akshit Soni has resigned from the post of Company Secretary and Compliance Officer of the Company with effect from close of business hours of December 5, 2020.
- b. Mrs. Renuka Upadhyay has resigned from the post of Non-Executive Independent Director of the Company with effect from May 11, 2021.
- c. 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, 2021, 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, 2021;
- 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, 2021 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 in its meeting held on November 10, 2020 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), 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 same 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.



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, subject to ratification of their appointment by the Shareholders at every Annual General Meeting. The Ministry of Corporate Affairs vide its Notification dated May 7, 2018, had dispensed with the requirement of ratification of appointment of Statutory Auditors by the Shareholders at every Annual General Meeting. Hence, the resolution relating to ratification of appointment of Statutory Auditors is not included in the Notice of the ensuing Annual General Meeting.

The Statutory Auditors have given a confirmation to the effect that they are eligible to continue with their appointment and have not been disqualified in any manner from continuing as Statutory Auditor. The remuneration payable to the Statutory Auditor shall be determined by the Board of Directors based on the recommendation of the Audit Committee.

The Auditors' Report for financial year 2020-21 forms part of this Annual Report and do not contain any qualification, reservation or adverse remark or disclaimer.

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 November 10, 2020, to conduct Secretarial Audit for the financial year 2020-21. The Secretarial Audit Report for the financial year ended March 31, 2021 is annexed herewith as **Annexure – B**, which forms part of this report.

The Secretarial Audit Report for the year ended on March 31, 2021 does not contain any qualifications, reservations or adverse remarks which requires the clarification of the Management of the Company.

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. R.R. Khandol & Co, (FRN: 0112488W), Chartered Accountant in the Board of Directors' meeting held on November 10, 2020, to conduct Internal Audit for the financial year 2020-21.

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 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, 2021 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

- a. There was no application made or proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year.
- b. 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 place 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

Paras Savla
Chairman & Managing Director
DIN:00145639

Date : August 12, 2021
Place : Ahmedabad



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)	4	4
2.	Mr. Rupesh Savla	Member (Managing Director)	4	4
3.	Mrs. Renuka Upadhyay [^]	Member (Independent Director)	4	0
4.	Mrs. Shaily Dedhia ^{&}	Member (Independent Director)	Not Applicable	Not Applicable

[^] Resigned as member of CSR w.e.f. 11.05.2021.

[&] 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 : <http://www.deepindustries.com/docs/Report-on-CSR-for-FY-2020-21.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. – ` 1057.35 Lakhs

- 7. a. Two percent of Average Net Profit of the Company as per section 135(5). – ` 21.15 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). – ` 21.15 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
` 21.15 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). – ₹ 21.15 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)	₹ 21.15 Lakhs
ii.	Total amount spent for the Financial Year	₹ 21.15 Lakhs
iii.	Excess amount spent for the financial year [(ii)-(i)]	Nil
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 12, 2021
Place : Ahmedabad



ANNEXURE-B
Form No. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year Ended March 31, 2021

[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.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good Corporate Governance practices by **Deep Industries Limited (Formerly known as "Deep CH4 Limited")** (hereinafter called the 'Company'), **CIN No- L14292GJ2006PLC049371**. 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, 2021 (hereinafter referred to as 'Audit Period'), generally complied with the statutory provisions listed hereunder and also the Company has proper board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

- 1) 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, 2021, 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-**Not Applicable during the year under review**;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
 - (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') **were not applicable during the year under review 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 as amended from time to time;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (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; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - (i) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.
 - (v) 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. July 1, 2015 amended from time to time and



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, if any, of the above mentioned Acts including the applicable provisions of the Companies Act, 2013 and Rules, Regulations, Guidelines, Standards, etc mentioned above except to the extent mentioned below:-

- 1) Few compliance related e-forms were filed by the company with Ministry of Corporate Affairs (MCA) beyond the time limit prescribed under Companies Act, 2013 with/without paying additional fees.
- 2) Few compliances related e-forms were filed beyond prescribed time limit for which additional fees was not levied since the same were filed under Companies Fresh Start Scheme, 2020. However, the Company has duly filed Form CFSS and Certificate for grant of immunity from prosecution or imposition of penalty under Companies Fresh Start Scheme (CFSS), 2020 was also received from Registrar of companies, Ahmedabad.

We further report that the compliance of applicable General Laws, 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 required no's of Executive Directors, Non- Executive Directors and Independent Directors. The changes in the composition of the board of directors that took place during the period under review were carried in compliance with provisions of the Act.
- b) Adequate notice is given to all directors to schedule the Board Meetings, agendas 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 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.
- 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 reasonable 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 received from various statutory/regulatory authorities including initiating actions for corrective measures, wherever found necessary.

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

- (i) The Scheme of Arrangement in the nature of Demerger of Oil and Gas Services undertaking of Deep Energy Resources Limited (Formerly known as Deep Industries Limited) ('Demerged Company') into Deep Industries Limited (Formerly known as Deep CH4 Limited) ('Resulting Company') under Section 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 ("Scheme") was sanctioned by Hon'ble National Company Law Tribunal ("NCLT"), Ahmedabad Bench vide its order dated March 17, 2020. The said Scheme came into effect from June 20, 2020 upon the filing of Certified Copy of the Order with the Registrar of Companies, Gujarat in Form INC-28.
- (ii) Certificate of Incorporation pursuant to change of name from "Deep CH4 Limited" to "Deep Industries Limited" pursuant to the Scheme of Arrangements in the nature of Demerger was received from Registrar of Companies, Gujarat on September 25, 2020.
- (iii) Pursuant to the Scheme of Arrangement among Deep Industries Limited (Demerged Company)(name changed to Deep Energy Resources Ltd) 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, upon the coming into effect the said scheme and in consideration of the transfer and vesting of the Oil and Gas services undertaking into Resulting Company i.e. Deep Industries Limited(Formerly known as "Deep CH4 Limited"). 3,20,00,000 equity shares of the Resulting Company i.e. Deep Industries Limited(Formerly known as "Deep CH4 Limited") was allotted to shareholders of demerged company for which the listing and trading approval was received from NSE and BSE dated April 23, 2021 and April 22, 2021 respectively and the Company has been listed on April 27, 2021.

For Shilpi Thapar & Associates
Practicing Company Secretaries

CS Shilpi Thapar
Membership No. : 5492
COP No. : 6779
UDIN:F005492C000775371

Date : August 12, 2021
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
Practicing Company Secretaries

Date : 12 August, 2021
Place : Ahmedabad

CS Shilpi Thapar
Membership No. : 5492
COP No. : 6779
UDIN:F005492C000775371



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 2020-21.

Sr. No	Name of the Director	Designation	Ratio of remuneration of each Director to median remuneration of employees	% increase in Remuneration in the FY2020-21
1.	Mr. Paras Savla [§]	Chairman & Managing Director	12.20	-
2.	Mr. Rupesh Savla [§]	Managing Director	12.20	-
3.	Mr. Dharen Savla [#]	Whole Time Director	12.20	-
4.	Dr. Kirit Shelat [*]	Non-Executive Independent Director	-	-
5.	Mr. Hemendrakumar Shah [*]	Non-Executive Independent Director	-	-
6.	Mrs. Renuka Upadhyay [^]	Non-Executive Independent Director	-	-
7.	Mr. Rohan Shah	Chief Financial Officer	Not Applicable	-11.79%
8.	Mr. Akshit Soni [@]	Company Secretary	Not Applicable	-4.54%
9.	Ms. Roshni Shah [@]	Company Secretary	Not Applicable	-

§ Re-designated - Mr. Paras Savla as Chairman and Managing Director and Mr. Rupesh Savla as Managing Director w.e.f. 01.09.2020.

* Appointed as Non-Executive Independent Director w.e.f. 10.11.2020.

^ Appointed as Non-Executive Independent Director w.e.f. 10.11.2020 and resigned w.e.f. 11.05.2021.

Re-designated as Whole Time Director w.e.f. 01.09.2020 and resigned as Whole Time Director w.e.f. 24.06.2021.

@ Mr. Akshit Soni - Resigned as Company Secretary w.e.f. 05.12.2020 and Ms. Roshni Shah - Appointed as Company Secretary w.e.f. 01.01.2021.

Notes:

- a. The remuneration of Non-Executive Independent Directors includes only sitting fees paid to them for the financial year 2020-21.
 - b. Median remuneration of the Company for all the employees is ` 2,58,228/- for the financial year 2020-21.
- (ii) The percentage increase in the median remuneration of employees in the financial year 2020-21: 2.47%.
- (iii) The number of permanent employees on the rolls of the Company: 457 as on March 31, 2021.
- (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 decrease in the salaries of the employees, other than managerial personnel was 12.06%, 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 12, 2021
Place : Ahmedabad

Paras Savla
Chairman & Managing Director
DIN: 00145639



ANNEXURE - D

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS 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, 2021 is given here below and forms part of the Board's Report.

A. CONSERVATION OF ENERGY:

- (i) Steps taken for 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	2020-21	2019-20
Foreign exchange earnings in terms of actual inflows	6933.39	5428.38
Foreign exchange outgo in terms of actual outflows	1252.86	3790.96

For and on behalf of the Board

Date : August 12, 2021
Place : Ahmedabad

Paras Savla
Chairman & Managing Director
DIN:00145639



ANNEXURE – E MANAGEMENT DISCUSSION AND ANALYSIS

Industry structure and developments

Globally, the COVID-19 pandemic is inflicting high economic and human costs and the thrust of the Nations was on protecting lives and allowing time for the health care systems to cope up by resorting to lockdowns, isolation, restricting movements etc. to slowdown the spread of the virus. Global economic activity had contracted in 2020 followed by growth in 2021 as economic activities picked up. A more balanced, equitable, sustainable and global recovery would have been welcome with a hope to tide over the crisis left by the pandemic. And thus the year 2021 was extra ordinary year in the sense that COVID-19 had an unimaginable and immediate impact across the globe, affecting almost all the industries, geographies and ultimately the businesses—especially the business and operational processes went through paradigm shift. The recovery in the energy sector was expected to follow that of the overall economy.

There was hint of Kick-starting economic activity depended on the effective containment of the virus and availability of a vaccine to the general public. Government of India adopted a four-pillar strategy of containment, fiscal, financial and long-term structural reforms. During the year, government announced various stimulus packages and production linked incentive schemes to generate opportunities and provide liquidity support to various sectors. As a result of these measures, the Country's economy gradually started recovery.

Oil and Gas Industry Outlook

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.

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 and innovative technology, the Company is specialized 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 time and effort in building up 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. Their comprehensive services portfolio is well supported by skilled manpower and a wide range of equipment to be used in the industry from Exploration & Production Services to the Mid Stream Services while maintaining safety and quality as an integral part of their corporate governance.

Opportunities and Threats

The Oil and Gas Industry plays a crucial role for the survival of mankind on this earth. It is tough to imagine life without the products of oil and gas companies.

Deep Industries Limited has faced many challenges including posed by the COVID -19 pandemic and have some fundamental issues that can hinder its progress and thwart the achievement of its growth objectives. But on comparing the opportunities with challenges, it's the opportunities that carries the heavy weight. Deep Industries Limited confidently carries out:

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



Company's Services

- 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 bidding 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 it's impact on clients.

- Drilling and Workover Services

Deep Industries Limited is leading in providing service for Coring, Air Drilling, Workover and Drilling Rig Services to various Oil and Gas Companies in India with an experience of over 15 years. The Company's strength is in providing complete Rig Package with all associated equipment and services to onshore Oil and Gas Industry. Currently, the Company holds wide range of Onshore Workover Rigs ranging from 150 HP to 1000 HP and Drilling Rigs from 550 HP to 1000 HP. The Company has tie-up to provide rigs up to 2000 HP to various E&P companies. 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. The Company has 9 Workover Rigs of various capacities, 1 Coring Rig and 3 Drilling Rigs operating with various renowned E&P Companies in Oil & Gas sector across India.

- 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. Under IPM, The Company is focusing on complete project, using in-house expertise as well as third party services. The Company has adopted various services of Oil & Gas exploration since 2016 considering the opportunity in the space and unconventional energy being the future.

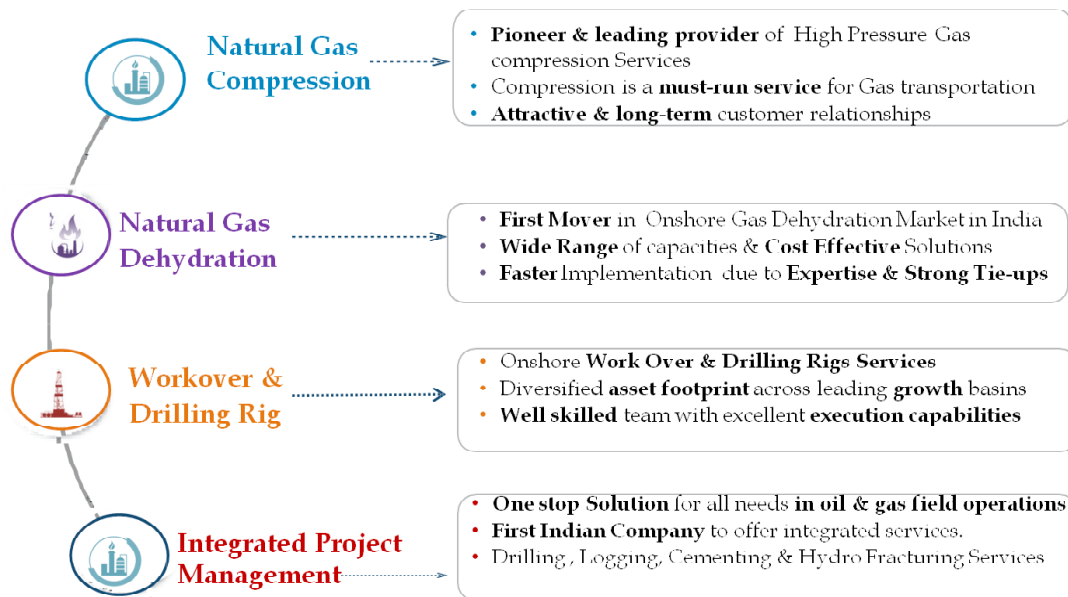
We are the one company in India who has the unique combination of providing services to Upstream and midstream. Deep's experience, expertise and quality equipment helps to deliver results to the challenging projects and meet stringent client demands.

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



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 spreads its wings through strategic tie-ups and acquisitions with oilfield services Overseas.

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.

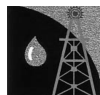
Risks and Concerns

Risks and uncertainties are an inherent part of every business, and yet it is important to identify the risks and take proactive steps to mitigate and minimize them. The Company has concerns in relation to the Scarcity of skilled personnel in market, Material Risk as not being able to procure right configuration units in timely manner and dependency on few clients.

The Company understands that risks can negatively impact fruition of both short-term operational and long-term strategic goals. So far, Risk management is a part of the Company’s business planning and controlling process. Therefore, the Company identifies and evaluates risks as early as possible and limits business losses by taking suitable measures and targets to avoid risks that pose a threat to its sustainable growth.

Internal control systems and their adequacy

The Company has an adequate and effective Internal Control Mechanism in place to ensure efficient conduct of its operations, security of assets, prevention and detection of frauds/errors, accuracy and completeness of accounting records and the timely preparation of financial information. The internal control systems are 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 controls, which are reviewed at regular intervals to ensure that transactions are properly authorized & correctly reported and assets are safeguarded. The Internal Control Systems are implemented to safeguard the Company’s assets from loss or damage.



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

Service Income

(` in Lakhs)

Nature of Services	FY 2020-21	FY 2019-20	Change	Change%
Gas Dehydration, Gas Compression , Work Over Operations and Integrated Project Management Services	17845.14	25113.85	-7,268.7	-28.94%
Total Business Income	17845.14	25113.85	-7,268.7	-28.94%

(` in Lakhs)

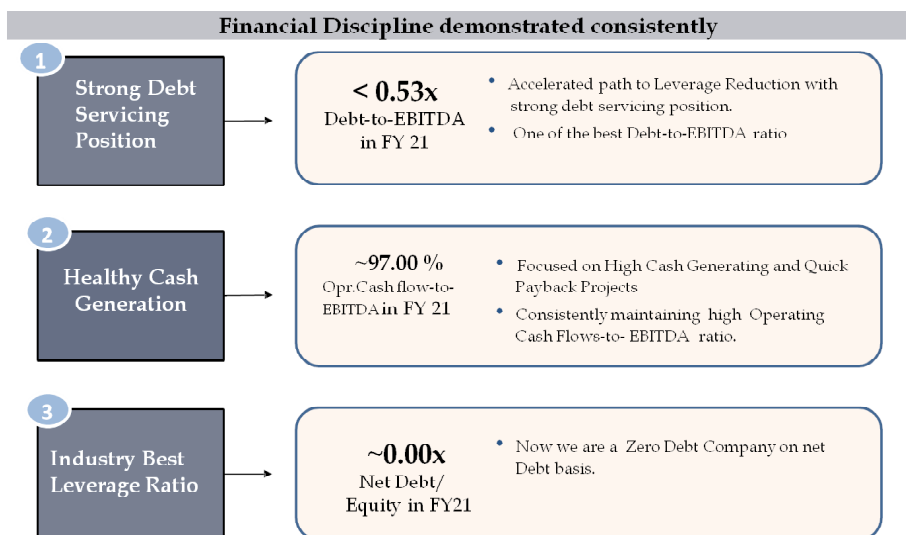
Particulars	For 2020-21	For 2019-20
Revenue From Operation	17845.14	25113.85
Earnings before Depreciation, Interest, Taxes & Amortisation (EBDITA)	8468.26	11460.19
Earnings before Depreciation, Taxes and Amortisation (EBDTA)	7545.31	10395.00
Profit before tax (PBT)	-1173.68	1441.87
Profit after tax (PAT)	6315.83	1737.24

Further, the Company's Other Income increased from ` 300.45 Lakhs to ` 673.03 Lakhs whereby Other Expense has decreased from ` 2257.05 Lakhs to ` 1473.54 Lakhs. Also, the Depreciation has decreased from ` 8953.12 Lakhs to ` 8719.00 Lakhs.

Employees' Remuneration & Benefits has marginally increased from ` 2155.71 Lakhs to ` 2174.37 Lakhs which shows marginal increase of 0.87% in actual terms and this staff cost also includes Director's Remuneration.

Interest & Financial Charges have decreased from ` 1065.20 Lakhs to ` 922.94 Lakhs as compared to previous year which shows decrease of 13.35% in actual terms which is in-line with reduction in debts and the Company's Operating Expenses have also decreased from ` 9541.34 Lakhs to ` 6402.01 Lakhs which is in line with reduction in Operating revenue. Operating Expense as a percentage of Operating Income has decreased from 37.99% to 35.88%.

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 March 31, 2021 are 457.

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
		2020-21	2019-20		
1.	Debtors Turnover Ratio	1.44	1.95	26.15%	The difference is due to higher outstanding trade receivables as on March 31, 2020 due to outstanding from two of customers of about Rs. 36.95 Cr. for more than 180 days which were recovered post March. 2021.
2.	Current Ratio	4.00	3.66	9.29%	
3.	Debt Equity Ratio	0.04	0.09	-55.56%	Reduction in debt equity ratio is due to reduction in Debt during the year.
4.	Net Profit Margin (%)	35.39%	6.92%	452.62%	Increase in Net Profit Margin is due to reversal of Deferred Tax liability created on Goodwill depreciation in earlier years due to recent changes announced in Finance Bill, 2021.
5.	Return on Net worth	6.15%	1.80%	241.67%	Increase in Return on Net worth is due to reversal of Deferred Tax liability created on Goodwill depreciation in earlier years due to recent changes announced in Finance Bill, 2021.

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 12, 2021
Place : Ahmedabad

Paras Savla
Chairman & Managing Director
DIN:00145639



ANNEXURE - F REPORT ON CORPORATE GOVERNANCE

The Company was not a listed entity as on March 31, 2021 and the equity shares of the Company got listed on BSE limited and National Stock Exchange of India Limited (NSE) on April 27, 2021. However, as a part of good corporate governance practices, it has been decided by the management of the Company to adopt maximum applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, amended from time to time, in the financial year 2020-21. The Directors present the Company's Report on Corporate Governance Report for the year ended on March 31, 2021.

1. Company's Philosophy on Corporate Governance

The Company's philosophy on Corporate Governance oversees business strategies, value creation, strategic - guidance, and ensures ethical corporate behavior and fairness to all 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. Company's aims at creating a culture of openness in relationships between itself and its stakeholders.

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

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) Woman Director with 50% (Fifty percent) of it as Non – Executive Independent Directors as on March 31, 2021, details of which are as follows:-

(a) Composition and Category of Directors

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. Dharen Savla [#]	Part of Promoter Group and Whole time Director
4.	Dr. Kirit Shelat [*]	Non-Executive Independent Director
5.	Mr. Hemendrakumar Shah [*]	Non-Executive Independent Director
6.	Mrs. Renuka Upadhyay [^]	Non-Executive Independent Director

[§] Re-designated - Mr. Paras Savla as Chairman and Managing Director and Mr. Rupesh Savla as Managing Director w.e.f. 01.09.2020.

^{*} Appointed as Non-Executive Independent Director w.e.f. 10.11.2020.

[^] Appointed as Non-Executive Independent Director w.e.f. 10.11.2020 and resigned w.e.f. 11.05.2021.

[#] Re-designated as Whole Time Director w.e.f. 01.09.2020 and resigned as Whole Time Director w.e.f. 24.06.2021.

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. Rohan Shah, CFO, who was appointed as an Additional - Whole Time Director (Finance) w.e.f. June 24, 2021 for a period of Five (5) years, by the Board of Directors of the Company based on the recommendation of the Nomination and Remuneration Committee, is to be appointed as a Whole Time Director (Finance) subject to the approval of the Members. The notice of 15th AGM sets out the details of his appointment.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors appointed Mrs. Shaily Dedhia as an Additional – Non – Executive Independent Director w.e.f. June 24, 2021 for a period of Five (5) years, subject to the approval of the Members. The notice of 15th AGM sets out the details of her appointment.

Mr. Paras Savla, Managing Director of the Company retires by rotation and being eligible is seeking re-appointment. The notice of 15th 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 [§]	9/9	Yes
2.	Mr. Rupesh Savla [§]	9/9	Yes
3.	Mr. Dharen Savla [#]	9/9	Yes
4.	Dr. Kirit Shelat [*]	0/2	Not Applicable
5.	Mr. Hemendrakumar Shah [*]	0/2	Not Applicable
6.	Mrs. Renuka Upadhyay [^]	0/2	Not Applicable

§ Re-designated - Mr. Paras Savla as Chairman and Managing Director and Mr. Rupesh Savla as Managing Director w.e.f. 01.09.2020.

* Appointed as Non-Executive Independent Director w.e.f. 10.11.2020.

^ Appointed as Non-Executive Independent Director w.e.f. 10.11.2020 and resigned w.e.f. 11.05.2021.

Re-designated as Whole Time Director w.e.f. 01.09.2020 and resigned as Whole Time Director w.e.f. 24.06.2021.

(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
			Member	Chairperson	
1.	Mr. Paras Savla [§]	06	01	–	Managing Director - Deep Energy Resources Limited
2.	Mr. Rupesh Savla [§]	07	–	–	Managing Director - Deep Energy Resources Limited
3.	Mr. Dharen Savla	04	–	–	–
4.	Dr. Kirit Shelat [*]	–	–	–	–
5.	Mr. Hemendrakumar Shah [*]	06	–	03	Independent Director:- a. Deep Energy Resources Ltd. b. Asian Granito India Limited, c. Sakar Healthcare Limited, d. Denis Chem Lab Limited
6.	Mrs. Renuka Upadhyay [^]	01	–	–	–

§ Re-designated - Mr. Paras Savla as Chairman and Managing Director and Mr. Rupesh Savla as Managing Director w.e.f. 01.09.2020.

* Appointed as Non-Executive Independent Director w.e.f. 10.11.2020.

^ Appointed as Non-Executive Independent Director w.e.f. 10.11.2020 and resigned w.e.f. 11.05.2021.

Re-designated as Whole Time Director w.e.f. 01.09.2020 and resigned as Whole Time Director w.e.f. 24.06.2021.

Note:

^ Including Directorship of Public Companies and Private Companies.

^^ 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 2020-21

Nine (9) Board Meetings were held during the year 2020-21 i.e. on May 06, 2020, June 15, 2020, July 29, 2020, September 12, 2020, September 15, 2020, October 16, 2020, November 10, 2020, November 12, 2020 and January 01, 2021. The gap between two consecutive meetings of the Board never exceeded 120 days.

(e) Disclosure of relationships between Directors inter-se

The following Directors of the Company are related to each other in the manner mentioned below:

No other Directors are related to each other except Mr. Paras Savla and Mr. Dharen Savla who are related to each other as brothers.

(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 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, Mr. Rupesh Savla and Mr. Dharen 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. Dharen Savla, Dr. Kirit Shelat, Mr. Hemendrakumar Shah and Mrs. Renuka Upadhyay
Experience in handling financial management and understanding accounting and financial statements.	Mr. Paras Savla, Mr. Rupesh Savla, Mr. Dharen Savla, Dr. Kirit Shelat, Mr. Hemendrakumar Shah and Mrs. Renuka Upadhyay
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. Dharen Savla, Dr. Kirit Shelat, Mr. Hemendrakumar Shah and Mrs. Renuka Upadhyay
Ability to identify and monitor risks of the Company.	Mr. Paras Savla, Mr. Rupesh Savla, Mr. Dharen Savla, Dr. Kirit Shelat, Mr. Hemendrakumar Shah and Mrs. Renuka Upadhyay

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, by the Board of the Directors at its meeting held April 8, 2021. The Code of Conduct also includes the duties of Independent Directors as per Schedule IV of Companies Act, 2013 on Code for Independent Directors. Thus, the compliance of the affirmation of Code of Business Conduct by all the Board Members and Senior Management Personnel annually is not applicable during the year under review as the Code of Business was adopted by the Board of the Directors at its meeting held April 8, 2021. 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 inter-alia, adopted, at its meeting held April 8, 2021, a Code of Conduct to Regulate, Monitor, Report Trading by Insiders to deter 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. The Company Secretary of the Company has been designated as the Compliance Officer to administer this Code of Conduct and other requirements under the SEBI (Prohibition of Insider Trading) Regulations, 2015 who shall work under the overall supervision of Board of Directors.

(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 December 25, 2020. 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 Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors of the Company need to be imparted with familiarization Programs. However, since the Company got itself listed on BSE limited and National Stock Exchange of India Limited (NSE) on April 27, 2021, the Company has initiated compliance with familiarization Program of the Company Financial year 2021-22 and after, the details of which will be available on the website of the Company i.e. www.deepindustries.com.

• **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 has resigned from the Board of Directors of the Company before expiry of her tenure, w.e.f. May 11, 2021. She has resigned due to new terms and conditions of her new employment and she has confirmed that there was no other material reason 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 November 10, 2020 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.

During the year under review, there was no such meeting of the Audit Committee held as the Audit Committee has been constituted by the Board of Directors as on November 10, 2020 and the Company got itself listed on BSE limited and National Stock Exchange of India Limited (NSE) on April 27, 2021.

The composition of the Audit Committee as on March 31, 2021 is as under:

Sr. No.	Name	Category of Directors	Designation
1.	Mr. Hemendrakumar Shah	Non-Executive Independent Director	Chairperson
2.	Dr. Kirit Shelat	Non-Executive Independent Director	Member
3.	Mr. Paras Savla	Chairman and Managing Director	Member



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 November 10, 2020 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;
- 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;

During the year under review, One (1) Committee meeting was held on December 25, 2020.

The composition of the NRC Committee and the details of the meetings attended by its members during the financial year ended March 31, 2021 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	1	0
2.	Mr. Hemendrakumar Shah	Non-Executive Independent Director	Member	1	0
3.	Mrs. Renuka Upadhyay [^]	Non-Executive Independent Director	Member	1	1
4.	Mr. Paras Savla	Chairman and Managing Director	Member	1	1

[^] Resigned as member of NRC w.e.f. 11.05.2021.

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 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.

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 and 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.

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) per meeting for attending Board Meetings. During the year under review, no sitting fees were being paid to Non-Executive Directors as they have appointed as on November 10, 2020 and no meetings of Board were attended by them during the year under review.



6. Stakeholders' Relationship Committee (SRC)

The Stakeholders' Relationship Committee (SRC) has been constituted by the Board of the Directors at its meeting held November 10, 2020 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, 2020	Nil
No. of complaints received during the year	Nil
No. of complaints disposed off during the year	Nil
No. of complaints pending as on March 31, 2021	Nil

During the year under review, there was no such meeting of the SRC held as the SRC has been constituted by the Board of Directors as on November 10, 2020 and the Company got itself listed on BSE limited and National Stock Exchange of India Limited (NSE) on April 27, 2021.

The composition of the SRC Committee as on March 31, 2021 is as under:

Sr. No.	Name	Category of Directors	Designation
1.	Mr. Hemendrakumar Shah	Non-Executive Independent Director	Chairperson
2.	Dr. Kirit Shelat	Non-Executive Independent Director	Member
3.	Mrs. Renuka Upadhyay [^]	Non-Executive Independent Director	Member

[^] Resigned as member of SRC w.e.f. 11.05.2021.

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 re-constituted the committee by the Board of the Directors at its meeting held on November 10, 2020 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.

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.

During the year under review, Four (4) Committee meetings were held. These were on July 29, 2020, September 12, 2020, October 16, 2020 and January 01, 2021.



The composition of the CSR Committee and the details of the meetings attended by its members during the financial year ended March 31, 2021 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	4	4
2.	Mr. Rupesh Savla	Managing Director	Member	4	4
3.	Mrs. Renuka Upadhyay [^]	Non-Executive Independent Director	Member	1	0

[^] Resigned as member of CSR w.e.f. 11.05.2021.

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.

During the year under review, Two (2) Committee meetings were held. These were on January 04, 2021 and March 04, 2021.

The composition of the Executive Committee and the details of the meetings attended by its members during the financial year ended March 31, 2021 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	2

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
2019-20	15/09/2020	12A & 14, Abhishree Corporate Park,	11:00 A.M.	08
2018-19	30/09/2019	Ambli Bopal Road, Ambli, Ahmedabad -380058,	01:00 P.M.	00
2017-18	27/08/2018	Gujarat.	11:00 A.M.	01

Details of Special Resolution Passed in the immediately preceding three AGMs

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 Rs. 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
12 th AGM	- Approval of Loans, Investments, Guarantee or Security under section 185 of the Companies Act, 2013



During the year the Extra Ordinary General Meetings were held on July 14, 2020, October 30, 2020, November 04, 2020 and November 11, 2020.

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 got itself listed on BSE limited and National Stock Exchange of India Limited (NSE) on April 27, 2021. In respect of the fourth quarter ended on March 31, 2021, the Company had submitted the Audited Financial Result for the quarter and year ended March 31, 2021 to Stock Exchanges soon after Board of Directors approved and taken on record these results and 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. All important publish information(s) and official press releases, wherever required, are displayed on the website for the benefit of the public at large.

10. General Shareholders' Information

a. 15th Annual General Meeting

- **Date and Time** : Thursday, September 16, 2021 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** : In view of the future Capital expenditures, the Directors have decided to plough back the profits. Hence, no dividend has been recommended this year on equity shares of the Company.

d. **Listing of Shares on Stock Exchanges** :
– BSE Limited
– National Stock Exchange of India Limited(NSE)
The Company has been listed on Stock Exchanges on April 27, 2021. Therefore, no such requirement to pay the Annual Listing Fees for the financial year 2020-21.

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 2020–21

The Company got listed on April 27, 2021; hence, the provision of the above data is not applicable.

g. Performance in comparison of Price of Company at BSE & NSE with Sensex

The Company got listed on April 27, 2021; hence, the provision of the above data is not applicable.

h. Registrar and Share Transfer Agent

Name : Link Intime India Private Limited
Address : 5th Floor, 506 to 508, Amarnath Business Centre – (ABC-1),
Beside Gala Business Centre, Near St. Xavier's College Corner, Off C. G. Road,
Navarangpura, 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 shares related work 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, 2021

No. of Shares	No. of Holders	% of holders	No. of Shares	% of holding
1 to 500	15983	88.3527	1928727	6.0273
501 to 1000	1169	6.4621	920512	2.8766
1001 to 2000	484	2.6755	737195	2.3037
2001 to 3000	153	0.8458	393395	1.2294
3001 to 4000	63	0.3483	222562	0.6955
4001 to 5000	61	0.3372	292033	0.9126
5001 to 10000	96	0.5307	718254	2.2445
10001 and above	81	0.4478	26787322	83.7104
Total	18090	100.00	32000000	100.00

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	6617465	20.68
Non Resident (Non Repatriable)	50264	0.16
Hindu Undivided Family	538799	1.68
Other Bodies Corporate	2125253	6.64
Clearing Members	12452	0.04
Non Resident Indians, Foreign Nationals & Foreign Portfolio Investors (Corporate)	2170989	6.78
Financial Institutions	100	0.00
Government Companies	7831	0.024
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 2021, 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, 2021.

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 during the financial year 2020-21, from CARE Ratings Ltd vide their letter dated October 01, 2020.

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 2020-21, 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 got itself listed on stock exchanges on April 27, 2021, therefore, the non-compliance of any legal provision of applicable law, any penalty, strictures imposed by the Stock Exchange/s or SEBI or any other authorities, on any matters related to Capital Market during the last three years not applicable to the Company.
- (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. 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 and will ensure to comply with non-mandatory requirements of SEBI Listing Regulations in coming years.
- (e) The policy for determining 'Material' Subsidiaries' is available on the website of the Company www.deepindustries.com.
- (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 2020-21 (₹ in Lacs)
Audit Fees	2.99
Fees paid for other Services	8.12
Total	11.11

- (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 and Managing Director and Mr. Rohan Shah, Chief Financial Officer 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 to the extent applicable, as the Company itself got listed on Stock Exchanges on April 27, 2021.

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 2020-21 do not have any qualifications.

Separate posts of Chairperson and Chief Executive Officer: The Company does not have separate post of Chairman & Managing Director / Chief Executive Officer.

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:

- The Company has transferred 32,765 shares held by 62 shareholders in the suspense account of Deep Industries Limited as on March 2, 2021 which were rejected in course of corporate action of allotment of shares pursuant to sanction of Demerger Scheme.
- No shareholder has approached to Company for transfer of shares from suspense account during the period and therefore no shares have been transferred.
- 32,765 shares held by 62 shareholders were lying in suspense account of the Company at the end of the financial year i.e. March 31, 2021.
- 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.

For and on behalf of the Board

Date : August 12, 2021
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, 2021)

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, 2021 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, 2021 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 12, 2021
Place : Ahmedabad

Paras Savla
Chairman & Managing Director
DIN : 00145639

Rohan Shah
Chief Financial Officer



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

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, Ambli Bopal Road, Ambli, Ahmedabad – 380058, Gujarat, 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 March 31, 2021* 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.	Parasbhai Shantilal Savla	00145639	15/11/2006
2.	Rupesh Kantilal Savla	00126303	15/11/2006
3.	Dharen Shantilal Savla	00145587	21/05/2018
4.	Kirit Nanubhai Shelat	00190619	10/11/2020
5.	Hemendrakumar Chamanlal Shah	00077654	10/11/2020
6.	Renuka Upadhyay	07148637	10/11/2020

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.

***The company was not a listed entity as on March 31, 2021 and the equity shares of the Company got listed on BSE and NSE on April 27, 2021. However, as a part of good corporate governance practices, it has been decided by the management of the Company to adopt maximum applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, amended from time to time, in the FY 2020-21. The certificate is issued on the request of the management of the Company for submission to the Stock exchange and to be sent to the shareholders of the Company.**

**For Shilpi Thapar & Associates
Practicing Company Secretaries**

Date : August 12, 2021
Place : Ahmedabad

CS Shilpi Thapar
Membership No. : 5492
COP No. : 6779
UDIN:F005492C000776086



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,
Deep Industries Limited
(Formerly Known as "Deep CH4 Limited")
(CIN: L14292GJ2006PLC049371)
12A & 14, Abhishree Corporate Park,
Ambli Bopal Road, Ambli,
Ahmedabad- 380058, Gujarat.

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 as on date of issue of this certificate (including for the financial year ended March 31, 2021*), as stipulated in regulations 17 to 27, clauses (a) to (q) 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') whichever is applicable to the company from time to time.

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 (a) to (q) of Sub-regulation (2) of Regulation 46 and Schedule V of the Listing Regulations as applicable from time to time.

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.

***The company was not a listed entity as on March 31, 2021 and the equity shares of the Company got listed on BSE and NSE on April 27, 2021. However, as a part of good corporate governance practices, it has been decided by the management of the Company to adopt maximum applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, amended from time to time, in the FY 2020-21. The certificate is issued on the request of the management of the Company for submission to the Stock exchange and to be sent to the shareholders 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,
Practicing Company Secretaries**

CS Shilpi Thapar
Membership No. : 5492
COP No. : 6779
UDIN: F005492C000776121

Date : August 12, 2021
Place : Ahmedabad



INDEPENDENT AUDITOR'S REPORT

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

Report on the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Deep Industries Limited (Formerly known as Deep CH4 Limited) ("the Company"), which comprises of the balance sheet as at 31st March 2021, and the statement of Profit and Loss (including other comprehensive income), and the Statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In 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 section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, and its profits, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 4 of the standalone financial statements regarding outbreak of COVID-19 and the impact assessment made by the management on its business, operations and assets of the Company. As stated in the said Note, the unfolding events could in fact may end up being different but it is anticipated the same are unlikely to materially affect the business of the Company. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In our opinion, there are no reportable Key Audit Matters for the standalone financial statements of the Company.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of 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 and Shareholder's 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 the 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.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and



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

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

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

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

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

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

Materiality is the magnitude of misstatements in the 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 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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.



2. As required by Section 143 (3) of the Act, we report that:
- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - The Balance Sheet, the Statement of Profit and Loss and the Cash Flow statement dealt with by this Report are in agreement with the books of account;
 - In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - On the basis of the written representations received from the directors as on 31st March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
 - With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
3. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- the Company has disclosed the impact, wherever necessary, of pending litigations on its financial position in its financial statements;
 - the Company has made provision, as required under the applicable law or Indian Accounting Standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
4. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:
- In our opinion and according to the information and explanations given to us, the remuneration paid by the Company, if any, 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 except as mentioned above. 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. Our opinion is not modified in respect of this matter

For, DHIRUBHAI SHAH & CO LLP

Chartered Accountants

Firm's registration number: 102511W/W100298

Anik S Shah

Partner

Place : Ahmedabad
Date : June 24, 2021

Membership number: 140594
UDIN: 21140594AAAATW2743

Annexure- A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March 2021, we report that:

- The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - The Company has a regular program of physical verification of its fixed assets. In accordance with this program, fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
 - According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- As explained to us, the inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. Discrepancies noticed on physical verification of inventory as compared to book records were not material.



- (iii) The Company has not granted any loans secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, and therefore, the provisions of clauses (iii)(a) & (iii)(b) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits covered by the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
- (vi) In our opinion and according to the information and explanations given to us and based on books of account, maintenance of cost records under section 148(1) of the Companies Act, 2013 is not applicable to the company and hence paragraph 3(vi) of the Order is not applicable.
- (vii) (a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, Goods and Service Tax and any other statutory dues with the appropriate authorities.
- According to the information and explanations given to us, in our opinion no undisputed amounts payable in respect of statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Value Added Tax, Central Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess, Goods and Service Tax and other statutory dues applicable to it were in arrears as at the balance sheet date for a period of more than six months from the date they became payable.
- (b) According to information and explanations given to us and records of the company examined by us, there are no dues of wealth tax, sales tax, duty of customs, duty of excise, value added tax, goods and service tax and cess etc. which have not been deposited on account of dispute.
- (viii) In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of dues to a financial institution, banks, Government or debenture holder during the year.
- (ix) In our opinion and according to the information and explanation given to us, the term loans were applied for the purposes for which loans were raised.
- (x) Based upon the audit procedures performed and according to the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Standalone financial statements as required by the applicable AS.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made preferential allotment of shares during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For, DHIRUBHAI SHAH & CO LLP
Chartered Accountants
Firm's registration number: 102511W/W100298

Anik S Shah
Partner

Place : Ahmedabad
Date : June 24, 2021

Membership number: 140594
UDIN: 21140594AAAATW2743



ANNEXURE B TO THE AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of Deep Industries Limited (Formerly known as Deep CH4 Limited) ("the Company") as of 31st March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of



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internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For, DHIRUBHAI SHAH & CO LLP
Chartered Accountants
Firm's registration number: 102511W/W100298

Anik S Shah
Partner

Place : Ahmedabad
Date : June 24, 2021

Membership number: 140594
UDIN: 21140594AAAATW2743



STATEMENT OF ASSETS AND LIABILITIES AS AT 31st MARCH, 2021

ASSETS	Note No.	As at 31-03-2021 In Lakhs	As at 31-03-2020 In Lakhs
NON-CURRENT ASSETS			
(a) Property, Plant and Equipment	6	46,054.32	47,810.00
(b) Capital Work in Progress	6	65.50	345.56
(c) Intangible Assets	6	38,496.58	44,913.59
(d) Financial Assets			
(i) Investments	7	1,746.18	13.37
(ii) Others	8	96.63	91.23
(e) Other Non-Current Assets	9	481.71	127.86
		86,940.91	93,301.61
CURRENT ASSETS			
(a) Inventories	10	3,025.33	2,122.32
(b) Financial Assets			
(i) Investments	11	1,280.30	856.34
(ii) Trade Receivables	12	10,738.26	14,051.75
(iii) Cash and Cash Equivalents	13	1,472.73	305.68
(iv) Bank balances other than above (iii)	14	2,612.26	3,372.26
(v) Loans	15	2.72	3.59
(vi) Others	16	1,518.86	642.65
(c) Other Current Assets	17	5,563.69	5,370.76
		26,214.15	26,725.35
TOTAL ASSETS		1,13,155.06	1,20,026.96
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	18	3,200.00	96,000.00
(b) Other Equity	19	99,452.35	336.07
		1,02,652.35	96,336.07
LIABILITIES			
NON-CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	20	848.28	5,607.99
(ii) Others	21	-	201.41
(b) Deferred Tax Liabilities (Net)	22	3,096.43	10,585.94
(c) Provision	23	-	-
		3,944.72	16,395.34
CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	24	63.68	547.39
(ii) Trade Payables	25		
- Dues to Micro & Small Enterprises		200.01	51.91
- Dues to Other than Micro & Small Enterprises		2,485.58	3,410.78
(iii) Others	26	3,342.41	3,047.26
(b) Other Current Liabilities	27	466.33	238.21
(c) Provisions	28	-	-
		6,558.00	7,295.55
TOTAL EQUITY & LIABILITIES		1,13,155.06	1,20,026.96

Corporate Information, Basis of Preparation & Significant Accounting Policies
The accompanying notes 1 to 48 are an integral part of the Standalone Financial Statements

1-5

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 : June 24, 2021

FOR & ON BEHALF OF DEEP INDUSTRIES LTD

Paras Savla	Rupesh Savla
Chairman & Managing Director	Managing Director
DIN:00145639	DIN : 00126303

Rohan Shah	Roshni Shah
Chief Financial Officer	Company Secretary
	Membership No: A47037

Place : Ahmedabad
Date : June 24, 2021



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2021

	Note No.	2020-21 In Lakhs	2019-20 In Lakhs
INCOME			
Revenue from operations	29	17,845.14	25,113.85
Other income	30	673.03	300.45
TOTAL INCOME		18,518.17	25,414.30
EXPENSES			
Operating Expense	31	6,402.01	9,541.34
Employee benefits expense	32	2,174.37	2,155.71
Finance Costs	33	922.94	1,065.20
Depreciation and amortization expenses	6	8,719.00	8,953.12
Other expenses	34	1,473.54	2,257.05
TOTAL EXPENSES		19,691.85	23,972.43
Profit/(Loss) before exceptional items and tax		(1,173.68)	1,441.87
Exceptional items (net)		-	-
Profit/(Loss) before tax		(1,173.68)	1,441.87
Tax items			
Current tax		-	251.75
Earlier years tax provisions (written back)		-	-
Deferred tax (asset) / liability		(7,489.51)	(547.12)
Total tax items		(7,489.51)	(295.37)
Profit/(Loss) for the year		6,315.83	1,737.24
Other Comprehensive Income			
Items that will not be re-classified to Profit or Loss	35		
Re-measurement gains/ (losses) on post employment benefit plans		(1.18)	0.34
Items that will be re-classified to Profit or Loss			
Re-measurement gains/ (losses) on fair valuation of financial instruments		1.63	(1.48)
Other Comprehensive Income/(Loss) for the year		0.45	(1.14)
Total Comprehensive Income/(Loss) for the year		6,316.28	1,736.10
Net profit / (loss) attributable to:			
Owners		6,315.83	1,737.24
Non-controlling interest		-	-
Other comprehensive income / (loss) attributable to:			
Owners		0.45	(1.14)
Non-controlling interest		-	-
Total comprehensive income / (loss) attributable to:			
Owners		6,316.28	1,736.10
Non-controlling interest		-	-
Earnings Per Equity Share (Basic and Diluted)	36	19.74	5.43
Corporate Information, Basis of Preparation & Significant Accounting Policies			
The accompanying notes 1 to 48 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 : June 24, 2021

FOR & ON BEHALF OF DEEP INDUSTRIES LTD

Paras Savla
Chairman & Managing Director
DIN:00145639

Rupesh Savla
Managing Director
DIN : 00126303

Rohan Shah
Chief Financial Officer

Roshni Shah
Company Secretary
Membership No: A47037

Place : Ahmedabad
Date : June 24, 2021



CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2021

PARTICULARS	2020-21 In Lakhs	2019-20 In Lakhs
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Profit/ (loss) Before Tax	(1,173.68)	1,441.87
Adjustments for:		
Depreciation and amortization	8,719.00	8,953.12
Interest and finance charges	922.94	1,065.20
Interest income	(303.89)	(280.88)
Dividend Income	(0.89)	-
(Gain)/Loss on fixed assets sold/ discarded (net)	(0.30)	446.32
(Gain)/Loss on investments sold/ discarded (net)	(292.07)	(8.72)
Others	0.45	(1.14)
Operating Profit before Working Capital Changes	7,871.55	11,615.77
Adjustments for changes in working capital :		
(Increase)/decrease in trade receivables, loans & advances and other assets	2,297.69	(4,222.33)
(Increase)/decrease in inventories	(903.01)	(1,136.28)
Increase/(decrease) in trade payables, other liabilities and provisions	(1,257.08)	(1,952.37)
Cash Generated from Operations	137.60	(7,310.97)
Income taxes paid	(411.72)	(809.51)
Net Cashflow from Operating Activities	7,597.43	3,495.29
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(266.94)	(4,917.31)
Proceeds from sale of fixed assets	1.00	861.52
Purchase of Investments	(9,582.96)	(6,688.51)
Sale of Investment	7,718.26	6,880.56
Interest received	303.89	280.88
Dividend Income	0.89	
(Investment in)/ Proceed From Fixed Deposits	760.00	(679.50)
Net Cashflow from Investing Activities	(1,065.86)	(4,262.36)
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds/Payment from Secured Loans	(4,441.58)	2,050.40
Dividend Payment and Dividend Distribution Tax	-	(578.66)
Interest and finance charges	(922.94)	(1,065.20)
Net Cashflow from Financing Activities	(5,364.52)	406.54
Net Increase/(Decrease) in Cash and Cash Equivalents	1,167.05	(360.53)
Cash and bank balances at the beginning of the year	305.68	666.21
Cash and bank balances at the end of the year	1,472.73	305.68



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:

DETAIL OF CASH AND CASH EQUIVALENTS

	As at 31-03-2021 In Lakhs	As at 31-03-2020 In Lakhs
Balances with banks		
In current accounts	1,468.18	90.83
In EEFC Accounts	0.00	207.22
In Escrow Accounts	0.01	0.03
Cash on hand	4.53	7.61
	<u>1,472.73</u>	<u>305.68</u>

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 : June 24, 2021

FOR & ON BEHALF OF DEEP INDUSTRIES LTD

Paras Savla
Chairman & Managing Director
DIN:00145639

Rohan Shah
Chief Financial Officer

Place : Ahmedabad
Date : June 24, 2021

Rupesh Savla
Managing Director
DIN : 00126303

Roshni Shah
Company Secretary
Membership No: A47037



STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2021

(A) EQUITY SHARE CAPITAL

For the year ended 31st March, 2021

	Changes during the year	Balance as at 31st March, 2021
Balance as at 1st April, 2020		
96,000.00	(92,800.00)	3,200.00

For the year ended 31st March, 2020

	Changes during the year	Balance as at 31st March, 2020
Balance as at 1st April, 2019		
96,000.00	-	96,000.00

(B) OTHER EQUITY

For the year ended 31st March, 2021

Particulars	Capital Reserve	Security premium	Retained Earnings account	FVOCI Reserve	Total Equity
Balance as at 1st April, 2020	0.10	-	300.30	35.67	336.07
Addition / (Deduction During the Year)	-	92,800	6,315.83	-	99,115.83
Proposed Dividend and Dividend Distribution Tax thereon	-	-	-	-	-
Transfer from / to	-	-	-	-	-
Other Comprehensive income/(loss) for the year	-	-	-	-	-
Remeasurements gain/(loss) on defined benefit plans	-	-	-	0.45	0.45
Balance as at 31st March, 2021	0.10	92,800.00	6,616.13	36.12	99,452.35

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.

For the year ended 31st March, 2020

Particulars	Capital Reserve	Security premium	Retained Earnings account	FVOCI Reserve	Total Equity
Balance as at 1st April, 2019	0.10	-	(858.28)	36.81	(821.37)
Profit/(Loss) for the year	-	-	1,737.24	-	1,737.24
Proposed Dividend and Dividend Distribution Tax thereon	-	-	(578.66)	-	(578.66)
Transfer from / to	-	-	-	-	-
Other Comprehensive income/(loss) for the year	-	-	-	-	-
Remeasurements gain/(loss) on defined benefit plans	-	-	-	(1.14)	(1.14)
Balance as at 31st March, 2020	0.10	-	300.30	35.67	336.07

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 : June 24, 2021

FOR & ON BEHALF OF DEEP INDUSTRIES LTD

Paras Savla Chairman & Managing Director DIN:00145639	Rupesh Savla Managing Director DIN : 00126303
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Rohan Shah Chief Financial Officer	Roshni Shah Company Secretary Membership No: A47037
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Place : Ahmedabad
Date : June 24, 2021



**NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2021**

1. CORPORATE INFORMATION

Deep CH4 Limited was incorporated as a Private Limited Company on 15th November, 2006 under Companies Act of 1956 with Register of Companies, Ahmedabad vide Registration No.: 049371. (CIN: U14292GJ2006PTC049371). Deep CH4 Limited has changed its Name to Deep CH4 Limited vide CIN no. U14292GJ2006PLC049371 as on 11.06.2018. Further Deep CH4 Limited has changed its Name to Deep Industries Limited vide CIN no. U14292GJ2006PLC049371 as on 25.09.2020

DEEP Industries Limited (Formerly Known as Deep CH4 Limited) 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.

2. BASIS OF PREPARATION

The financial statements have been prepared on historical cost basis, except certain financial assets and liabilities which have been measured at fair value, defined benefits plans and contingent consideration. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purposes of current / non-current classification of assets and liabilities.

Statement of Compliance

The standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. The standalone financial statements were approved for issue by the Company's Board of Directors on 24th June, 2021

Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2A. USE OF ESTIMATES

The preparation of 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 Company's 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 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:

Property, plant and equipment are stated at original cost net of tax / duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. Costs include financing costs of borrowed funds attributable to acquisition or construction of fixed assets, up to the date the assets are put-to-use, along with effects of foreign exchange contracts and adjustments, arising from exchange rate variations, attributable to the fixed assets, of those contracts for which option under notification of Ind AS 21 was exercised. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly. Where components of an asset are significant in value in relation to the total value of the asset as a whole, and they have substantially different economic lives as compared to principal item of the asset, they are recognized separately as independent items and are depreciated over their estimated economic useful lives. 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

Tangible Fixed Assets:

- (a) 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 acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

An item of intangible asset initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset [calculated as the difference between the net disposal proceeds and the carrying amount of the asset] is included in the income statement when the asset is derecognized. Intangible fixed assets are amortized on straight line basis over their estimated useful economic life.

Capital Work- in- progress

Capital work- in- progress represents directly attributable costs of construction to be capitalized. All other expenses including interest incurred during construction period are capitalized as a part of the construction cost to the extent to which these expenditures are attributable to the construction as per Ind AS-23 "Borrowing Costs". Interest income earned on temporary investment of funds brought in for the project during construction period are set off from the interest expense accounted for as expenditure during the construction period. All these expenses are transferred to fixed assets on commencement of respective projects.

3.2 Impairment of non-financial assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/ external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the Company measures it on the basis of discounted cash flows of next five years' projections estimated based on current prices. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased.

In respect of the subsidiaries assets at each balance sheet date, the impairment testing is based on the realizable value of underlying assets as tested by the Board of Directors of the subsidiary.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

Impairment losses of continuing operations, including impairment on inventories, are recognized in profit and loss section of the statement of profit and loss, except for properties previously revalued with the revaluation taken to other comprehensive Income (the 'OCI'). For such properties, the impairment is recognized in OCI up to the amount of any previous revaluation.



3.3 Foreign Currency Transactions

The Company's financial statements are presented in INR, which is also the Company's functional currency.

Initial Recognition

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

Conversion

Foreign currency monetary items are reported using the closing rate. In case of items which are covered by forward exchange contract, the difference between year end rate and rate on the date of the contract is recognised as exchange difference and premium paid on forward contracts and option contract is recognised over the life of the contract. Non-monetary items, which are measured in terms of historical costs denominated in foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements including receivables and payables which are likely to be settled in foreseeable future, are recognized as income or as expenses in the year in which they arise. All other exchange differences are recognized as income or as expenses in the period in which they arise, except of those contracts for which option under notification of Ind AS 21 was exercised where they relate to acquisition of Fixed Assets, the difference arising a result in which case they are adjusted to the term loan liabilities account.

The gain or loss arising on translation of non-monetary items is recognized in line with the gain or loss of the item that give rise to the translation difference (i.e. translation difference on items whose gain or loss is recognized in other comprehensive income or the statement of profit and loss is also recognized in other comprehensive income or the statement of profit and loss respectively).

3.4 Revenue recognition

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), 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 recognized initially at fair value plus, in the 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. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place [regular way trades] are recognized on the settlement date, trade date, i.e., the date that the Company settle commits to purchase or sell the asset.

b. Subsequent measurement:

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



i. Debt instruments at amortized cost:

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- The asset is held with an objective of collecting contractual cash flows
- Contractual terms of the asset give rise on specified dates to cash flows that are "solely payments of principal and interest" [SPPI] on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate [EIR] method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

ii. Debt instruments at fair value through other comprehensive income [FVTOCI]:

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- The asset is held with objective of both - for collecting contractual cash flows and selling the financial assets
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income [OCI]. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

iii. Debt instruments, derivatives and equity instruments at fair value through profit or loss [FVTPL]:

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

iv. Equity instruments measured at fair value through other comprehensive income [FVTOCI]:

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company has made such election on an instrument by- by instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

c. Derecognition:

A financial asset is primarily derecognized when:

- i. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement~ and either [a] the Company has transferred substantially all the risks and rewards of the asset, or [b] the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.
- ii. the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership.

d. Impairment of financial assets:

In accordance with Ind AS 109, the Company applies expected credit loss [ECL] model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits, trade receivables and bank balance
- b. Trade receivables or any contractual right to receive cash
- c. Financial assets that are debt instruments and are measured as at FVTOCI
- d. Lease receivables under Ind AS 17
- e. Financial guarantee contracts which are not measured as at FVTPL



The Company follows 'simplified approach' for recognition of impairment loss allowance on Point c and d provided above. The application of simplified approach requires the company to recognize the impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive [i.e., all cash shortfalls], discounted at the original EIR.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

ECL impairment loss allowance [or reversal] recognized during the period is recognized as income/ expense in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

- a. Financial assets measured as at amortized cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance which reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- b. Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

B. Financial liabilities:

a. Initial recognition and measurement:

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

b. Subsequent measurement:

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

i. Financial liabilities at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied for liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

ii. Loans and borrowings:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

iii. Financial guarantee contracts:

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in



accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

c. Derecognition:

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

C. Reclassification of financial assets:

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses [including impairment gains or losses] or interest.

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 recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

3.6 Fair Value Measurement

The Company measures financial instruments, such as, derivatives 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 in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a. In the principal market for the asset or liability, or
- b. In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized 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

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 (eg: FIFO, WAM etc). 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

- a. Short Term employee benefits are recognized as expense at undiscounted amount in the statement of profit and loss for the year in which the related service is rendered.
- b. Post employment and other long term benefits are recognised as an expense in the statement of profit and loss account for the year in which the employee has rendered services. The expense is recognised at the present value of the amounts payable determined using actuarial valuation techniques at the end of Financial Year. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the statement of profit and loss.
- c. Payments to defined contribution retirement benefit scheme, if any, are charged as expense as they fall due.

3.9 Taxes on Income

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 and tax laws prevailing in the respective tax jurisdictions where the



Company operates. Current tax items are recognized in correlation to the underlying transaction either in P&L, OCI or directly in equity.

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 liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized on the basis of reasonable certainty that the company will be having sufficient future taxable profits and based on the same the DTA has been recognized in the books.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year 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" reporting date.

Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e. the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement". The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes it down to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period and utilize the MAT Credit Entitlement.

3.10 Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

Borrowing costs which are not specifically attributable to the acquisition, construction or production of a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a weighted average capitalization rate. The weighted average rate is taken of the borrowing costs applicable to the outstanding borrowings of the company during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized cannot exceed the amount of borrowing costs incurred during that period.

3.11 Earnings per equity share

Basic earnings per share is calculated by dividing the net profit or loss from continuing operation and total profit, both attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

3.12 Provisions, Contingent Liabilities and Contingent Assets:

Provision is recognized when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that the outflow of resources will be required to settle the obligation and in respect of which reliable estimates can be made.

A disclosure for contingent liability is made when there is a possible obligation, that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision/ disclosure is made. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognized in the financial statements. Provisions and contingencies are reviewed at each balance sheet date and adjusted to reflect the correct management estimates.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are renewed at each balance sheet date.

3.13 Cash and Cash Equivalents

Cash and cash equivalent comprise cash on hand and demand deposits with banks which are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.



3.14 Exceptional items

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

3.15 Trade Receivables

Trade Receivables are recognized initially at carrying value and subsequently re – measured at amount that would be actually received.

3.16 Leases

The Company as a lessee

The Company's lease asset classes primarily consist of leases for buildings. 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.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 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. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of 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 ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option. Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the ROU asset arising from the head lease. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

4. Impact of COVID – 19.

In March 2020, the World Health Organisation declared COVID-19 a global pandemic. Consequent to this, Government of India declared a nation-wide lockdown from 24th March 2020. Subsequently, the nationwide lockdown was lifted by the Government of India, but regional lockdowns continue to be implemented in areas with significant number of COVID - 19 cases. Although, the Company's operations remained stagnant during year, the Company remains watchful of the potential impact of COVID - 19 pandemic, particularly the current "second wave", on resuming normal business operations on a continuing basis. Accordingly, the Company has assessed the impact of this pandemic on its business operations and has considered all relevant internal and external information available up to the date of approval of these financial statements, to determine the impact on the Company's revenue from operations for foreseeable future and the recoverability and carrying value of certain assets such as property, plant and equipment, investments, inventories, trade receivables and deferred tax assets. The impact of COVID - 19 pandemic on the overall economic environment being uncertain may affect the underlying assumptions and estimates used to prepare Company's financial statements. The Company continues its business operations, in line with the guidelines issued by the Government authorities and does not anticipate any challenge in its ability to continue as going concern or meeting its financial obligations. As the situation is unprecedented, the Company is closely monitoring the situation as it evolves in the future.

5. Scheme of arrangement.

- a. Deep Energy Resources Ltd Limited ('DERL')(formerly known as Deep Industries Ltd) and Deep Industries Ltd (Formerly Known as Deep CH4 Limited) ('DIL') filed an application for sanctioning scheme of arrangement ("the Scheme") under section 230-232 of the Companies Act, 2013. Pursuant to the scheme for demerger, Oil and Gas Service Undertaking of DERL has been transferred to DIL with the appointed date of 1 April 2017. The Scheme was sanctioned by the National Company Law Tribunal ("NCLT") at Ahmedabad vide its order dated 17 March, 2020.
- b. The Scheme has accordingly been given effect to in the accounts effective from the Appointed Date being opening of business hours on 01st April 2017.



- c. Pursuant to the Scheme, assets & liabilities of the Oil and Gas Services business has been transferred and vested into the company at the values appearing in the books of the Demerged Company as on opening of business hours on 01st April 2017. The particulars of assets and liabilities transferred are as follows:

Assets	Amount (Rs. in Lacs)
Fixed Assets	51,689.39
Capital Work In Progress	3,352.83
Investment	4.16
Stock	1,055.93
Trade Receivable	6,646.92
Cash & Bank	521.33
Fixed Deposit account	926.67
Other current assets	153.33
Other assets	1,475.28
Total	<u>65,825.84</u>
Liabilities	
Loans	27,364.55
Deferred Tax Liability	4,659.87
Trade Payable	554.79
Other Liability	1,394.09
	<u>33,973.30</u>

During the current financial year, in accordance with the scheme of arrangement, share-holders of demerged company (DERL) has been allotted 3,20,00,000 equity shares at 300 rupees (290 security premium and 10 FV).

Pursuant to the Scheme, after issued of equity share and the surplus of the assets over liabilities, appearing as Goodwill in CH4.



NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2021
(Rs. In Lakhs)

	TANGIBLE ASSETS							INTANGIBLE ASSETS			Total Capital Work-In progress			
	Tankers	Vehicles	Air Compressor Packages	Gas Compressor Packages	Rigs Computers	Building Foundation & Road	Shed, Equipment, Furniture & Fixtures	Office Plant and Machinery	Other	Total Softwares		Goodwill		
Cost:														
As at 1st April, 2020	0.45	455.63	49.61	38,914.35	21,889.10	91.13	5,959.85	311.31	132.95	67,804.39	54.53	64,147.47	64,202.00	345.56
Additions	-	15.45	-	281.67	84.45	6.05	8.46	0.87	14.61	547.00	-	-	-	43.30
Disposals / transfers	-	12.52	-	-	-	-	-	-	-	12.52	-	-	-	323.38
As at 31st March, 2021	0.45	458.57	49.61	39,196.02	21,973.55	97.18	5,968.31	312.18	147.56	68,338.86	54.53	64,147.47	64,202.00	65.50
Accumulated depreciation:														
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	19,994.39	44.17	19,244.24	19,288.41	-
Depreciation charged during the year	-	49.36	-	1,486.04	696.44	9.06	21.87	29.21	7.15	2,301.98	2.27	6,414.75	6,417.01	-
Disposals / transfers	-	11.82	-	-	-	-	-	-	-	11.82	-	-	-	-
As at 31st March, 2021	0.43	280.08	49.61	11,493.35	4,546.06	85.21	5,642.73	145.71	38.52	22,284.54	46.44	25,658.99	25,705.42	-
Net book value														
As at 31st March, 2020	0.02	213.09	0.00	28,907.04	18,039.48	14.98	338.99	194.82	101.57	47,810.00	10.36	44,903.23	44,913.59	345.56
As at 31st March, 2021	0.02	178.49	0.00	27,702.67	17,427.49	11.97	325.58	166.48	109.03	46,054.32	8.09	38,488.48	38,496.58	65.50



**NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31ST MARCH 2021**

Sr. No.	Particulars	No. of Shares as on 31.03.21	As at 31-03-21 (` In Lakhs)	No. of Shares as on 31.03.20	As at 31-03-20 (` In Lakhs)
(` In Lakhs)					
7 - NON - CURRENT FINANCIAL ASSETS - INVESTMENTS					
Investments (Unquoted)					
(A) Investments at Amortised Cost					
(a) Investments in Equity Shares					
<i>Investment in Subsidiaries</i>					
	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	-	-
	100 % share in Deep Onshore Services Private Limited	1,000	0.10	-	-
(b) Investments in Preference Shares					
<i>Investment in Subsidiaries</i>					
	15,00,000 Preferene Share of Raas Equipment Pvt Ltd of ` 10 Each	15,00,000	150.00	-	-
(c) Other Investments					
	- Preference Shares of Prabha Energy Pvt Ltd	93,000	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
			<u>1,742.88</u>		<u>11.70</u>
Investments (Quoted)					
(A) Investments at Fair value through OCI					
(a) Investments in Equity Shares					
	- Vama Industries Limited	2,500	0.18	2,500	0.13
	- Power Trading Corporation	4,000	3.12	4,000	1.54
			<u>3.30</u>		<u>1.67</u>
			<u>1,746.18</u>		<u>13.37</u>
	Market Value of Quoted Investment		3.30		1.67
	Book Value of Unquoted Investment		1,742.88		11.70
Note :-					
1.	During the year, the Company has made investment in 15,00,000 Optionaly Convertible Redeemable Preference Shares in the subsidiary i.e. Raas Equipment Private Limited having face value of ` 10 each.				
2.	During the year, the Company has made investment in 93,000 Optionaly Convertible Redeemable Preference Share of Prabha Energy Private Limited at an issue of price of ` 1,700 including face value of Rs. 10 each and share premium of ` 1,690 per share.				
Sr. No.	Particulars	As at 31-03-2021 (` In Lakhs)		As at 31-03-2020 (` In Lakhs)	
8 - NON - CURRENT - FINANCIAL ASSETS - OTHERS					
Unsecured, considered good, unless otherwise stated					
	Security deposits	96.63		91.23	
		<u>96.63</u>		<u>91.23</u>	
9 - OTHER NON CURRENT ASSETS					
	Advance for the Capital Asset				
	Advances to Vendors	437.73		77.94	
	Advances Other Than Capital Advances				
	Advances to Vendors	9.40		9.59	
	Others				
	Balance with Govt Authorities	34.57		34.57	
	Deferred Security Deposits	-		5.76	
		<u>481.71</u>		<u>127.86</u>	
10 - INVENTORIES					
(valued at lower of cost and net realizable value)					
a.	Stores and Spares	1,947.27		1,348.05	
b.	Others				
	- Stock of Oil & Lubricants	487.15		418.24	
C.	Equipment	590.92		356.03	
		<u>3,025.33</u>		<u>2,122.32</u>	



	No. of Units as on 31.03.2021	As at 31-03-2021 (` In Lakhs)	No. of Units as on 31.03.2020	As at 31-03-2020 (` In Lakhs)
11 - CURRENT FINANCIAL ASSETS - INVESTMENTS				
Investments (Quoted)				
Investments at Fair Value through Profit and Loss				
Investments in Mutual Funds				
- Franklin Templeton Low Duration Fund	-	-	41,18,206.57	849.15
- IDFC Mutual Fund	-	-	300.97	7.19
Investment in PMS		100.16		
Investment Measured at Amortised Cost				
Investment in Silver commodity *		1,180.14		-
		1,280.30		856.34
Market Value of Quoted Investment		100.16		856.34
* During the year, the Company has made investment in the Silver commodity and the figure represents unsold portion of the said commodity as at the balance sheet date. The said activity is non-speculative as the company has taken delivery of Silver commodity.				
Sr. Particulars				
No.		As at 31-03-2021 (` In Lakhs)	As at 31-03-2020 (` In Lakhs)	
12 - CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES				
Unsecured, considered good;				
		10,738.26	14,051.75	
		10,738.26	14,051.75	
Note : Refer Note No. 45 for information about credit risk and market risk of trade receivables.				
13 - CURRENT FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS				
A) Balances with Banks				
- In Current Accounts		1,468.18	90.83	
- In EEFC Accounts		0.00	207.22	
- In Escrow Accounts		0.01	0.03	
		1,468.19	298.08	
B) Cash on Hand				
		4.53	7.61	
		4.53	7.61	
		1,472.73	305.68	
14 - CURRENT FINANCIAL ASSETS - BANK BALANCES OTHER THAN ABOVE				
A) Balances with Banks				
- Unpaid Dividend with Bank		3.56	3.56	
		3.56	3.56	
B) Others				
- Fixed Deposits held as Margin Money		1,608.70	3,368.70	
- Fixed Deposits - Others		1,000.00	-	
		2,608.70	3,368.70	
		2,612.26	3,372.26	
15 - CURRENT - FINANCIAL ASSETS - LOANS				
Unsecured, considered good;				
Loan to Staff				
		2.72	3.59	
		2.72	3.59	
16 - CURRENT - FINANCIAL ASSETS - OTHER				
Others				
Accrued Bank Fixed Deposits Interest		99.19	20.43	
Advances to Subsidiaries		1,417.32	622.22	
Insurance Claim Receivable		2.34	-	
		1,518.86	642.65	



Sr. No.	Particulars	As at 31-03-2021 (` In Lakhs)	As at 31-03-2020 (` In Lakhs)
17 -	CURRENT ASSETS - OTHERS		
	Unsecured, considered good, unless otherwise stated		
	Balance with Government Authorities	557.58	162.50
	Income Tax (Net of Provision)	3,715.45	3,303.70
	Prepaid Expenses	252.50	111.88
	Advances to Vendors	509.34	1,154.60
	Others Receivables	28.72	16.21
	Balancing Gratuity Fund	3.38	7.27
	Preliminary Exp.	-	0.07
	ONGC Bank DD - Guarantee for Contracts	496.73	614.53
		5,563.69	5,370.76

18 - EQUITY SHARE CAPITAL

Authorised:

33,20,66,000 Equity Shares of Rs. 10/- each (2,72,66,340 Equity Shares of Rs 10 Each) 3,206.60 2,726.63

Issued, Subscribed and paid-up:

3,20,00,000 Equity Shares of Rs. 10 each fully paid up (PY - NIL) 3,200.00 -

Share Capital Suspense Account - 96,000.00

3,200.00 **96,000.00**

18.1 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 2021		As at 31 March 2020	
	No of Shares	Value `	No of Shares	Value `
— At the beginning of the year	-	-	-	-
— Issue during the period	3,20,00,000	32,00,00,000	-	-
— Outstanding at the end of the year	3,20,00,000	32,00,00,000	-	-

18.2 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, 2021		As at 31st March, 2020	
	No. of Share held	% of Holding	No. of Share held	% of Holding
RUPESH SAVLA FAMILY TRUST	1,00,76,908	31.49%	-	-
SHANTILAL SAVLA FAMILY TRUST	40,62,576	12.70%	-	-
PRITI PARAS SAVLA	20,58,822	6.43%	-	-
DHAREN SHANTILAL SAVLA	20,58,822	6.43%	-	-
	1,82,57,128		-	

18.3 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.

18.4 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.

18.5 Company has not allotted any bonus shares, Shares without consideration in cash and/or bought back any equity shares during the period of five years immediately preceding the Balance sheet date.

18.6 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. No.	Particulars	As at 31-03-2021 (` In Lakhs)	As at 31-03-2020 (` In Lakhs)
19 - OTHER EQUITY			
	Securities Premium		
	Opening balance	-	-
	Add: Addition during the year	92,800.00	-
	Less: Written back during the year	-	-
	Closing balance	<u>92,800.00</u>	-
	Capital Reserve		
	Opening balance	0.10	0.10
	Add: Addition during the year	-	-
	Less: Written back during the year	-	-
	Closing balance	<u>0.10</u>	0.10
	Profit and Loss		
	Opening balance	300.30	(858.28)
	Add: Net Profit/(Net Loss) For the current year	6,315.83	1,737.24
	Add/(Less): Adjustments on account of Ind-AS		
	- Fair Valuation of Financial Liabilities	-	-
	- Fair Valuation of Financial Assets	-	-
	- Proposed Dividend for the year	-	(578.66)
	- Closing Balance	<u>6,616.13</u>	<u>300.30</u>
	FVOCI Reserve		
	Opening balance	35.67	36.81
	Add/Less: Changes during the current year	0.45	(1.14)
	Closing Balance	<u>36.12</u>	<u>35.67</u>
	Total	<u><u>99,452.35</u></u>	<u><u>336.07</u></u>

Notes to other equity

Securities Premium Account

Securities premium is created due to premium on issue of shares and is utilised in accordance with the provisions of the Act.

Capital Reserve

Represent a non-distributable reserve.

20 - NON-CURRENT - FINANCIAL LIABILITIES - BORROWINGS

Secured

a. Term Loans

From banks

- Rupee Term Loans	3,865.56	7,683.13
- Vehicle Loans & Other Loan	159.97	98.86
Less: Current Maturities of Long Term Debts	<u>(3,177.24)</u>	<u>(2,174.00)</u>
	<u><u>848.28</u></u>	<u><u>5,607.99</u></u>

20.1 Nature of Security and Term of Repayment for Long Term Secured borrowings

- (i) Rupee Term Loans from Indusind Bank as mentioned above is secured by hypothecation of Gas Compressor Package, Drilling Rigs and and further secured by personal guarantees from Directors and equitable mortgage of immovable properties situated at Ahmedabad held in the name of directors. ROI of Rupee Term Loan is ranging from 9.35% p.a. to 9.50% p.a. as at the year end. Vehicle Loan & Other Loan as mentioned above is secured by hypothecation of Vehicles & Other Assets and ROI of same is ranging from 7.75% p.a. to 9.30% p.a.
- (ii) Term Loans of Indusind Bank are repayable in two Years

21 - NON-CURRENT - FINANCIAL LIABILITIES - OTHERS

Unsecured, considered good	-	201.41
	<u>-</u>	<u><u>201.41</u></u>



Sr. No.	Particulars	As at 31-03-2021 (` In Lakhs)	As at 31-03-2020 (` In Lakhs)
22 -	DEFERRED TAX LIABILITIES (NET)		
	Opening Balance	10,585.94	11,133.06
	Addition during the year	(7,489.51)	(547.12)
	Written back during the year	-	-
	Closing Balance	<u>3,096.43</u>	<u>10,585.94</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 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 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>		
23 -	OTHER NON CURRENT PROVISIONS		
	<u>Provision for employee benefit</u>		
	- Provision for Gratuity *	-	-
		<u>-</u>	<u>-</u>
	* Please refer Note - 40 for further details		
24 -	CURRENT FINANCIAL LIABILITIES - BORROWINGS		
	<u>Secured</u>		
a.	Loans repayable on demand		
	From banks		
	- Cash Credits	63.68	547.39
		<u>63.68</u>	<u>547.39</u>
24.1	Nature of Security for Current Secured Financial Liabilities		
	<p>Cash Credit Facilities of Axis Bank 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 8.80% p.a. as at the period end and cash credit facility from Indusind Bank is 10.05% p.a. as at the period end.</p>		
25 -	CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES		
	Due to micro and small enterprises	200.01	51.91
	Due to other than micro and small enterprises	2,485.58	3,410.78
		<u>2,685.59</u>	<u>3,462.69</u>

Note :

DUES TO MICRO AND SMALL ENTERPRISES

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act ("MSMED Act"). The Disclosures pursuant to said MSMED Act are as follows:

a)	The Principal amount remaining unpaid to any supplier at the end of the Period	200.01	51.91
b)	Interest due remaining unpaid to any supplier at the end of the year	-	-
c)	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.	-	-
d)	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	-	-
e)	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
f)	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	-	-

Disclosures of payable to vendors as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" is based on information available with the Company regarding status of registration of vendors under said Act, as per information received from them on requests made by the Company. There are no overdue principal amount/interest payable of lakhs for delayed payments to such vendors as at Balance Sheet Date.



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Sr. Particulars No.	As at 31-03-2021 (` In Lakhs)	As at 31-03-2020 (` In Lakhs)
26 - CURRENT - OTHER FINANCIAL LIABILITIES		
Current Maturities of Long Term Debts	3,177.24	2,174.00
Unclaimed Dividends	3.56	3.56
Provision for Salary	146.50	170.15
Provision for Other Expense	15.11	699.55
	<u>3,342.41</u>	<u>3,047.26</u>
27 - OTHER CURRENT LIABILITIES		
Statutory liabilities	405.17	180.25
Other Liabilities	54.66	51.45
Share Capital Payable to Share Holder	6.50	6.50
	<u>466.33</u>	<u>238.21</u>
28- CURRENT PROVISIONS		
Provision for employee benefit		
- Provision for Gratuity *	-	-
	<u>-</u>	<u>-</u>

* Please refer Note - 40 for further details

Sr. Particulars No.	2020-21 (` In Lakhs)	2019-20 (` In Lakhs)
29 - REVENUE FROM OPERATIONS		
Sale of Services	17,845.14	25,113.85
	<u>17,845.14</u>	<u>25,113.85</u>
30 - OTHER INCOME		
Interest Received/Receivable		
From banks	262.75	205.70
From others	41.13	75.18
Dividend Income	0.89	7.30
Profit on sale of Mutual Fund	103.16	8.72
Profit on sale of Equity Share	14.98	-
Profit on Sale of Equity Future	6.24	-
Profit on sale of Commodity - Future	216.29	-
Profit on sale of Fixed Asset	0.30	-
Other Income	3.43	1.42
Insurance Claim Received	0.75	2.08
Net gain on foreign currency transaction and translation (other than finance cost)	22.21	-
Kasar/Vatav and Discount	0.88	0.05
	<u>673.03</u>	<u>300.45</u>
31 - OPERATING EXPENSE		
Consumption Spares, Oil & Other Operating Expense	5,971.94	5,696.28
Changes in inventories of Finished Goods, WIP & Stock in Trade	(903.01)	(1,136.28)
Equipment Running & Maintenance Exps	1,333.08	4,981.34
	<u>6,402.01</u>	<u>9,541.34</u>
32 - EMPLOYEE BENEFITS EXPENSES		
Salaries, Wages, Bonus and Employee Benefits	1,970.65	1,946.32
Director Remuneration & Perquisites	94.50	97.60
Contribution to Provident and Other funds	33.05	26.29
Staff Welfare expenses	76.17	85.51
	<u>2,174.37</u>	<u>2,155.71</u>



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Sr. Particulars No.	2020-21 (` In Lakhs)	2019-20 (` In Lakhs)
33 - FINANCE COSTS		
Interest expenses		
- Interest Expenses on Hypothecation & Term loan	717.42	703.10
- Interest & Finance Charges on Foreign Credit		135.81
- Other Interest & Finance Charges	19.22	46.75
Other borrowing costs		
- Other Interest & Finance Charges	186.31	179.53
	922.94	1,065.20
34 - OTHER EXPENSES		
Electricity, Power and Fuel	99.81	20.88
Repairs, maintenance and refurbishing *	130.06	454.07
Rent	230.19	186.70
Rates and taxes	37.37	21.77
Insurance & Freight	112.24	102.61
Communication Expense	10.57	12.83
Legal and professional charges	224.49	258.14
Payment to the auditors**	10.57	5.07
Printing Stationery, Xerox and Office Expense	93.25	80.38
Donations	21.30	226.00
Travelling and Conveyance(@)	282.58	245.72
Security Service Charges	59.21	42.46
Advertisement, publicity and business promotion	10.26	15.68
Hotel, Loading and Boarding Expense	81.86	86.44
Loss on Sale of Fixed Assets	-	446.32
Loss on Sale of Commodities & Related Expenses	48.60	
Miscellaneous	19.91	
Kasar Vataav/Discount	1.27	
Revaluation of Investment	-	51.98
Preliminary Expense Written off	-	-
	1,473.54	2,257.05
* includes:		
Repairs to buildings	2.29	228.90
Repairs to machinery	127.77	225.17
**Payments to the auditors for		
- statutory audit	2.45	2.45
- Taxation Matters	0.50	0.50
- limited review fees		
- certification work	7.24	2.00
- out of pocket expenses	0.38	0.12
(@) includes:		
Director Travelling	5.04	24.48
	145.67	483.62
35 - OTHER COMPREHENSIVE INCOME		
Re-measurement gains/ (losses) on post employment benefit plans	(1.18)	0.34
Re-measurement gains/ (losses) on fair valuation of financial instruments	1.63	(1.48)
	0.45	(1.14)
36- EARNINGS PER EQUITY SHARE		
Profit/(loss) available for equity shareholders	6,315.83	1,737.24
Weighted average numbers of equity shares outstanding	3,20,00,000	3,20,00,000
Nominal value per equity share (in Rupees)	10	10
Earnings /(loss) Per Equity Share- Basic and Diluted (in Rupees)	19.74	5.43



Sr. No.	Particulars	As at 31-03-2021 (` In Lakhs)	As at 31-03-2020 (` In Lakhs)
37 - CONTINGENT LIABILITIES AND COMMITMENTS			
CONTINGENT LIABILITIES			
(a)	Claims against the Company not acknowledged as debts	-	-
(b)	In respect of guarantees given by Banks and/ or counter guarantees given by the Company	3,552.60	6,009.14
COMMITMENTS			
(a)	Estimated amount of contracts remaining to be executed on capital account and not provided for Considering nature of activity it is not possible to ascertain the elements of Capital Commitment Expenditure to be executed on capital account.		

Sr. No.	Particulars	As at 31-03-2021 (` In Lakhs)	As at 31-03-2020 (` In Lakhs)
38 - DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 17 LEASES			
OPERATING LEASE COMMITMENTS			
Future minimum lease amounts payable by the Company in respect of non-cancellable operating leases (other than land) for other services (including rented premises) entered into by the Company :			
	Not later than one year	167.39	161.40
	Later than one year and not later than five years	-	467.08
	More than five years	-	-

39 - SEGMENT REPORTING

The Company is not required to give segment wise revenue details and capital employed as the Company operates in single business segment namely Oil and Gas Services Business.

40 - 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

Year	Contribution (Rs in Lakhs)
2019-20	26.29
2020-21	33.05

(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-

Economic 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 discounting rate is based on the gross redemption yield on medium to long term risk free investments. The estimated term of the benefits/obligations works out to zero years. For the current valuation a discount rate of 6.55% p.a. (Previous Year 7.45% p.a.) compound has been used.

Salary Escalation Rate

The salary escalation rate usually consists of at least three components, viz. regular increments, price inflation and promotional increases. In addition to this any commitments by the management regarding future salary increases and the Company's philosophy towards employee remuneration are also to be taken into account. Again a long-term view as to trend in salary increase rates has to be taken rather than be guided by the escalation rates experienced in the immediate past, if they have been influenced by unusual factors.



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The assumptions used are summarized in the following table:

	Gratuity (funded) As at 31-03-2021	Gratuity (Unfunded) As at 31-03-2020
	Discount rate(per annum)	
Future salary increase	6.00%	8.00% for Next 1 Years & 6.00% thereafter
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%
	Gratuity (Funded)	
	As at 31-03-2021 (Rs. In Lakhs)	As at 31-03-2020 (Rs. In Lakhs)
Change in present value of the defined benefit obligation during the year		
Present value of obligation as at the beginning of the year	8.18	15.42
Interest Cost	0.52	1.15
Current Service Cost	3.16	1.96
Change in Financial Assumption	0.04	
Due to Experience Adjustment	0.63	
Benefits Paid	(0.81)	(10.01)
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	-	0.60
Actuarial (Gain)/Loss on arising from Experience Adjustment	-	(0.94)
Past Service Cost	-	-
Present value of obligation as at the end of the year	11.71	8.18
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	-	-
Net Asset/ (Liability) recorded in the Balance Sheet		
Present value of Funded obligation as at the end of the year	(3.38)	(7.24)
Present value of obligation as at the end of the year	-	-
Net (Asset)/ Liability Current	(3.38)	(7.24)
Net (Asset)/ Liability-Non-Current	0.00	0.00
Expenses recorded in the Statement of Profit & Loss during the year		
Interest Cost	(0.47)	1.15
Current Service Cost	3.16	1.96
Total expenses included in employee benefit expenses	2.69	3.11
Recognized in Other Comprehensive Income during the year		
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	0.04	0.60
Actuarial (Gain)/Loss on arising from Experience Adjustment	0.63	(0.94)
Return on plan assets	0.51	
Recognized in Other Comprehensive Income	1.18	(0.34)
Maturity profile of defined benefit obligation		
Within 12 months of the reporting period	(3.38)	(7.24)
Between 2 and 5 years	-	-
Between 6 and 10 years	-	-
Expected contribution to the defined benefit plan for the next reporting period	2020-21 (Rs. In Lakhs)	2019-20 (Rs. In Lakhs)
Expected contribution to the defined benefit plan for the next reporting period (Gratuity)	(3.38)	(7.24)



41 - CORPORATE SOCIAL RESPONSIBILITY

Pursuant to the provisions of section 135(5) of the Companies Act, 2013 (the Act), the Company has formed its Corporate Social Responsibility (CSR) Committee. As per the relevant provisions of the Act read with Rule 2(1)(f) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company is required to spend at least 2% of the average net profits (determined under section 198 of the Companies Act 2013 and section 349 of the Companies Act 1956) made during the immediately three financial years.

Gross amount required to be spent by the Company during the year: For 2020 - 21-21.15 Lakhs (FY 2019-20 Rs. 50.89 Lakhs).

PARTICULARS	2020-21	2019-20
	(Rs. In Lakhs)	(Rs. In Lakhs)
Amount Required to be spent as per Section 135 of the Act	21.15	50.89
Amount spent during the year on:		
(i) Construction/Acquisition of an asset	-	
(ii) On the Purposes other than (i) above	21.15	51.00
Total	21.15	51.00

42 - DERIVATIVE INSTRUMENTS

(a) Derivatives outstanding as at balance sheet date

The 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	2020-21	2019-20
	(Rs. In Lakhs)	(Rs. In Lakhs)
HDFC Bank		
Currency Swap - 1	-	24.59
Start Date: 01st January, 2017		
End Date: 04th May, 2020		
Underlying USD amount: USD 5,87,048.25		
Fixed LIBOR rate : 5.75% p.a		
IndusInd Bank		
Currency Swap - 1	-	208.88
Start Date: 20th February, 2019		
End Date: 31st January, 2021		
Underlying USD amount: USD 7,34,177.22		
Fixed rate : 3.34% p.a		
Currency Swap - 2	407.52	681.92
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	405.49	678.53
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	344.81	576.98
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	337.96	565.52
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	1,050.86
Start Date: 17th January, 2020		
End Date: 30th Sept, 2021		
Underlying USD amount: USD 15,68,220.07		
Fixed rate : 3.95 % p.a		



PARTICULARS	2020-21 (Rs. In Lakhs)	2019-20 (Rs. In Lakhs)
Currency Swap - 7	475.29	1,044.54
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	1,070.20
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, 2021 31st March, 2020 are as under:

	(Amount in Lacs)			
	As at 31st March, 2021		As at 31st March, 2020	
	Foreign Currency (USD)	Rs	Foreign	Rs Currency (USD)
Receivables				
Loans and advances given	5.71	425.73	8.25	622.22
Investment in Deep International DMCC (refer Note 7)	0.14	8.90	0.14	8.90
Trade Receivables	52.20	3,855.72	40.34	3040.82
Loans & Advances to Creditors				
For Capital Goods	5.99	437.73	1.03	77.94
For Spares & Purchase	3.78	257.50	0.33	24.98
Payables				
Trade payables	-	-	-	-

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

(a) Related Parties

For the Year Ended on 31st March, 2021

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 Pvt. Ltd

3. Key Management Personnel

Name	Designation
Mr. Paras Savla	Chairman and MD
Mr. Rupesh Savla	Managing Director
Mr. Dharen Savla	Whole-time Director
Ms. Renuka Upadhyay	Independent Director (w.e.f. 10.11.2020)
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
Mr. Akshit Soni	Company Secretary (upto 05.12.2020)
Ms. Roshni Shah	Company Secretary (w.e.f. 01.01.2021)

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 | |



(b) Transactions with related parties:

Nature of Transaction	(` In Lakhs)							
	Subsidiaries		Key Management Personnel and their relatives		Enterprises significantly influences by KMP, or Relatives of KMP		Total	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Remuneration, Salary and Sitting Fees		-	136.38	121.98	-	-	136.38	121.98
Rent		-	161.41	155.44	-	-	161.41	155.44
Perquisites		-	-	-	-	-	-	-
Investments made during the year	150.18	-	-	-	-	-	150.18	-
Sales of Spares & Fixed Asset	170.68	-	-	-	-	-	170.68	-
Purchase	46.32	-	-	-	-	-	46.32	-
Interest Charged	17.91	-	-	-	-	-	17.91	-
Advances Given	991.60	-	-	-	-	-	991.60	-
Advances Repaid to us by Deep International DMCC	214.40	-	-	-	-	-	214.40	-

Balance Outstanding

	Payable		Receivable	
	As at 31-03-21	As at 31-03-20	As at 31-03-21	As at 31-03-20
	(` In Lakhs)	(` In Lakhs)	(` In Lakhs)	(` In Lakhs)
Balance with Subsidiary			1417.32	622.22
Investments held in Subsidiaries	-	-	159.82	9.89
Key Management Personnel and their relatives	-	-	-	-
Entities controlled by Directors or their relatives	-	-	-	-
Total	-	-	1,577.14	632.11

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.

44. FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

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

1. Fair values of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short-term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on the evaluation, allowances are taken to account for the expected losses of these receivables.

The company uses the following hierarchy for determining and disclosing the fair values of financial instruments by valuation technique:

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

Level 2 : Other techniques for which all inputs which have a significant effects on the recorded fair value are observable, either directly or indirectly.

Level 3 : Techniques which use inputs that have a significant effects on the recorded fair value that are not based on observable market data.



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I. Figures as at March 31, 2021

Financial Instrument	Note No.	Carrying Amount				Fair value				
		FVTPL	FVOCI	Total Fair Value	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Non-Current Assets										
Financial Assets										
(i) Investments	7	-	3.30	3.30	1,742.88	1,746.18	3.30	-	-	3.30
(ii) Loans		-	-	-	-	-	-	-	-	-
(iii) Others	8	-	-	-	96.63	96.63	-	-	-	-
Current Assets										
Financial Assets										
(i) Investments	11	100.16	-	100.16	1,180.14	1,280.30	1,280.30	-	-	1,280.30
(ii) Trade Receivables	12	-	-	-	10,738.26	10,738.26	-	-	-	-
(iii) Cash and Cash Equivalents	13	-	-	-	1,472.73	1,472.73	-	-	-	-
(iv) Bank balances other than above (iii)	14	-	-	-	2,612.26	2,612.26	-	-	-	-
(v) Loans	15	-	-	-	2.72	2.72	-	-	-	-
(vi) Others	16	-	-	-	1,518.86	1,518.86	-	-	-	-
TOTAL		100.16	3.30	103.47	19,364.46	19,467.93	1,283.61	-	-	1,283.61
Non Current Liabilities										
Financial Liabilities										
(i) Borrowings	20	-	-	-	848.28	848.28	-	-	-	-
(ii) Trade Payable		-	-	-	-	-	-	-	-	-
(iii) Others	21	-	-	-	-	-	-	-	-	-
Current Liabilities										
Financial Liabilities										
(i) Borrowings	24	-	-	-	63.68	63.68	-	-	-	-
(ii) Trade Payable	25	-	-	-	2,685.59	2,685.59	-	-	-	-
(iii) Others	26	-	-	-	3,342.41	3,342.41	-	-	-	-
TOTAL		-	-	-	6,939.96	6,939.96	-	-	-	-

During the reporting period ending March 31, 2021, there were no transfers between Level 1 and Level 2 fair value measurements.

II. Figures as at March 31, 2020

Financial Instrument	Note No.	Carrying Amount				Fair value				
		FVTPL	FVOCI	Total Fair Value	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Non-Current Assets										
Financial Assets										
(i) Investments	7	-	1.67	1.67	11.70	13.37	1.67	-	-	1.67
(ii) Loans		-	-	-	-	-	-	-	-	-
(iii) Others	8	-	-	-	91.23	91.23	-	-	-	-
Current Assets										
Financial Assets										
(i) Investments	11	856.34	-	856.34	-	856.34	856.34	-	-	856.34
(ii) Trade Receivables	12	-	-	-	14,051.75	14,051.75	-	-	-	-
(iii) Cash and Cash Equivalents	13	-	-	-	305.68	305.68	-	-	-	-
(iv) Bank balances other than above (iii)	14	-	-	-	3,372.26	3,372.26	-	-	-	-
(v) Loans	15	-	-	-	3.59	3.59	-	-	-	-
(vi) Others	16	-	-	-	642.65	642.65	-	-	-	-
TOTAL		856.34	1.67	858.01	18,478.86	19,336.86	858.01	-	-	858.01
Non Current Liabilities										
Financial Liabilities										
(i) Borrowings	20	-	-	-	5,607.99	5,607.99	-	-	-	-
(ii) Trade Payable		-	-	-	-	-	-	-	-	-
(iii) Others	21	-	-	-	201.41	201.41	-	-	-	-
Current Liabilities										
Financial Liabilities										
(i) Borrowings	24	-	-	-	547.39	547.39	-	-	-	-
(ii) Trade Payable	25	-	-	-	3,462.69	3,462.69	-	-	-	-
(iii) Others	26	-	-	-	3,047.26	3,047.26	-	-	-	-
TOTAL		-	-	-	12,866.74	12,866.74	-	-	-	-

During the reporting period ending March 31, 2020, there were no transfers between Level 1 and Level 2 fair value measurements.



III. Description of significant unobservable inputs to valuation:

The following table shows the valuation techniques and inputs used for the financial instruments

	As at 31-03-21	As at 31-03-20
Other Non-Current Financial Assets Borrowings (Non-Current)	Discounted Cash Flow method using the risk adjusted discount rate	

No, financial instruments have been routed through Other Comprehensive Income and hence separate reconciliation disclosure relating to the same is not applicable.

45. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The company's financial risk management policy is set by the Managing Board.

Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loan borrowings.

The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and policies.

Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the company's position with regards to the interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

The company is not exposed to significant interest rate risk as at the specified reporting date.

Refer Note 20 for interest rate profile of the Company's interest-bearing financial instrument at the reporting date.

Foreign currency risk

The Company operates locally, however, the nature of its operations requires it to transact in INR and USD and consequently the Company is exposed to foreign exchange risk in USD.

The Company evaluates exchange rate exposure arising from foreign currency transactions and the Company follows established risk management policies. Being net forex gainer Company is having natural hedge position in USD currency.

I. Foreign Currency Exposure

Refer Note 42 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	2020-21		2019-20	
	1% Increase	1% Decrease	1% Increase	1% Decrease
USD	49.85	(49.85)	37.75	(37.75)
Total	49.85	(49.85)	37.75	(37.75)

Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly. Almost all customers of the Company are either public sector undertakings or multinational Companies.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is significant increase in credit risk the company compares the risk of a default occurring and the asset at the reporting date with the risk of default as the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- (i) Actual or expected significant adverse changes in business,
- (ii) Actual or expected significant changes in the operating results of the counterparty.



- (iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligation,
- (iv) Significant increase in credit risk on other financial instruments of the same counterparty.
- (v) Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 2 years past due. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

I. Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)

Particulars	As at 31-03-2021	As at 31-03-2020
Non-current financial assets - Loans	-	-
Current financial assets - loans	2.72	3.59
Total (A)	2.72	3.59

II. Financial assets for which loss allowance is measured using 12 months Life Time Expected Credit Losses (ECL)

Trade Receivables	10,738.26	14,051.75
Total (A)	10,738.26	14,051.75

Grand Total (A+B)

Balances with banks are subject to low credit risks due to good credit ratings assigned to these banks.

III. The ageing analysis of these receivables (gross of provision) has been considered from the date the invoice falls due

Up to 3 months	5,721.46	5,765.57
3 to 6 months	612.93	1,083.75
More than 6 months	4,403.86	7,202.42
Total	10,738.25	14,051.75

IV. Provision for expected credit losses against "II" and "III" above

The company has assets where the counter- parties have sufficient capacity to meet the obligations and where the risk of default is very low. Hence based on historic default rates, the Company believes that, no impairment allowance is necessary in respect of above mentioned financial assets.

Liquidity Risk

Liquidity Risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at reasonable price. The company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the company's net liquidity position through rolling forecast on the basis of expected cash flows.

Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

Particulars	As at 31-03-2021			As at 31-03-2020		
	Less than 1 year	1 to 5 years	Total	Less than 1 year	1 to 5 years	Total
Non-current financial liabilities - Borrowings	-	848.28	848.28	-	5,607.99	5,607.99
Non-current financial liabilities - Others	-	-	-	-	201.41	201.41
Current financial liabilities - Borrowings	63.68	-	63.68	547.39	-	547.39
Current financial liabilities - Trade Payables	2,685.59	-	2,685.59	3,462.69	-	3,462.69
Current financial liabilities - Others	3,342.41	-	3,342.41	3,047.26	-	3,047.26
Total	6,091.67	848.28	6,939.96	7,057.35	5,809.39	12,866.74



Capital management

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's Capital Management is to maximise shareholder value. The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirement of the financial covenants.

The company monitors capital using gearing ratio, which is total debt divided by total capital plus debt.

Particulars	As at 31-03-2021	As at 31-03-2020
Total Debt	4,089.20	8,329.38
Equity	3,200.00	3,200.00
Capital and net debt	7,289.20	11,529.38
Gearing ratio	56.10%	72.24%

Note:

Figures of previous reporting period have been regrouped / reclassified wherever necessary to correspond with the figures of the current reporting period

NOTE: 46

During the year, the name of the Company was changed from Deep CH4 Limited to Deep Industries Limited. Requisite disclosures have been made wherever required. 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

NOTE: 47

As per the Scheme of Arrangement coming into effect and in consideration of the transfer and vesting of the Oil and Gas Services Undertaking (as defined in the Scheme) into Deep Industries Limited (Formerly known as Deep CH4 Limited) viz. the Resulting Company, the Resulting Company issued and allotted, on a proportionate basis, to each shareholder of Deep Energy Resources Limited (Formerly known as Deep Industries Limited) viz. the Demerged Company, 1 (One) fully paid up equity share of face value of INR 10 (Indian Rupees Ten) for every 1 (One) equity share of the Demerged Company held by such shareholder whose name was recorded in the register of members and records of the depository as members of the Demerged Company as on the 11th November 2020.

NOTE: 48

The figures for the previous periods have been regrouped whenever necessary to confirm to the current period presentation.

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 : June 24, 2021

FOR & ON BEHALF OF DEEP INDUSTRIES LTD

Paras Savla	Rupesh Savla
Chairman & Managing Director	Managing Director
DIN:00145639	DIN : 00126303

Rohan Shah	Roshni Shah
Chief Financial Officer	Company Secretary
Membership No: A47037	

Place : Ahmedabad
Date : June 24, 2021



INDEPENDENT AUDITOR'S REPORT

To,
The Members,
Deep Industries Limited (Formerly known as Deep CH4 Limited)
Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Deep Industries Limited (Formerly known as Deep CH4 Limited) ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), which comprise the Consolidated Balance Sheet as at 31 March 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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 / consolidated financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the consolidated state of affairs (consolidated financial position) of the Group as at 31 March 2021, and its consolidated profit (consolidated financial performance including other comprehensive income), its consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing 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 Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters paragraph below is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note –4 of the standalone financial statements regarding outbreak of COVID-19 and the impact assessment made by the management on its business, operations and assets of the Company. As stated in the said Note, the unfolding events could in fact may end up being different but it is anticipated the same are unlikely to materially affect the business of the Company. Our opinion is not modified in respect of this matter.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, 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 the 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 in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated state of affairs (consolidated financial position), consolidated profit or loss (consolidated financial performance including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act, the respective Board of Directors /management of the companies included in the Group, covered under the Act are responsible for maintenance of



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

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the Group's financial reporting process.

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

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

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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 Act, we are also responsible for expressing our opinion on whether the holding company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of utmost 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

We did not audit financial statement of Deep International DMCC, Dubai included in the consolidated financial result, whose financial statements reflects total assets of ` 3,234.63 lakhs as at March 31, 2021, total revenue of ` 937 lakhs, net profit ` 147.29lakhs for the year ended on that date, as considered in the financial results. This financial statement has been audited by other auditor whose reports have been furnished to us by the management and our opinion on the consolidated financial results, in so far as it relates to amounts and disclosures included in respect of this 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, and matters identified and disclosed under key audit matters section above, 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 above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 197(16) of the Act, based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 15, on separate financial statements of the subsidiaries, we report that the Holding Company and the subsidiaries, paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.
2. 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 and other financial information of the subsidiaries, 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 purpose 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 financial statements 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 Ind AS specified under Section 133 of the Act;
 - e. On the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiary companies, none of the directors of the Group companies, its associate companies and joint venture companies covered under the Act, are disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act;
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, and its subsidiary companies, and the operating effectiveness of such controls, refer to our separate report in 'Annexure A';
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (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 report of the other auditors on separate financial statements and also the other financial information of the subsidiaries:



- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group;
 - ii. Provision has been made in these consolidated financial statements, as required under the applicable law or Ind AS, for 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, and its subsidiary companies, during the year ended 31 March 2021;
3. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company, if any, 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 except as mentioned above. 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. Our opinion is not modified in respect of this matter

For, Dhirubhai Shah & Co LLP
Chartered Accountants
FRN: 102511W/100298

Place : Ahmedabad
Dated : 24th June, 2021

Anik S Shah
Partner
Membership number: 140594
UDIN:21140594AAAATX8552

Annexure-A to the Auditors' report

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

We have audited the internal financial controls over financial reporting of Deep Industries Limited (Formerly known as Deep CH4 Limited) ("the Company") as of 31st March 2021 in conjunction with our audit of the consolidated financial statements of the Group for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Group 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 Group's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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



Meaning of Internal Financial Controls over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Holding Company and its subsidiaries has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2021, based on the internal control over financial reporting criteria established by the Group 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.

Other Matter

We did not audit the internal financial controls over financial reporting in so far as it related to two subsidiary companies, whose financial statements reflects total assets of ₹ 3,112.89 lakhs as at March 31, 2021, total revenue of ₹ 1,327.36 lakhs, net profit ₹ 299.90 lakhs for the year ended on that date, as considered in the financial results.

The internal financial controls over financial reporting in so far as it relates to Deep International DMCC, Dubai, has been audited by other auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls over financial reporting for the Group, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary company is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

For, Dhirubhai Shah & Co LLP
Chartered Accountants
FRN: 102511W/100298

Anik S Shah
Partner

Place : Ahmedabad
Dated : 24th June, 2021

Membership number: 140594
UDIN:21140594AAAATX8552



CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES AS AT 31st MARCH, 2021

ASSETS	Note No.	As at 31-03-2021 In Lakhs	As at 31-03-2020 In Lakhs
NON-CURRENT ASSETS			
(a) Property, Plant and Equipment	6	48,276.58	49,883.24
(b) Capital Work in Progress	6	65.57	345.62
(c) Intangible Assets	6	38,496.58	44,913.59
(d) Financial Assets			
(i) Investments	7	1,586.36	3.73
(ii) Others	8	106.40	91.23
(e) Other Non-Current Assets	9	481.73	127.86
		89,013.22	95,365.27
CURRENT ASSETS			
(a) Inventories	10	3,895.55	2,645.92
(b) Financial Assets			
(i) Investments	11	1,281.30	857.30
(ii) Trade Receivables	12	12,763.10	15,569.48
(iii) Cash and Cash Equivalents	13	1,942.96	355.76
(iv) Bank balances other than above (iii)	14	2,612.26	3,372.26
(v) Loans	15	2.72	3.59
(vi) Others	16	101.53	20.43
(c) Other Current Assets	17	5,675.27	5,386.53
		28,274.70	28,211.27
TOTAL ASSETS		1,17,287.92	1,23,576.24
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	18	3,200.00	96,000.00
(b) Other Equity	19	1,02,974.38	3,739.68
		1,06,174.38	99,739.68
Non Controlling Interest		3.73	0.29
LIABILITIES			
NON-CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	20	848.28	5,607.99
(ii) Others	21	-	201.41
(b) Deferred Tax Liabilities (Net)	22	3,098.22	10,585.94
(c) Provision	23	-	-
		3,946.50	16,395.34
CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	24	63.68	547.39
(ii) Trade Payables	25		
- Dues to Micro & Small Enterprises		244.79	51.91
- Dues to Other than Micro & Small Enterprises		2,994.50	3,523.88
(iii) Others	26	3,393.35	3,047.39
(b) Other Current Liabilities	27	466.99	270.66
(c) Provisions	28	-	-
		7,163.30	7,441.23
TOTAL EQUITY & LIABILITIES		1,17,287.92	1,23,576.24

Corporate Information, Basis of Preparation & Significant Accounting Policies
The accompanying notes 1 to 46 are an integral part of the Consolidated Financial Statements

1-5

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 : June 24, 2021

FOR & ON BEHALF OF DEEP INDUSTRIES LTD

Paras Savla	Rupesh Savla
Chairman & Managing Director	Managing Director
DIN:00145639	DIN : 00126303

Rohan Shah	Roshni Shah
Chief Financial Officer	Company Secretary

Membership No: A47037

Place : Ahmedabad
Date : June 24, 2021



CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2021

	Note No.	2020-21 In Lakhs	2019-20 In Lakhs
INCOME			
Revenue from operations	29	19,370.55	26,184.71
Other income	30	655.13	301.64
TOTAL INCOME		20,025.68	26,486.35
EXPENSES			
Operating Expense	31	7,028.81	9,142.19
Employee benefits expense	32	2,660.36	2,519.55
Finance Costs	33	936.33	1,066.81
Depreciation and amortization expenses	6	8,758.89	8,969.69
Other expenses	34	1,646.91	1,973.34
TOTAL EXPENSES		21,031.31	23,671.59
Profit/(Loss) before exceptional items and tax		(1,005.62)	2,814.77
Exceptional items (net)		-	-
Profit/(Loss) before tax		(1,005.62)	2,814.77
Tax items			
Current tax		1.77	251.75
Earlier years tax provisions (written back)		-	-
Deferred tax (asset) / liability		(7,487.72)	(547.12)
Total tax items		(7,485.95)	(295.37)
Profit/(Loss) for the year		6,480.32	3,110.14
Other Comprehensive Income			
Items that will not be re-classified to Profit or Loss	35		
Re-measurement gains/ (losses) on post employment benefit plans		(1.18)	0.34
Items that will be re-classified to Profit or Loss			
Re-measurement gains/ (losses) on fair valuation of financial instruments		1.63	(1.48)
Other Comprehensive Income/(Loss) for the year		0.45	(1.14)
Total Comprehensive Income/(Loss) for the year		6,480.78	3,109.00
Net profit / (loss) attributable to:			
Owners		6,476.88	3,110.12
Non-controlling interest		3.44	0.02
Other comprehensive income / (loss) attributable to:			
Owners		0.45	(1.14)
Non-controlling interest			-
Total comprehensive income / (loss) attributable to:			
Owners		6,477.33	3,110.12
Non-controlling interest		3.44	0.02
Earnings Per Equity Share (Basic and Diluted)	36	20.25	9.72
Corporate Information, Basis of Preparation & Significant Accounting Policies			
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 : June 24, 2021

FOR & ON BEHALF OF DEEP INDUSTRIES LTD

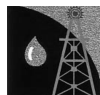
Paras Savla
Chairman & Managing Director
DIN:00145639

Rohan Shah
Chief Financial Officer

Place : Ahmedabad
Date : June 24, 2021

Rupesh Savla
Managing Director
DIN : 00126303

Roshni Shah
Company Secretary
Membership No: A47037



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2021

PARTICULARS	2020-21 In Lakhs	2019-20 In Lakhs
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Profit/ (loss) Before Tax	(1,005.62)	2,814.77
Adjustments for:		
Depreciation and amortization	8,758.89	8,969.69
Interest and finance charges	936.33	1,066.81
Interest income	(285.98)	(280.88)
Dividend Income	(0.89)	
(Gain)/Loss on fixed assets sold/ discarded (net)	(0.30)	(9.57)
(Gain)/Loss on investments sold/ discarded (net)	(292.07)	(8.66)
Others	(42.18)	(1.14)
Operating Profit before Working Capital Changes	8,068.17	12,551.02
Adjustments for changes in working capital :		
(Increase)/decrease in trade receivables, loans & advances and other assets	2,478.26	(4,103.43)
(Increase)/decrease in inventories	(1,249.63)	(1,278.35)
Increase/(decrease) in trade payables, other liabilities and provisions	(797.46)	(1,664.43)
Cash Generated from Operations	431.17	(7,046.21)
Income taxes paid	(411.72)	(809.51)
Net Cashflow from Operating Activities	8,087.62	4,695.30
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(455.87)	(7,183.45)
Additions in capital work in progress	-	-
Proceeds from sale of fixed assets	1.00	1,492.70
Purchase of Investments	(9,432.78)	(6,688.46)
Sale of Investment	7,718.26	6,880.56
(Investment in)/ Proceeds from Fixed Deposits	760.00	(679.50)
Interest received	285.98	280.88
Dividend Received	0.89	
Net Cashflow from Investing Activities	(1,122.51)	(5,897.27)
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds/Payment from Secured Loans	(4,441.58)	2,050.40
Dividend Payment and Dividend Distribution Tax	-	(578.66)
Interest and finance charges	(936.33)	(1,066.81)
Net Cashflow from Financing Activities	(5,377.91)	404.93
Net Increase/(Decrease) in Cash and Cash Equivalents	1,587.20	(797.03)
Cash and bank balances at the beginning of the year	355.76	1,152.79
Cash and bank balances at the end of the year	1,942.96	355.76



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:

DETAIL OF CASH AND CASH EQUIVALENTS

	As at 31-03-2021 In Lakhs	As at 31-03-2020 In Lakhs
Balances with banks		
In current accounts	1,937.52	140.90
In EEFC Accounts	0.00	207.22
In Escrow Accounts	0.01	0.03
Cash on hand	5.42	7.61
	<u>1,942.96</u>	<u>355.76</u>

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 : June 24, 2021

FOR & ON BEHALF OF DEEP INDUSTRIES LTD

Paras Savla Chairman & Managing Director DIN:00145639	Rupesh Savla Managing Director DIN : 00126303
Rohan Shah Chief Financial Officer	Roshni Shah Company Secretary Membership No: A47037

Place : Ahmedabad
Date : June 24, 2021



STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2021

(A) EQUITY SHARE CAPITAL (SHARE CAPITAL SUSPENCE ACCOUNTS)

For the year ended 31st March, 2021

		(` In Lakhs)
Balance as at 1st April, 2020	Changes during the year	Balance as at 31st March, 2021
96,000.00	(92,800.00)	3,200.00

For the year ended 31st March, 2020

		(` In Lakhs)
Balance as at 1st April, 2019	Changes during the year	Balance as at 31st March, 2020
96,000.00	-	96,000.00

(B) OTHER EQUITY

For the year ended 31st March, 2021

	Capital Reserve	General Reserve	Security premium account	Retained Earnings	FVOCI Reserve	Non-Monetary Foreign Currency Translation	Total Equity
Balance as at 1st April, 2020	0.10	-	-	3,523.01	35.67	-	3,558.78
Addition / (deduction) during the year	-	-	92,800.00	6,476.88	-	138.27	99,415.15
Proposed Dividend and Dividend Distribution Tax thereon	-	-	-	-	-	-	-
Transfer from / to	-	-	-	-	-	-	-
Other Comprehensive income/(loss) for the year	-	-	-	-	-	-	-
Remeasurements gain/(loss) on defined benefit plans	-	-	-	-	0.45	-	0.45
Balance as at 31st March, 2021	0.10	-	92,800.00	9,999.89	36.12	138.27	1,02,974.38

For the year ended 31st March, 2020

	Capital Reserve	General Reserve	Security premium account	Retained Earnings	FVOCI Reserve	Non-Monetary Foreign Currency Translation	Total Equity
Balance as at 1st April, 2019	0.10	-	-	991.53	36.81	-	1,028.44
Addition / (deduction) during the year	-	-	-	3,110.14	-	180.90	3,291.04
Proposed Dividend and Dividend Distribution Tax thereon	-	-	-	(578.66)	-	-	(578.66)
Transfer from / to	-	-	-	-	-	-	-
Other Comprehensive income/(loss) for the year	-	-	-	-	-	-	-
Remeasurements gain/(loss) on defined benefit plans	-	-	-	-	(1.14)	-	(1.14)
Balance as at 31st March, 2020	0.10	-	-	3,523.01	35.67	180.90	3,739.68

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 : June 24, 2021

FOR & ON BEHALF OF DEEP INDUSTRIES LTD

Paras Savla Chairman & Managing Director DIN:00145639	Rupesh Savla Managing Director DIN : 00126303
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Rohan Shah Chief Financial Officer	Roshni Shah Company Secretary
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Membership No: A47037

Place : Ahmedabad
Date : June 24, 2021



**NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2021**

1. CORPORATE INFORMATION

The consolidated financial statements comprise financial statements of Deep Industries Limited (Formerly known as Deep CH4 Ltd) ["the Parent"] and its Subsidiaries [collectively, "the Group"] for the year ended March 31, 2021. The Group operates as an integrated Group with business encompassing to serve the oil & gas industry. The service portfolio of the Group includes Air and Gas compression, Gas Dehydration, Work over, Drilling. The registered office of the Parent is located at 12A &14, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad - 380058. These financial statements were authorized for issue in accordance with a resolution of the directors on June 24, 2021.

2. BASIS OF PREPARATION

The financial statements have been prepared on historical cost basis, except certain financial assets and liabilities which have been measured at fair value, defined benefits plans and contingent consideration. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purposes of current / non-current classification of assets and liabilities.

Statement of Compliance

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. The standalone financial statements were approved for issue by the Company's Board of Directors on 24th June, 2021

Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2A. USE OF ESTIMATES

The preparation of 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 group's 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 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:

Property, plant and equipment are stated at original cost net of tax / duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. Costs include financing costs of borrowed funds attributable to acquisition or construction of fixed assets, up to the date the assets are put-to-use, along with effects of foreign exchange contracts and adjustments, arising from exchange rate variations, attributable to the fixed assets, of those contracts for which option under notification of Ind AS 21 was exercised. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly. Where components of an asset are significant in value in relation to the total value of the asset as a whole, and they have substantially different economic lives as compared to principal item of the asset, they are recognized separately as independent items and are depreciated over their estimated economic useful lives. 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

Tangible Fixed Assets:

- (a) 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 acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

An item of intangible asset initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset [calculated as the difference between the net disposal proceeds and the carrying amount of the asset] is included in the income statement when the asset is derecognized. Intangible fixed assets are amortized on straight line basis over their estimated useful economic life.

Capital Work- in- progress

Capital work- in- progress represents directly attributable costs of construction to be capitalized. All other expenses including interest incurred during construction period are capitalized as a part of the construction cost to the extent to which these expenditures are attributable to the construction as per Ind AS-23 "Borrowing Costs". Interest income earned on temporary investment of funds brought in for the project during construction period are set off from the interest expense accounted for as expenditure during the construction period. All these expenses are transferred to fixed assets on commencement of respective projects.

3.2 Impairment of non-financial assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/ external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the Company measures it on the basis of discounted cash flows of next five years' projections estimated based on current prices. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased.

In respect of the subsidiaries assets at each balance sheet date, the impairment testing is based on the realizable value of underlying assets as tested by the Board of Directors of the subsidiary.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

Impairment losses of continuing operations, including impairment on inventories, are recognized in profit and loss section of the statement of profit and loss, except for properties previously revalued with the revaluation taken to other comprehensive Income (the 'OCI'). For such properties, the impairment is recognized in OCI up to the amount of any previous revaluation.

3.3 Foreign Currency Transactions



The Company's financial statements are presented in INR, which is also the Company's functional currency.

Initial Recognition

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

Conversion

Foreign currency monetary items are reported using the closing rate. In case of items which are covered by forward exchange contract, the difference between year end rate and rate on the date of the contract is recognised as exchange difference and premium paid on forward contracts and option contract is recognised over the life of the contract. Non-monetary items, which are measured in terms of historical costs denominated in foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements including receivables and payables which are likely to be settled in foreseeable future, are recognized as income or as expenses in the year in which they arise. All other exchange differences are recognized as income or as expenses in the period in which they arise, except of those contracts for which option under notification of Ind AS 21 was exercised where they relate to acquisition of Fixed Assets, the difference arising a result in which case they are adjusted to the term loan liabilities account.

The gain or loss arising on translation of non-monetary items is recognized in line with the gain or loss of the item that give rise to the translation difference (i.e. translation difference on items whose gain or loss is recognized in other comprehensive income or the statement of profit and loss is also recognized in other comprehensive income or the statement of profit and loss respectively).

3.4 Revenue recognition

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), 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 recognized initially at fair value plus, in the 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. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place [regular way trades] are recognized on the settlement date, trade date, i.e., the date that the Company settle commits to purchase or sell the asset.

b. Subsequent measurement:

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

i. Debt instruments at amortized cost:

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:



- The asset is held with an objective of collecting contractual cash flows
- Contractual terms of the asset give rise on specified dates to cash flows that are “solely payments of principal and interest” [SPPI] on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate [EIR] method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

ii. Debt instruments at fair value through other comprehensive income [FVTOCI]:

A ‘debt instrument’ is classified as at the FVTOCI if both of the following criteria are met:

- The asset is held with objective of both - for collecting contractual cash flows and selling the financial assets
- The asset’s contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income [OCI]. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

iii. Debt instruments, derivatives and equity instruments at fair value through profit or loss [FVTPL]:

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

iv. Equity instruments measured at fair value through other comprehensive income [FVTOCI]:

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company has made such election on an instrument by- by instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

c. Derecognition:

A financial asset is primarily derecognized when:

- i. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass-through’ arrangement~ and either [a] the Company has transferred substantially all the risks and rewards of the asset, or [b] the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.
- ii. the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership.

d. Impairment of financial assets:

In accordance with Ind AS 109, the Company applies expected credit loss [ECL] model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits, trade receivables and bank balance
- b. Trade receivables or any contractual right to receive cash
- c. Financial assets that are debt instruments and are measured as at FVTOCI
- d. Lease receivables under Ind AS 17
- e. Financial guarantee contracts which are not measured as at FVTPL

The Company follows ‘simplified approach’ for recognition of impairment loss allowance on Point c and d provided above. The application of simplified approach requires the company to recognize the impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly,



12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive [i.e., all cash shortfalls], discounted at the original EIR.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

ECL impairment loss allowance [or reversal] recognized during the period is recognized as income/ expense in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

- a. Financial assets measured as at amortized cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance which reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- b. Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

B. Financial liabilities:

a. Initial recognition and measurement:

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

b. Subsequent measurement:

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

i. Financial liabilities at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied for liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

ii. Loans and borrowings:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

iii. Financial guarantee contracts:

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in



accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

c. Derecognition:

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

C. Reclassification of financial assets:

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses [including impairment gains or losses] or interest.

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 recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

3.6 Fair Value Measurement

The Company measures financial instruments, such as, derivatives 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 in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a. In the principal market for the asset or liability, or
- b. In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized 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

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 (eg: FIFO, WAM etc). 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

- a. Short Term employee benefits are recognized as expense at undiscounted amount in the statement of profit and loss for the year in which the related service is rendered.
- b. Post employment and other long term benefits are recognised as an expense in the statement of profit and loss account for the year in which the employee has rendered services. The expense is recognised at the present value of the amounts payable determined using actuarial valuation techniques at the end of Financial Year. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the statement of profit and loss.
- c. Payments to defined contribution retirement benefit scheme, if any, are charged as expense as they fall due.

3.9 Taxes on Income

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 and tax laws prevailing in the respective tax jurisdictions where the



Company operates. Current tax items are recognized in correlation to the underlying transaction either in P&L, OCI or directly in equity.

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 liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized on the basis of reasonable certainty that the company will be having sufficient future taxable profits and based on the same the DTA has been recognized in the books.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year 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" reporting date.

Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e. the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement". The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes it down to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period and utilize the MAT Credit Entitlement.

3.10 Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

Borrowing costs which are not specifically attributable to the acquisition, construction or production of a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a weighted average capitalization rate. The weighted average rate is taken of the borrowing costs applicable to the outstanding borrowings of the company during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized cannot exceed the amount of borrowing costs incurred during that period.

3.11 Earnings per equity share

Basic earnings per share is calculated by dividing the net profit or loss from continuing operation and total profit, both attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

3.12 Provisions, Contingent Liabilities and Contingent Assets:

Provision is recognized when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that the outflow of resources will be required to settle the obligation and in respect of which reliable estimates can be made.

A disclosure for contingent liability is made when there is a possible obligation, that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision/disclosure is made. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognized in the financial statements. Provisions and contingencies are reviewed at each balance sheet date and adjusted to reflect the correct management estimates.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are renewed at each balance sheet date.



3.13 Cash and Cash Equivalents

Cash and cash equivalent comprise cash on hand and demand deposits with banks which are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

3.14 Exceptional items

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

3.15 Trade Receivables

Trade Receivables are recognized initially at carrying value and subsequently re – measured at amount that would be actually received.

3.16 Leases

The Company as a lessee

The Company's lease asset classes primarily consist of leases for buildings. 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.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 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. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of 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 ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option. Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the ROU asset arising from the head lease. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

4. Impact of COVID – 19.

In March 2020, the World Health Organisation declared COVID-19 a global pandemic. Consequent to this, Government of India declared a nation-wide lockdown from 24th March 2020. Subsequently, the nationwide lockdown was lifted by the Government of India, but regional lockdowns continue to be implemented in areas with significant number of COVID - 19 cases. Although, the Company's operations remained stagnant during year, the Company remains watchful of the potential impact of COVID - 19 pandemic, particularly the current "second wave", on resuming normal business operations on a continuing basis. Accordingly, the Company has assessed the impact of this pandemic on its business operations and has considered all relevant internal and external information available up to the date of approval of these financial statements, to determine the impact on the Company's revenue from operations for foreseeable future and the recoverability and carrying value of certain assets such as property, plant and equipment, investments, inventories, trade receivables and deferred tax assets. The impact of COVID - 19 pandemic on the overall economic environment being uncertain may affect the underlying assumptions and estimates used to prepare Company's financial statements. The Company continues its business operations, in line with the guidelines issued by the Government authorities and does not anticipate any challenge in its ability to continue as going concern or meeting its financial obligations. As the situation is unprecedented, the Company is closely monitoring the situation as it evolves in the future.



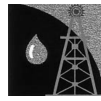
5. Scheme of arrangement.

- a. Deep Energy Resources Ltd (Formerly known as Deep Industries Limited) ('DERL') and Deep Industries Ltd (Formerly Known as Deep CH4 Limited) ('DIL') filed an application for sanctioning scheme of arrangement ("the Scheme") under section 230-232 of the Companies Act, 2013. Pursuant to the scheme for demerger, Oil and Gas Service Undertaking of DERL has been transferred to DIL with the appointed date of 1 April 2017. The Scheme was sanctioned by the National Company Law Tribunal ("NCLT") at Ahmedabad vide its order dated 17 March, 2020.
- b. The Scheme has accordingly been given effect to in the accounts effective from the Appointed Date being opening of business hours on 01st April 2017.
- c. Pursuant to the Scheme, assets & liabilities of the Oil and Gas Services business has been transferred and vested into the company at the values appearing in the books of the Demerged Company as on opening of business hours on 01st April 2017. The particulars of assets and liabilities transferred are as follows:

Assets	Amount (Rs. in Lacs)
Fixed Assets	51,689.39
Capital Work In Progress	3,352.83
Investment	4.16
Stock	1,055.93
Trade Receivable	6,646.92
Cash & Bank	521.33
Fixed Deposit account	926.67
Other current assets	153.33
Other assets	1,475.28
Total	<u>65,825.84</u>
Liabilities	
Loans	27,364.55
Deferred Tax Liability	4,659.87
Trade Payable	554.79
Other Liability	1,394.09
	<u>33,973.30</u>

During the current financial year, in accordance with the scheme of arrangement, share-holders of demerged company (DERL) has been allotted 3,20,00,000 equity shares at 300 rupees (290 security premium and 10 FV).

Pursuant to the Scheme, after issued of equity share and the surplus of the assets over liabilities, appearing as Goodwill in CH4.



NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2021
(Rs. In Lakhs)

	TANGIBLE ASSETS										INTANGIBLE ASSETS			CAPITAL		
	6 - PROPERTY, PLANT AND EQUIPMENT	Tankers	Vehicles	Air Compressor Packages	Gas Compressor Packages	Rigs Computers	Building	Shed, Foundation & Road	Equipment, Furniture & Fixtures	Office Plant and Machinery	Other	Total	Softwares	Goodwill	Total	Capital Work-in progress
Cost:																
As at 31st March, 2019	0.45	433.39	49.61	38,502.33	18,984.38	71.99	-	5,932.66	310.35	115.86	64,401.03	54.53	64,147.47	64,202.00	439.07	
Additions	-	22.24	-	4,285.55	2,904.72	19.14	-	27.19	0.96	17.09	7,276.89	-	-	-	-	
Disposals / transfers	-	-	-	1,782.68	-	-	-	-	-	-	1,782.68	-	-	-	93.44	
As at 31st March, 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	54.53	64,147.47	64,202.00	345.62	
Additions	-	15.45	-	281.67	84.45	7.12	147.56	136.28	7.05	55.31	734.88	-	-	-	43.31	
Disposals / transfers	-	12.52	-	-	-	-	-	-	-	-	12.52	-	-	-	323.38	
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	54.53	64,147.47	64,202.00	65.57	
Accumulated depreciation:																
As at 31st March, 2019	0.43	196.24	49.61	8,855.38	3,243.93	68.92	-	5,231.20	87.28	25.10	17,758.08	41.65	12,829.49	12,871.14	-	
Depreciation charged during the year	-	46.30	-	1,468.06	605.70	7.23	-	389.66	29.21	6.27	2,552.43	2.52	6,414.75	6,417.26	-	
Disposals / transfers	-	-	-	299.55	-	-	-	-	-	-	299.55	-	-	-	-	
As at 31st March, 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	44.17	19,244.24	19,288.41	-	
Depreciation charged during the year	-	49.36	-	1,524.26	696.44	9.11	2.86	23.00	29.26	7.59	2,341.88	2.27	6,414.75	6,417.01	-	
Disposals / transfers	-	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	46.44	25,658.99	25,705.42	-	
Net book value																
As at 31st March, 2020	0.02	213.09	0.00	30,981.31	18,039.48	14.98	-	338.99	194.82	101.57	49,883.24	10.36	44,903.23	44,913.59	345.62	
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	8.09	38,488.48	38,496.58	65.57	



**NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021**

Sr. No.	Particulars	No. of Shares as on 31.03.21	As at 31-03-21 (` In Lakhs)	No. of Shares as on 31.03.20	As at 31-03-20 (` In Lakhs)
(` In Lakhs)					
7 - NON - CURRENT FINANCIAL ASSETS - INVESTMENTS					
Investments (Unquoted)					
(A) Investments at Cost					
(a) Investments in Equity Shares					
(c) Other Investments					
	- Preference Shares of Prabha Energy Pvt Ltd	93,000	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
			<u>1,583.06</u>		<u>2.06</u>
Investments (Quoted)					
(A) Investments at Fair value through OCI					
(a) Investments in Equity Shares					
	- Vama Industries Limited	2,500	0.18	2,500	0.13
	- Power Trading Corporation	4,000	3.12	4,000	1.54
			<u>3.30</u>		<u>1.67</u>
			<u>1,586.36</u>		<u>3.73</u>
	Market Value of Quoted Investment		3.30		1.67
	Book Value of Unquoted Investment		1,583.06		2.06

Note :-

- During the year, the Company has made investment in 93,000 Optionally Convertible Redeemable Preference Share of Prabha Energy Private Limited at an issue of price of Rs. 1,700 including face value of Rs. 10 each and share premium of Rs. 1,690 per share.

Sr. No.	Particulars	As at 31-03-2021 (` In Lakhs)	As at 31-03-2020 (` In Lakhs)
8 - NON - CURRENT - FINANCIAL ASSETS - OTHERS			
Unsecured, considered good, unless otherwise stated			
	Security deposits	106.40	91.23
		<u>106.40</u>	<u>91.23</u>
9 - OTHER NON CURRENT ASSETS			
Advance for the Capital Asset			
	Advances to Vendors	437.73	77.94
	Advances Other Than Capital Advances	-	-
	Advances to Vendors	9.40	9.59
	Balance with Govt Authorities	34.57	34.57
	Deferred Security Deposits	-	5.76
	Pre-Operative Expenses	0.02	-
		<u>481.73</u>	<u>127.86</u>
10 - INVENTORIES			
(valued at lower of cost and net realizable value)			
a.	Stores and Spares	2,716.77	1,871.65
b.	Others		
	- Work in Progress	96.00	-
	- Stock of Oil & Lubricants	487.15	418.24
C.	Equipment	595.64	356.03
		<u>3,895.55</u>	<u>2,645.92</u>



ANNUAL REPORT 2020-21
DEEP INDUSTRIES LIMITED
(Formerly known as Deep CH4 Limited)

	No. of Units as on 31.03.2021	As at 31-03-2021 (` In Lakhs)	No. of Units as on 31.03.2020	As at 31-03-2020 (` In Lakhs)
11 - CURRENT FINANCIAL ASSETS - INVESTMENTS				
Investments (Quoted)				
Investments at Fair Value through Profit and Loss				
- Franklin Templeton Low Duration Fund	-	-	41,18,206.57	849.15
- DSP BlackRock Liquid Fund Growth	-	-	-	-
- HDFC Liquid Fund Post Ipo Colln A/C	-	-	-	-
- IDFC Mutual Fund	-	-	300.974	7.19
- BARODA PIONEER LIQUID FUND	42.593	0.99	42.593	0.97
Investment in PMS		100.16		
Investment Measured at Amortised Cost				
Investment in Silver commodity		1,180.14		-
		<u>1,281.30</u>		<u>857.30</u>
Market Value of Quoted Investment		<u>101.16</u>		<u>857.30</u>
* During the year, the Company has made investment in the Silver commodity and the figure represents unsold portion of the said commodity as at the balance sheet date. The said activity is non-speculative as the company has taken delivery of Silver commodity.				
Sr. Particulars				
No.		As at 31-03-2021 (` In Lakhs)	As at 31-03-2020 (` In Lakhs)	
12 - CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES				
Unsecured, considered good;		12,763.10	15,569.48	
		<u>12,763.10</u>	<u>15,569.48</u>	
Note : Refer Note No. 45 for information about credit risk and market risk of trade receivables.				
13 - CURRENT FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS				
A) Balances with Banks				
- In Current Accounts		1,937.52	140.90	
- In EEFC Accounts		0.00	207.22	
- In Escrow Accounts		0.01	0.03	
		<u>1,937.53</u>	<u>348.15</u>	
B) Cash on Hand				
		5.42	7.61	
		<u>5.42</u>	<u>7.61</u>	
		<u>1,942.96</u>	<u>355.76</u>	
14 - CURRENT FINANCIAL ASSETS - BANK BALANCES OTHER THAN ABOVE				
A) Balances with Banks				
- Unpaid Dividend with Bank		3.56	3.56	
		<u>3.56</u>	<u>3.56</u>	
B) Others				
- Fixed Deposits held as Margin Money		1,608.70	3,368.70	
- Fixed Deposits - Others		1,000.00	-	
		<u>2,608.70</u>	<u>3,368.70</u>	
		<u>2,612.26</u>	<u>3,372.26</u>	
15 - CURRENT - FINANCIAL ASSETS - LOANS				
Unsecured, considered good;				
Loan to Staff		2.72	3.59	
		<u>2.72</u>	<u>3.59</u>	
16 - CURRENT - FINANCIAL ASSETS - OTHER				
Others				
Accrued Bank Fixed Deposits Interest		99.19	20.43	
Insurance Claim Receivable		2.34	-	
		<u>101.53</u>	<u>20.43</u>	



ANNUAL REPORT 2020-21
DEEP INDUSTRIES LIMITED
 (Formerly known as Deep CH4 Limited)

Sr. No.	Particulars	As at 31-03-2021 (` In Lakhs)	As at 31-03-2020 (` In Lakhs)
17 -	CURRENT ASSETS - OTHERS		
	Unsecured, considered good, unless otherwise stated		
	Advances other than Capital Advances		
	Balance with Government Authorities	611.40	162.50
	Income Tax (Net of Provision)	3,713.71	3,303.70
	Prepaid Expenses	262.74	127.65
	Advances to Vendors	558.60	1,154.60
	Others Receivables	28.72	16.21
	Balancing Gratuity Fund	3.38	7.27
	Preliminary Exp.	-	0.07
	ONGC Bank DD (Guarantee)	496.73	614.53
		5,675.27	5,386.53

18 - EQUITY SHARE CAPITAL

Authorised:

32066000 Equity Shares of Rs. 10/- each with voting rights (27266340 Equity Shares of Rs 10 Each with Voting Rights)	3,206.60	2,726.63
---	----------	----------

Issued, Subscribed and paid-up:

3,20,00,000 Equity Shares of Rs. 10 each fully paid up	3,200.00	-
Share Capital Suspense Account	-	96,000.00
	3,200.00	96,000.00

18.1 Reconciliation of number of Equity shares outstanding at the beginning & at the end of the reporting year

Particulars (Equity Shares of ` 10 Each Fully Paid up)	As at 31 March 2021		As at 31 March 2020	
	No of Shares	Value `	No of Shares	Value `
— At the beginning of the year	-	-	-	-
— Movement during the period (Issue of Equity Shares)	3,20,00,000.00	3,200.00	-	-
— Outstanding at the end of the year	3,20,00,000.00	3,200.00	-	-

18.2 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, 2021		As at 31st March, 2020	
	No. of Share held	% of Holding	No. of Share held	% of Holding
RUPESH SAVLA FAMILY TRUST	1,00,76,908	31.49%	-	-
SHANTILAL SAVLA FAMILY TRUST	40,62,576	12.70%	-	-
PRITI PARAS SAVLA	20,58,822	6.43%	-	-
DHAREN SHANTILAL SAVLA	20,58,822	6.43%	-	-
	1,82,57,128		-	

18.3 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 Holding 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.

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

18.5 The Holding Company has not allotted any bonus shares, Shares without consideration in cash and/or bought back any equity shares during the period of five years immediately preceding the Balance sheet date.



Sr. No.	Particulars	As at 31-03-2021 (` In Lakhs)	As at 31-03-2020 (` In Lakhs)
19 - OTHER EQUITY			
	Securities Premium		
	Opening balance	-	-
	Add: Addition during the year	92,800.00	-
	Less: Written back during the year	-	-
	Closing balance	92,800.00	-
	Capital Reserve		
	Opening balance	0.10	0.10
	Add: Addition during the year	-	-
	Less: Written back during the year	-	-
	Closing balance	0.10	0.10
	Profit and Loss		
	Opening balance	3,523.01	991.53
	Add: Net Profit/(Net Loss) For the current year	6,476.88	3,110.14
	Add/(Less): Adjustments on account of Ind-AS		
	- Fair Valuation of Financial Liabilities	-	-
	- Fair Valuation of Financial Assets	-	-
	- Proposed Dividend for the year	-	(578.66)
	- Closing Balance	9,999.89	3,523.01
	Non-Monetary Foreign Currency Translation Reserve	138.27	180.90
	FVOCI Reserve		
	Opening balance	35.67	36.81
	Add/Less: Changes during the current year	0.45	(1.14)
	Closing Balance	36.12	35.67
	Total	1,02,974.38	3,739.68

Notes to other equity

Securities Premium Account

Securities premium is created due to premium on issue of shares and is utilised in accordance with the provisions of the Act.

Capital Reserve

Represent a non-distributable reserve.

20 - NON-CURRENT - FINANCIAL LIABILITIES - BORROWINGS

Secured

a. Term Loans

From banks

- Rupee Term Loans	3,865.56	7,683.13
- Vehicle Loans	159.97	98.86
Less: Current Maturities of Long Term Debts	(3,177.24)	(2,174.00)
	848.28	5,607.99

20.1 Nature of Security and Term of Repayment for Long Term Secured borrowings

- (i) Rupee Term Loans from Indusind Bank as mentioned above is secured by hypothecation of Gas Compressor Package, Drilling Rigs and and further secured by personal guarantees from Directors and equitable mortgage of immovable properties situated at Ahmedabad held in the name of directors. ROI of Rupee Term Loan is ranging from 9.35% p.a. to 9.50% p.a. as at the year end. Vehicle Loan & Other Loan as mentioned above is secured by hypothecation of Vehicles & Other Assets and ROI of same is ranging from 7.75% p.a. to 9.30% p.a.
- (ii) Term Loans of Indusind Bank are repayable in two Years

21 - NON-CURRENT - FINANCIAL LIABILITIES - OTHERS

Unsecured, considered good	-	201.41
	-	201.41



Sr. No.	Particulars	As at 31-03-2021 (` In Lakhs)	As at 31-03-2020 (` In Lakhs)
22 -	DEFERRED TAX LIABILITIES (NET)		
	Opening Balance	10,585.94	11,133.06
	Addition during the year	(7,487.72)	(547.12)
	Written back during the year	-	-
	Closing Balance	<u>3,098.22</u>	<u>10,585.94</u>
	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 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 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.		
23-	OTHER NON CURRENT PROVISIONS		
	<u>Provision for employee benefit</u>		
	- Provision for Gratuity *	-	-
		<u>-</u>	<u>-</u>
	* Please refer Note - 40 for further details		
24 -	CURRENT FINANCIAL LIABILITIES - BORROWINGS		
	<u>Secured</u>		
a.	Loans repayable on demand		
	From banks		
	- Cash Credits	63.68	547.39
		<u>63.68</u>	<u>547.39</u>
24.1	Nature of Security for Current Secured Financial Liabilities		
	Cash Credit Facilities of Axis Bank 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 8.80% p.a. as at the period end and cash credit facility from Indusind Bank is 10.05% p.a. as at the period end.		
25 -	CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES		
	Due to micro and small enterprises	244.79	51.91
	Due to other than micro and small enterprises	2,994.50	3,523.88
		<u>3,239.29</u>	<u>3,575.79</u>

Note :

DUES TO MICRO AND SMALL ENTERPRISES

The Holding Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act ("MSMED Act"). The Disclosures pursuant to said MSMED Act are as follows:

a)	The Principal amount remaining unpaid to any supplier at the end of the Period	244.79	51.91
b)	Interest due remaining unpaid to any supplier at the end of the year	-	-
c)	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.	-	-
d)	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	-	-
e)	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
f)	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	-	-

Disclosures of payable to vendors as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" is based on information available with the Company regarding status of registration of vendors under said Act, as per information received from them on requests made by the Company.



Sr. Particulars No.	As at 31-03-2021 (` In Lakhs)	As at 31-03-2020 (` In Lakhs)
26 - CURRENT - OTHER FINANCIAL LIABILITIES		
Current Maturities of Long Term Debts	3,177.24	2,174.00
Unclaimed Dividends	3.56	3.56
Provision for Salary	146.50	170.15
Provision for Other Expense	66.05	699.68
	<u>3,393.35</u>	<u>3,047.39</u>
27 - OTHER CURRENT LIABILITIES		
Statutory liabilities	405.83	180.25
Other Liabilities	54.66	83.90
Share Capital Payable to Share Holder	6.50	6.50
	<u>466.99</u>	<u>270.66</u>
28- CURRENT PROVISIONS		
Provision for employee benefit		
- Provision for Gratuity *	-	-
	<u>-</u>	<u>-</u>
* Please refer Note - 40 for further details		
Sr. Particulars No.	2020-21 (` In Lakhs)	2019-20 (` In Lakhs)
29 - REVENUE FROM OPERATIONS		
Revenue from operations	19,370.55	26,184.71
	<u>19,370.55</u>	<u>26,184.71</u>
30 - OTHER INCOME		
Interest Received/Receivable		
From banks	262.75	205.70
From others	23.23	75.18
Dividend Income	0.89	7.30
Profit on sale of Mutual Fund	103.16	-
Profit on sale of Equity Share	14.98	-
Profit on Sale of Equity Future	6.24	8.72
Profit on sale of Commodity Future	216.29	-
Profit on sale of Fixed Asset	0.30	-
Other Income	3.43	2.56
Insurance Claim Received	0.75	2.08
Net gain on foreign currency transaction and translation (other than finance cost)	22.19	-
Kasar/Vatav and Discount	0.88	0.05
Fair Valuation of Financial Assets	0.03	0.06
	<u>655.13</u>	<u>301.64</u>
31 - OPERATING EXPENSE		
Consumption Spares, Oil & Other Operating Expense	6,210.13	5,399.27
Changes in inventories of Finished Goods, WIP & Stock in Trade	(514.41)	(1,238.42)
Equipment Running & Maintenance Exps	1,333.08	4,981.34
	<u>7,028.81</u>	<u>9,142.19</u>
32 - EMPLOYEE BENEFITS EXPENSES		
Salaries, Wages, Bonus etc	2,455.60	2,310.15
Director Remuneration & Perquisites	94.50	97.60
Contribution to Provident and Other funds	33.05	26.29
Staff Welfare expenses	77.21	85.51
	<u>2,660.36</u>	<u>2,519.55</u>



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DEEP INDUSTRIES LIMITED
(Formerly known as Deep CH4 Limited)

Sr. No.	Particulars	2020-21 (` In Lakhs)	2019-20 (` In Lakhs)
33 -	FINANCE COSTS		
	<u>Interest expenses</u>		
-	Interest Expenses on Hypothecation & Term loan	717.42	703.10
-	Interest & Finance Charges on Foreign Credit		135.81
-	Other Interest & Finance Charges	19.22	46.75
	<u>Other borrowing costs</u>		
-	Bank Charges	199.69	181.15
		<u>936.33</u>	<u>1,066.81</u>
34 -	OTHER EXPENSES		
	Electricity, Power and Fuel	103.21	20.88
	Repairs, maintenance and refurbishing *	142.93	483.87
	Rent	243.44	195.94
	Rates and taxes	44.09	21.77
	Freight & Insurance	132.80	102.61
	Job Work & Machining Charges	2.97	-
	Communication Expense	13.99	17.55
	Legal and professional charges	297.87	313.45
	Payment to the auditors**	11.11	6.03
	Printing Stationery, Xerox and Office Expense	93.43	80.38
	Donations	21.30	226.00
	Office Exp	0.64	-
	Erection and Commissioning Expense	4.23	-
	Travelling and Conveyance(@)	291.73	271.31
	Security Service Charges	60.74	42.46
	Advertisement, publicity and business promotion	10.26	15.68
	Hotel, Loading and Boarding Expense	81.86	86.44
	Loss on Commodity Future	9.88	-
	Loss on Sale of Silver	48.60	-
	Miscellaneous	30.57	46.56
	Kasar Vatav	1.27	-
	Revaluation of Investment	-	51.98
	Loss on Sale of Fixed Asset		-9.57
		<u>1,646.91</u>	<u>1,973.34</u>
	* includes:		
	Repairs to buildings	2.29	228.90
	Repairs to machinery	140.64	254.97
	**Payments to the auditors for		
-	statutory audit	2.99	2.45
-	Taxation Matters	0.50	0.50
-	limited review fees		
-	certification work	7.24	2.96
-	out of pocket expenses	0.38	0.12
	(@) includes:		
	Director Travelling	5.04	24.48
		<u>159.08</u>	<u>514.38</u>
35 -	OTHER COMPREHENSIVE INCOME		
	Re-measurement gains/ (losses) on post employment benefit plans	(1.18)	0.34
	Re-measurement gains/ (losses) on fair valuation of financial instruments	1.63	(1.48)
		<u>0.45</u>	<u>(1.14)</u>
36-	EARNINGS PER EQUITY SHARE		
	Profit/(loss) available for equity shareholders	6,480.32	3,110.12
	Weighted average numbers of equity shares outstanding	3,20,00,000	3,20,00,000
	Nominal value per equity share (in Rupees)	10	10
	Earnings /(loss) Per Equity Share- Basic and Diluted (in Rupees)	20.25	9.72



Sr. No.	Particulars	As at 31-03-2021 (` In Lakhs)	As at 31-03-2020 (` In Lakhs)
37 - CONTINGENT LIABILITIES AND COMMITMENTS			
CONTINGENT LIABILITIES			
(a)	Claims against the Company not acknowledged as debts	-	-
(b)	In respect of guarantees given by Banks and/ or counter guarantees given by the Company	3,552.60	6,009.14
COMMITMENTS			
(a)	Estimated amount of contracts remaining to be executed on capital account and not provided for Considering nature of activity it is not possible to ascertain the elements of Capital Commitment Expenditure to be executed on capital account.		

Sr. No.	Particulars	As at 31-03-2021 (` In Lakhs)	As at 31-03-2020 (` In Lakhs)
38 - DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 17 LEASES			
OPERATING LEASE COMMITMENTS			
Future minimum lease amounts payable by the Company in respect of non-cancellable operating leases (other than land) for other services (including rented premises) entered into by the Company :			
	Not later than one year	167.39	161.40
	Later than one year and not later than five years	-	467.08
	More than five years	-	-

39 - SEGMENT REPORTING

The Holding Company & Group Company is not required to give segment wise revenue details and capital employed as the Holding Company and Group Companies operate in single business segment namely Oil and Gas Services Business.

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

The Holding 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 :- Current Year Rs. 33.05 Lakhs (Previous Year Rs. 26.29 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-

Economic 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 discounting rate is based on the gross redemption yield on medium to long term risk free investments. The estimated term of the benefits/obligations works out to zero years. For the Previous year valuation a discount rate of 7.45% p.a. compound has been used.

Salary Escalation Rate

The salary escalation rate usually consists of at least three components, viz. regular increments, price inflation and promotional increases. In addition to this any commitments by the management regarding future salary increases and the Company's philosophy towards employee remuneration are also to be taken into account. Again a long-term view as to trend in salary increase rates has to be taken rather than be guided by the escalation rates experienced in the immediate past, if they have been influenced by unusual factors.



The assumptions used are summarized in the following table:

	Gratuity (Funded)	
	As at 31-03-2021 (Rs. In Lakhs)	As at 31-03-2020 (Rs. In Lakhs)
Discount rate(per annum)	6.55%	7.45%
Future salary increase	6.00%	8.00% for Next 2 Years & 6.00% thereafter
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%
	Gratuity (Funded)	
	As at 31-03-2021 (Rs. In Lakhs)	As at 31-03-2020 (Rs. In Lakhs)
Change in present value of the defined benefit obligation during the year		
Present value of obligation as at the beginning of the year	8.18	15.42
Interest Cost	0.52	1.15
Current Service Cost	3.16	1.96
Benefits Paid	0.04	(10.01)
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	0.63	0.60
Actuarial (Gain)/Loss on arising from Experience Adjustment	(0.81)	(0.94)
Past Service Cost	-	-
Present value of obligation as at the end of the year	11.71	8.18
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	-	-
Net Asset/ (Liability) recorded in the Balance Sheet		
Present value of Funded obligation as at the end of the year	(3.38)	(7.24)
Present value of obligation as at the end of the year	-	-
Net (Asset)/ Liability Current	(3.38)	(7.24)
Net (Asset)/ Liability-Non-Current	0.00	0.00
Expenses recorded in the Statement of Profit & Loss during the year		
Interest Cost	(0.47)	1.15
Current Service Cost	3.16	1.96
Total expenses included in employee benefit expenses	2.69	3.11
Recognized in Other Comprehensive Income during the year		
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	0.04	0.60
Actuarial (Gain)/Loss on arising from Experience Adjustment	0.63	(0.94)
Return on plan assets	0.51	-
Recognized in Other Comprehensive Income	1.18	(0.34)
Maturity profile of defined benefit obligation		
Within 12 months of the reporting period	(3.38)	(7.24)
Between 2 and 5 years	-	-
Between 6 and 10 years	-	-
Expected contribution to the defined benefit plan for the next reporting period	2020-21 (Rs. In Lakhs)	2019-20 (Rs. In Lakhs)
Expected contribution to the defined benefit plan for the next reporting period (Gratuity)	(3.38)	(7.24)



41 - CORPORATE SOCIAL RESPONSIBILITY

Pursuant to the provisions of section 135(5) of the Companies Act, 2013 (the Act), the holding Company has formed its Corporate Social Responsibility (CSR) Committee. As per the relevant provisions of the Act read with Rule 2(1)(f) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company is required to spend at least 2% of the average net profits (determined under section 198 of the Companies Act 2013 and section 349 of the Companies Act 1956) made during the immediately three financial years.

Gross amount required to be spent by the Holding Company during the year: Rs. 21.15 Lakhs (Previous year - Rs. 50.89 Lakhs)

PARTICULARS	2020-21 (Rs. In Lakhs)	2019-20 (Rs. In Lakhs)
Amount Required to be spent as per Section 135 of the Act	21.15	50.89
Amount spent during the year on:		
(i) Construction/Acquisition of an asset	-	
(ii) On the Purposes other than (i) above	21.15	51.00
Total	21.15	51.00

42 - DERIVATIVE INSTRUMENTS

(a) Derivatives outstanding as at balance sheet date

The Holding 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	2020-21 (Rs. In Lakhs)	2019-20 (Rs. In Lakhs)
HDFC Bank		
Currency Swap - 1	-	24.59
Start Date: 01st January, 2017		
End Date: 04th May, 2020		
Underlying USD amount: USD 5,87,048.25		
Fixed LIBOR rate : 5.75% p.a		
IndusInd Bank		
Currency Swap - 1	-	208.88
Start Date: 20th February, 2019		
End Date: 31st January, 2021		
Underlying USD amount: USD 7,34,177.22		
Fixed rate : 3.34% p.a		
Currency Swap - 2	407.52	681.92
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	405.49	678.53
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	344.81	576.98
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	337.96	565.52
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	1,050.86
Start Date: 17th January, 2020		
End Date: 30th Sept, 2021		
Underlying USD amount: USD 15,68,220.07		
Fixed rate : 3.95 % p.a		



PARTICULARS	2020-21 (Rs. In Lakhs)	2019-20 (Rs. In Lakhs)
Currency Swap - 7	475.29	1,044.54
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	1,070.20
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, 2021 and 31st March, 2020 are as under:**

	(Amount in Lacs)			
	As at 31st March, 2021		As at 31st March, 2020	
	Foreign Currency (USD)	Rs	Foreign	Rs Currency (USD)
Receivables				
Trade Receivables	52.20	3,855.72	40.34	3040.82
Loans & Advances to Creditors				
For Capital Goods	5.99	437.73	1.03	77.94
For Spares & Purchase	3.78	257.50	0.33	24.98
Payables				
Trade payables	-	-	-	-

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

(a) **Related Parties**

For the Year Ended on 31st March, 2021

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 Pvt. Ltd

3. Key Management Personnel

Name	Designation
Mr. Paras Savla	Chairman and MD
Mr. Rupesh Savla	Managing Director
Mr. Dharen Savla	Whole-time Director
Ms. Renuka Upadhyay	Independent Director (w.e.f. 10.11.2020)
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
Mr. Akshit Soni	Company Secretary (upto 05.12.2020)
Ms. Roshni Shah	Company Secretary (w.e.f. 01.01.2021)

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 | |



(b) Transactions with related parties:

Nature of Transaction	Subsidiaries		Key Management Personnel and their relatives		Enterprises significantly influenced by KMP, or Relatives of KMP		(` In Lakhs)	
							Total	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Remuneration, Salary and Sitting Fees	-	-	136.38	121.98	-	-	136.38	121.98
Rent	-	-	161.41	155.44	-	-	161.41	155.44
Perquisites	-	-	-	-	-	-	-	-
Investments made during the year	-	-	-	-	-	-	-	-
Balance Outstanding								
					Payable		Receivable	
					As at	As at	As at	As at
					31-03-21	31-03-20	31-03-21	31-03-20
					(` In Lakhs)	(` In Lakhs)	(` In Lakhs)	(` In Lakhs)
Investments held in Subsidiaries					-	-	-	-
Key Management Personnel and their relatives					-	-	-	-
Entities controlled by Directors or their relatives					-	-	-	-
Total					-	-	-	-

Note:

- (i) The above related party transactions have been reviewed periodically by the Board of Directors of the Holding 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 Holding Company have been given at the respective notes.

44. FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

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

1. Fair values of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short-term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on the evaluation, allowances are taken to account for the expected losses of these receivables.

The holding company uses the following hierarchy for determining and disclosing the fair values of financial instruments by valuation technique:

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

Level 2 : Other techniques for which all inputs which have a significant effects on the recorded fair value are observable, either directly or indirectly.

Level 3 : Techniques which use inputs that have a significant effects on the recorded fair value that are not based on observable market data.



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(` In Lakhs)										
Financial Instrument	Note No.	Carrying Amount				Fair value				
		FVTPL	FVOCI	Total Fair Value	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
I. Figures as at March 31, 2020										
Non-Current Assets										
Financial Assets										
(i) Investments	7	-	1.67	1.67	2.06	3.73	1.67	-	-	1.67
(ii) Loans		-	-	-	-	-	-	-	-	-
(iii) Others	8	-	-	-	91.23	91.23	-	-	-	-
Current Assets										
Financial Assets										
(i) Investments	11	857.30	-	857.30	-	857.30	857.30	-	-	857.30
(ii) Trade Receivables	12	-	-	-	15,569.48	15,569.48	-	-	-	-
(iii) Cash and Cash Equivalents	13	-	-	-	355.76	355.76	-	-	-	-
(iv) Bank balances other than above (iii)	14	-	-	-	3,372.26	3,372.26	-	-	-	-
(v) Loans	15	-	-	-	3.59	3.59	-	-	-	-
(vi) Others	16	-	-	-	20.43	20.43	-	-	-	-
TOTAL		857.30	1.67	858.97	19,414.79	20,273.76	858.97	-	-	858.97
Non Current Liabilities										
Financial Liabilities										
(i) Borrowings	20	-	-	-	5,607.99	5,607.99	-	-	-	-
(ii) Trade Payable		-	-	-	-	-	-	-	-	-
(iii) Others	21	-	-	-	201.41	201.41	-	-	-	-
Current Liabilities										
Financial Liabilities										
(i) Borrowings	24	-	-	-	547.39	547.39	-	-	-	-
(ii) Trade Payable	25	-	-	-	3,575.79	3,575.79	-	-	-	-
(iii) Others	26	-	-	-	3,047.39	3,047.39	-	-	-	-
TOTAL		-	-	-	12,979.97	12,979.97	-	-	-	-
II. Figures as at March 31, 2021										
(` In Lakhs)										
Financial Instrument	Note No.	Carrying Amount				Fair value				
		FVTPL	FVOCI	Total Fair Value	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Non-Current Assets										
Financial Assets										
(i) Investments	7	-	3.30	3.30	1,583.06	1,586.36	3.30	-	-	3.30
(ii) Loans		-	-	-	-	-	-	-	-	-
(iii) Others	8	-	-	-	106.40	106.40	-	-	-	-
Current Assets										
Financial Assets										
(i) Investments	11	101.16	-	101.16	1,180.14	1,281.30	101.16	-	-	101.16
(ii) Trade Receivables	12	-	-	-	12,763.10	12,763.10	-	-	-	-
(iii) Cash and Cash Equivalents	13	-	-	-	1,942.96	1,942.96	-	-	-	-
(iv) Bank balances other than above (iii)	14	-	-	-	2,612.26	2,612.26	-	-	-	-
(v) Loans	15	-	-	-	2.72	2.72	-	-	-	-
(vi) Others	16	-	-	-	101.53	101.53	-	-	-	-
TOTAL		101.16	3.30	104.46	20,292.18	20,396.64	104.46	-	-	104.46
Non Current Liabilities										
Financial Liabilities										
(i) Borrowings	20	-	-	-	848.28	848.28	-	-	-	-
(ii) Trade Payable		-	-	-	-	-	-	-	-	-
(iii) Others	21	-	-	-	-	-	-	-	-	-
Current Liabilities										
Financial Liabilities										
(i) Borrowings	24	-	-	-	63.68	63.68	-	-	-	-
(ii) Trade Payable	25	-	-	-	3,239.29	3,239.29	-	-	-	-
(iii) Others	26	-	-	-	3,393.35	3,393.35	-	-	-	-
TOTAL		-	-	-	7,544.60	7,544.60	-	-	-	-

During the reporting period ending March 31, 2021, there were no transfers between Level 1 and Level 2 fair value measurements.



III. Description of significant unobservable inputs to valuation:

The following table shows the valuation techniques and inputs used for the financial instruments

	As at 31-03-21	As at 31-03-20
Other Non-Current Financial Assets Borrowings (Non-Current)	Discounted Cash Flow method using the risk adjusted discount rate	

45. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Holding Company's financial risk management is an integral part of how to plan and execute its business strategies. The company's financial risk management policy is set by the Managing Board.

Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loan borrowings.

The Holding Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and policies.

Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the company's position with regards to the interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

The holding company is not exposed to significant interest rate risk as at the specified reporting date.

Refer Note 20 for interest rate profile of the Company's interest-bearing financial instrument at the reporting date.

Foreign currency risk

The Holding Company operates locally, however, the nature of its operations requires it to transact in INR and USD and consequently the Company is exposed to foreign exchange risk in USD.

The Holding Company evaluates exchange rate exposure arising from foreign currency transactions and the Company follows established risk management policies. Being net forex gainer Company is having natural hedge position in USD currency.

I. Foreign Currency Exposure

Refer Note 42 for foreign currency exposure as at March 31, 2021 and March 31, 2020 respectively.

II. Foreign Currency Sensitivity

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

Currency	(` In lakhs)			
	2020-21		2019-20	
	1% Increase	1% Decrease	1% Increase	1% Decrease
USD	45.51	(45.51)	31.43	(31.43)
Total	45.51	(45.51)	31.43	(31.43)

Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the holding Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly. Almost all customers of the Company are either public sector undertakings or multinational Companies.

The Holding Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is significant increase in credit risk the company compares the risk of a default occurring on the asset at the reporting date with the risk of default as the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:



- (i) Actual or expected significant adverse changes in business,
- (ii) Actual or expected significant changes in the operating results of the counterparty.
- (iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligation,
- (iv) Significant increase in credit risk on other financial instruments of the same counterparty.
- (v) Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 2 years past due. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

I. Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)

Particulars	As at 31-03-2021	As at 31-03-2020
Non-current financial assets - Loans	-	-
Current financial assets - loans	2.72	3.59
Total (A)	2.72	3.59

(₹ In lakhs)

II. Financial assets for which loss allowance is measured using 12 months Life Time Expected Credit Losses (ECL)

Trade Receivables	12,763.10	15,569.48
Total (A)	12,763.10	15,569.48

Grand Total (A+B)

Balances with banks are subject to low credit risks due to good credit ratings assigned to these banks.

III. The ageing analysis of these receivables (gross of provision) has been considered from the date the invoice falls due

Up to 3 months	6,525.65	5,765.57
3 to 6 months	7,44.40	2,601.49
More than 6 months	5,493.05	7,202.42
Total	12,763.10	15,569.48

IV. Provision for expected credit losses against "II" and "III" above

The holding company has assets where the counter-parties have sufficient capacity to meet the obligations and where the risk of default is very low. Hence based on historic default rates, the Company believes that, no impairment allowance is necessary in respect of above mentioned financial assets.

Liquidity Risk

Liquidity Risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at reasonable price. The holding company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the company's net liquidity position through rolling forecast on the basis of expected cash flows.

Maturity profile of financial liabilities



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The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

Particulars	As at 31-03-2021			As at 31-03-2020		
	Less than 1 year	1 to 5 years	Total	Less than 1 year	1 to 5 years	Total
Non-current financial liabilities - Borrowings	-	848.28	848.28	-	5,607.99	5,607.99
Non-current financial liabilities - Others	-	-	-	-	201.41	201.41
Current financial liabilities - Borrowings	63.68	-	63.68	547.39	-	547.39
Current financial liabilities - Trade Payables	3,239.29	-	3,239.29	3,575.79	-	3,575.79
Current financial liabilities - Others	3,393.35	-	3,393.35	3,047.39	-	3,047.39
Total	6,696.32	848.28	7,544.60	7,170.58	5,809.39	14,772.56

Capital management

For the purposes of the Holding Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's Capital Management is to maximise shareholder value. The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirement of the financial covenants.

The Holding company monitors capital using gearing ratio, which is total debt divided by total capital plus debt.

Particulars	As at 31-03-2021	As at 31-03-2020
Total Debt	4,089.20	8,329.38
Equity	3,200.00	3,200.00
Capital and net debt	7,289.20	11,529.38
Gearing ratio	56.10%	72.24%

NOTE: 46

The figures for the previous periods have been regrouped whenever necessary to confirm to the current period presentation.

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 : June 24, 2021

FOR & ON BEHALF OF DEEP INDUSTRIES LTD

Paras Savla	Rupesh Savla
Chairman & Managing Director	Managing Director
DIN:00145639	DIN : 00126303
Rohan Shah	Roshni Shah
Chief Financial Officer	Company Secretary
	Membership No: A47037

Place : Ahmedabad
Date : June 24, 2021

Statement containing the salient features of the financial statements of Subsidiaries/Associates/Joint Ventures
[Pursuant to first proviso to sub section (3) of section 129 read with rule 5 of Companies (accounts) Rules, 2014]
Part A - Subsidiaries

Sr. No.	Name of Subsidiary	Reporting Period	Reporting Currency	Exchange Rate	INR-Millions										
					Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments other than Investment in subsidiaries	Turnover & Other Income from operations*	Profit/ [Loss] before Taxation*	Provision for Taxation*	Profit/ [Loss] after Taxation*	Proposed Dividend	% of Share-holding
1	Raas Equipment Private Limited	March 31, 2021	INR	1	15.01	1.72	157.75	141.02	0.00	71.93	2.07	0.36	1.72	0.00	80.00%
2	Deep International DMCC	March 31, 2021	USD	73.42	0.89	230.20	323.46	80.90	0.00	93.70	14.73	0.00	14.73	0.00	100.00%
3	Deep Onshore Drilling Services Private Limited	March 31, 2021	INR	1	0.10	0.01	0.11	0.00	0.10	0.00	0.00	-	0.00	-	74.00%
4	Deep Onshore Services Private Limited	March 31, 2021	INR	1	0.01	-0.00	0.01	0.00	0.00	0.00	-0.00	0.00	-0.00	0.00	100.00%

Notes:

The following information shall be furnished at the end of the statements:

- Names of subsidiaries which are yet to commence operations
 - Deep Onshore Services Private Limited
- Names of subsidiaries which have been liquidated or sold during the year - NIL

For & On Behalf Of
DHIRUBHAI SHAH & CO LLP
Chartered Accountants
Firm Registration Number: 102511W / W100298

Anik S. Shah
Partner
Membership Number: 140594

Place : Ahmedabad
Date : June 24, 2021

For Deep Industries Limited

Paras Savla
Chairman & Managing Director
DIN:00145639

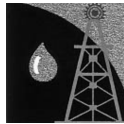
Rohan Shah
Chief Financial Officer

Rupesh Savla
Managing Director
DIN : 00126303

Roshni Shah
Company Secretary
Membership No: A47037

Place : Ahmedabad
Date : June 24, 2021

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

Tel (02717) 298510 Fax (02717) 298520

(CIN: L14292GJ2006PLC049371)

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