MIRC ELECTRONICS LIMITED

MIRC Electronics Limited was incorporated as MIRC Electronics Private Limited, Private Company limited by shares under the Companies Act, 1956 on January 1, 1981 in the State of Maharashtra with registration number 23637 of 1981. Subsequently, it became a deemed public Company on September 13, 1988 and was converted to a Public Limited Company on September 18, 1992. For details of changes in name and registered office of our Company, please refer to the section titled "General Information" beginning on page 37 of this Draft Letter of Offer.

Registered Office: G-1, MIDC, Mahakali Caves Road, Andheri (East), Chakala MIDC, Mumbai, Maharashtra, India - 400093
Tel No: +91 2266975777;
Email: investors@onida.com **Website**: https://www.onida.com/;
Contact Person: Prasad Oak , Company Secretary & Compliance Officer
Corporate Identification Number: L32300MH1981PLC023637

PROMOTERS OF OUR COMPANY: GULU MIRCHANDANI AND VIJAY MANSUKHANI

FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF MIRC ELECTRONICS LIMITED (THE "COMPANY", "MEL" OR THE "ISSUER") ONLY

ISSUE OF UP TO [●] FULLY PAID UP EQUITY SHARES OF FACE VALUE OF ₹1.00/- (RIGHTS EQUITY SHARES) OF MIRC ELECTRONICS LIMITED ("MEL" OR THE COMPANY OR THE "ISSUER") FOR CASH AT A PRICE OF ₹[●]/- (RUPEES [●] ONLY) PER RIGHTS EQUITY SHARE (INCLUDING A PREMIUM OF ₹[●]/- (RUPEES [●] ONLY) PER RIGHTS EQUITY SHARE) ('ISSUE PRICE') FOR AN AMOUNT UP TO ₹ 4,950.00 LAKHS ON A RIGHTS ISSUE BASIS TO THE ELIGIBLE SHAREHOLDERS IN THE RATIO OF [●] RIGHT SHARES FOR EVERY [●] FULLY PAID UP EQUITY SHARES HELD BY SUCH ELIGIBLE SHAREHOLDERS AS ON THE RECORD DATE, [●] ('ISSUE'). THE ISSUE PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARE. FOR FURTHER DETAILS, KINDLY REFER TO THE SECTION TITLED 'TERMS OF THE ISSUE' BEGINNING ON PAGE 188 OF THIS DRAFT LETTER OF OFFER.

WILFUL DEFAULTERS AND/ OR FRAUDULENT BORROWERS

Neither our Company, nor our Promoters, or Directors are or have been categorized as wilful defaulters and/ or fraudulent borrowers by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters and/ or fraudulent borrowers issued by the Reserve Bank of India.

GENERAL RISKS

Investment in equity and equity related securities involves a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and this Issue including the risks involved. The Right Shares have not been recommended or approved by Securities and Exchange Board of India **('SEBI')** nor does SEBI guarantee the accuracy or adequacy of this Draft Letter of Offer. Investors are advised to refer *"Risk Factors"* beginning on page **19** of this Draft Letter of Offer before investing in the Issue.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Letter of Offer contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Letter of Offer is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Letter of Offer as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The existing Equity Shares of our Company are listed BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**") (together, the "**Stock Exchanges**"). Our Company has received in-principle approval from BSE and NSE for listing the Rights Equity Shares pursuant to letter dated **[●]** and **[●]** respectively. Our Company will also make an application to BSE and NSE to obtain its trading approval for the right entitlements as required under the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020. For the purpose of this Issue, the Designated Stock Exchange is BSE Limited**.**

REGISTRAR TO THE ISSUE

LINK Intime

MUFG INTIME INDIA PRIVATE LIMITED

C-101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai - 400083, Maharashtra, India.
Tel No.: +91 8108114949
Email: mirc.rights2025@linkintime.co.in
Website: www.linkintime.co.in
Investor Grievance Email: mirc.rights2025@linkintime.co.in
Contact Person: Ms. Shanti Gopalakrishnan
SEBI Registration No.: INR000004058
Validity of Registration: Permanent

ISSUE PROGRAMME

ISSUE OPENING DATE *	LAST DATE FOR MARKET RENUNCIATION	ISSUE CLOSING DATE**
[●]	[●]	[●]

**Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.*
*** Our Board or a duly authorized committee thereof will have the right to extend the Issue Period as it may determine from time to time, provided that this Issue will not remain open in excess of 30 (thirty) days from the Issue Opening Date. Further, no withdrawal of application shall be permitted by any Applicant after the Issue Closing Date.*

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TABLE OF CONTENT

SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

DEFINITIONS

This Draft Letter of Offer uses the definitions and abbreviations set forth below, which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below, which should be considered whilst reading the information contained herein. The following list of certain capitalized terms used in this Draft Letter of Offer is intended for the convenience of the reader/prospective Applicant only and is not exhaustive.

In this Draft Letter of Offer, unless otherwise indicated or the context otherwise requires, all references to 'the/our Company', 'we', 'our', 'us 'or similar terms are to MIRC Electronics Limited as the context requires, and references to 'you' are to the Eligible Shareholders and/ or prospective Investors in this Right Issue of Equity Shares.

The words and expressions used in this Draft Letter of Offer, but not defined herein, shall have the same meaning (to the extent applicable) ascribed to such terms under the SEBI (ICDR) Regulations, the Companies Act, 2013, the SCRA, the Depositories Act, and the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in section titled 'Industry Overview', 'Statement of Tax Benefits', 'Financial Information', 'Outstanding Litigations and Material Developments' and 'Terms of the Issue' on page 62, 48, 93, 166 and 188 respectively, shall have the meaning given to such terms in such sections.

Conventional / General Terms

Term	Description
"Company", "the Issuer", "our Company", "the Company" or "MIRC Electronics Limited", "Onida" "Our Company"	MIRC Electronics Limited, is a Public Company limited by shares incorporated under Companies Act, 1956 and having registered office at Onida House, G-1, MIDC, Mahakali Caves Road, Andheri (East), Chakala MIDC, Mumbai, Maharashtra, India, 400093
"we", "us" or "our"	Unless the context otherwise indicates or implies, refers to our Company.
"you", "your", or "yours"	Prospective Investor in this issue.
₹ /Rs. /Rupees /INR	Indian Rupees

Company related Terms

Term	Description
AoA/Articles / Articles of Association	Unless the context otherwise requires, refers to the Articles of Association of MIRC Electronics Limited
Audit Committee	The committee of the Board of Directors constituted as our Company's audit committee in accordance with the provisions of Section 177 of the Companies Act and Regulation 18 of the SEBI (LODR) Regulations
Auditor of the Company (Statutory Auditor/Peer Review Auditor)	The Statutory Auditors of our Company, being **ASA & Associates LLP**, Chartered Accountants bearing Firm Registration Number 009571N/N500006.
Board of Directors / Board	The Board of Directors of MIRC Electronics Limited, including all duly constituted Committees thereof.
Companies Act	The Companies Act, 2013 and rules issued thereunder, as amended
Chairman & Managing Director	Mr. Gulu Mirchandani
Company Secretary and Compliance Officer	Mr. Prasad Oak.
Director(s)	The Director(s) on the Board of MIRC Electronics Limited, unless otherwise specified.
DP/ Depository Participant	Depository Participant as defined under the Depositories Act 1996.
Eligible Shareholder(s)	Eligible holder(s) of the Equity Shares of MIRC Electronics Limited as on the Record Date

Equity Shares	Equity Shares of our Company of Face Value of ₹ 1 each unless otherwise specified in the context thereof.
Equity Shareholders	Persons holding Equity Share of our Company.
ISIN	International Securities Identification Number being INE831A01028
Key Management Personnel / KMP	Individuals described in the chapter titled "*Our Management*" on page no. 80 of this Draft Letter of Offer.
MOA / Memorandum /Memorandum of Association	Memorandum of Association of MIRC Electronics Limited
Promoter(s)	Mr. Gulu L. Mirchandani and Mr. Vijay J. Mansukhani are the Promoter of our Company
Promoter Group	Persons and entities forming part of the promoter group of our Company as determined in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations and as disclosed by our Company in the filings made with the BSE Limited and National Stock Exchange of India Limited under the SEBI (LODR) Regulations;
Registered and Corporate Office	The Registered and Corporate Office of our company which is located at: Onida House, G-1, MIDC, Mahakali Caves Road, Andheri (East), Chakala MIDC, Mumbai, Maharashtra, India, 400093
Registrar of Companies / RoC	Registrar of Companies, Mumbai, Maharashtra.
Stock Exchange	The stock exchange where the Equity Shares are presently listed, being BSE Limited and National Stock Exchange of India Limited (NSE)
Unaudited Financial Results	The unaudited financial results for the Six months period ended September 30, 2024, including the notes thereto and the report thereon. For details, see "Financial Statements" on page 93 of this Draft Letter of Offer;

Issue Related Terms

Term	Description
"Abridged Letter of Offer" or "ALOF"	Abridged Letter of Offer to be sent to the Eligible Shareholders with respect to the Issue in accordance with the provisions of the SEBI (ICDR) Regulations and the Companies Act.
Allot/Allotment/Allotted	Unless the context requires, the allotment of Rights Equity Shares pursuant to this Issue; Allot/Allotment/Allotted
Allotment Account	The account opened with the Banker to the Issue, into which the Application Money lying to the credit of the escrow account(s) and amounts blocked in the ASBA Account, with respect to successful Investors will be transferred on the Transfer Date in accordance with Section 40 (3) of the Companies Act;
Allotment Advice	The note or advice or intimation of Allotment sent to the Investors, who have been or are to be allotted the Rights Equity Shares after the basis of Allotment has been approved by the BSE and NSE
Allotment Date	The date on which Allotment is made.
Allottee(s)	Persons who are Allotted Rights Equity Shares are issued pursuant to the Issue.
Applicant(s) / Investors	Eligible Shareholder(s) and/or Renouncee(s) who make an application for the Rights Equity Shares pursuant to this Issue in terms of the Letter of Offer, being an ASBA Investor.
Application	Application made through (i) submission of the Application Form or plain paper Application to the Designated Branch of the SCSBs or online/ electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process, to subscribe to the Rights Equity Shares at the Issue Price.
ASBA	Application Supported by Blocked Amount.
Common Application Form	Unless the context otherwise requires, a Common application form (through the website of the SCSBs (if made available by such SCSBs) under the ASBA process) used by an Applicant to make an application for the Allotment of Right Shares in the Issue.
Application Money	Aggregate amount payable in respect of the Rights Equity Shares applied for in the Issue at the Issue Price.
Application Supported	Application (whether physical or electronic) used by ASBA Applicants to make an

by Blocked Amount/ ASBA	application authorizing the SCSB to block the amount payable on application in the ASBA Account maintained with such SCSB.
ASBA Account	A bank account maintained with an SCSBs and specified in the ASBA Form submitted by the Applicants for blocking the Application Amount mentioned in the ASBA Form.
ASBA Applicant /ASBA Investor	As per the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, all investors (including Renounces) shall make an application for an Issue only through ASBA facility.
ASBA Bid	Bid made by an ASBA Bidder including all revisions and modifications thereto as permitted under the SEBI (ICDR) Regulations
ASBA Circulars	Collectively, SEBI circular bearing reference number SEBI/CFD/DIL/ASBA/1/20 09/30/12 dated December 30, 2009, SEBI circular bearing reference number CIR/CFD/DIL/1/2011 dated April 29, 2011, SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, SEBI circular bearing reference number SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022 and any other circular issued by SEBI in this regard and any subsequent circulars or notifications issued by SEBI in this regard.
Banker(s) to the Company	Such banks which are disclosed as Bankers to our Company in the chapter titled "General Information" on page no. 37 of this Draft Letter of Offer.
Bankers to the Issue/ Refund Bank	Collectively, the Escrow Collection Bank, Allotment Bank and the Refund Bank to the Issue.
Bankers to the Issue Agreement	Agreement to be entered into by and among our Company, the Registrar to the Issue and the Banker to the Issue for transfer of funds to the Allotment Account from the Escrow Account and SCSBs, release of funds from Allotment Account to our Company and where applicable, refunds of the amounts collected from Applicants/ Investors and providing such other facilities and services as specified in the agreement.
Basis of Allotment	The basis on which the Right Shares will be Allotted to successful Applicants in the Issue, and which is described in the section titled 'Terms of the Issue' beginning on page 188 of this Draft Letter of Offer.
Controlling Branches /Controlling Branches of the SCSBs	Such branches of SCSBs which coordinate with the Registrar to the Issue and the Stock Exchanges, a list of which is available on the website of SEBI at www.sebi.gov.in.
Demographic Details	Details of Investors including the Investor's address, name of the Investor's father/ husband, investor status, occupation, and bank account details, where applicable.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms submitted by ASBA Bidders, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmid=35, updated from time to time, or at such other website as may be prescribed by SEBI from time to time.
Depositories	NSDL and CDSL or any other depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time read with the Depositories Act,1996.
Designated Stock Exchange	BSE Limited
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Draft Letter of Offer/ DLoF	This draft letter of offer dated [●] to be filed with BSE and NSE, in accordance with the SEBI (ICDR) Regulations, for their observations.
Eligible Equity Shareholders	Existing Equity Shareholders as on the Record Date i.e., [●]. Please note that the investors eligible to participate in the Issue exclude certain overseas shareholders. For further details, see "Notice to Investors" on page 10 of this Draft Letter of Offer.
Escrow Account(s)	One or more no-lien and non-interest-bearing accounts with the Escrow Collection Bank(s) for the purposes of collecting the Application Money from resident Investors making an Application through the ASBA facility.
Escrow Collection Bank	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom Escrow Account(s) will be opened, in this case being [●]
Issue/ Rights Issue	Issue of up to [●] Equity Shares of face value of ₹ 1 each ("Rights Equity Shares") of our Company for cash at a price of ₹ [●] (Rupees [●] Only) per Right Share (including a share premium of ₹ [●]) aggregating upto ₹49.50 Cr on a rights basis to the Eligible Shareholders of our Company in the ratio of [●] ([●]) Right Shares for every [●] ([●]) Equity Shares held by the Eligible Shareholders of our Company on the Record Date i.e. [●].
Issue Closing date	[●]
Issue Material	Collectively, the Letter of Offer, the Abridged Letter of Offer, the Common Application Form and Rights Entitlement Letter.
Issue Proceeds	The proceeds of the Issue that are available to our Company

Issue Opening date	[●]
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants/ Investors can submit their applications, in accordance with the SEBI (ICDR) Regulations
Issue Price	₹ [●]/-per Rights Equity Share including a share premium of ₹ [●] per Rights Equity Share.
Issue Size	Amount aggregating upto ₹49.50Cr* *Assuming full subscription
Letter of Offer/ LoF	The final letter of offer to be filed with the BSE, NSE and SEBI after incorporating the observations received from the BSE Limited and National Stock Exchange of India Limited on the DLoF.
Multiple Application Forms	Multiple application forms submitted by an Eligible Equity Shareholder/Renouncee in respect of the Rights Entitlement available in their demat account. However supplementary applications in relation to further Equity Shares with/without using additional Rights Entitlements will not be treated as multiple application
Net Proceeds	Issue Proceeds less the Issue related expenses. For further details, please refer to the section titled 'Objects of the Issue' beginning on page 43 of this DLOF.
Non-ASBA Investor/ Non-ASBA Applicant	Investors other than ASBA Investors who apply in the Issue otherwise than through the ASBA process comprising Eligible Shareholders who intend to renounce their Rights Entitlement in part or full and Renouncees.
Non-Institutional Investors/ NIIs	An Investor other than a Retail Individual Investor or Qualified Institutional Buyer as defined under Regulation 2(1) (jj) of the SEBI (ICDR) Regulations.
Offer Document	The Draft Letter of Offer, Letter of Offer, Abridged Letter of Offer including any notices, corrigendum thereto;
Off Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by transferring them through off market transfer through a depository participant in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Depositories, from time to time, and other applicable laws.
On Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchange through a registered stockbroker in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Stock Exchange, from time to time, and other applicable laws, on or before [●].
QIBs or Qualified Institutional Buyers	Qualified institutional buyers as defined under Regulation 2(1) (ss) of the SEBI (ICDR) Regulations
Record Date	Designated date for the purpose of determining the Equity Shareholders eligible to apply for Right Shares, being [●].
Refund through electronic transfer of Funds	Refunds through NECS, Direct Credit, RTGS, NEFT or ASBA process, as applicable
Registrar	MUFG Intime India Private Limited
Registrar Agreement	Agreement dated [●] entered into between our Company and the Registrar in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue.
Renouncees	Any persons who have acquired Rights Entitlements from the Equity Shareholders through renunciation.
Renunciation Period	The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date i.e. [●]. Such period shall close on [●] in case of On Market Renunciation. Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue Closing Date i.e. [●].
Retail Individual Investors/ RIIs	An individual Investor (including an HUF applying through karta) who has applied for Rights Shares and whose Application Money is not more than ₹2,00,000.00/- (Rupees Two Lakhs only) in the Issue as defined under Regulation 2(1) (vv) of the SEBI (ICDR) Regulations
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Shareholders.
RE ISIN	ISIN for Rights Entitlement i.e. [●]
Right Shares	Equity Shares of our Company to be Allotted pursuant to this Issue, on fully paid-up basis on Allotment;
Self-Certified Syndicate Bank(s) / SCSBs	The banks registered with SEBI, offering services (i) in relation to ASBA (other than through UPI mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, as applicable, or such other website as updated from time to time,
SEBI Rights Issue	SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January

Circulars	22, 2020. SEBI circular bearing number SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023
Transfer Date	The date on which the amount held in the escrow account(s) and the amount blocked in the ASBA Account will be transferred to the Allotment Account, upon finalization of the Basis of Allotment, in consultation with the BSE and NSE.
Wilful Defaulter	A Company or person, as the case may be, categorized as a wilful defaulter by any bank or financial institution or consortium thereof, in terms of Regulation 2(1) (lll) of SEBI (ICDR) Regulations and in accordance with the guidelines on wilful defaulters issued by the RBI, including any Company whose director or promoter is categorized as such.
Working Day(s)	Working day means all days on which commercial banks in Mumbai are open for business. Further, in respect of Issue Period, working day means all days, excluding Saturdays, Sundays, and public holidays, on which commercial banks in Mumbai are open for business. Furthermore, the time period between the Issue Closing Date and the listing of the Right Shares on the Stock Exchange, working day means all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI;

Technical / Industry Related Terms

Term	Description
FMCG	Fast Moving Consumer Goods
LCD	Liquid Crystal Display
LED	Light Emitting Diode
FDI	Foreign Direct Investment
GDP	Gross Domestic Product
CCTV	Closed Circuit Television
EDSM	Electronic System Design and Manufacturing
Inflation	The rate of increase in prices over a given period of time.
IT/ITeS	Information Technology
PLI	Product Linked Incentive
Photovoltaic Technology	Uses devices Calles solar cells to convert sun-light into electricity
Flat panel Display	Type of Screen
YoY	Year-over-Year

Conventional Terms / General Terms / Abbreviations

Term	Description
AGM	Annual General Meeting.
AS	Accounting Standards issued by the Institute of Chartered Accountants of India.
BSE	BSE Limited
CDSL	Central Depository Services (India) Limited.
CFO	Chief Financial Officer;
CS	Company Secretary
CIN	Corporate Identification Number.
CIT	Commissioner of Income Tax.
CLRA	Contract Labour (Regulation and Abolition) Act,1970.
CompaniesAct,2013	Companies Act, 2013 along with rules made thereunder.
Companies Act,1956	CompaniesAct,1956, and the rules there under (without reference do the provisions Thereof that have ceased to have effect upon the notification of the Notified Sections).
CSR	Corporate Social Responsibility.
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations,2018.
Depositories Act	The Depositories Act,1996.
DIN	Director Identification Number.
DP	Depository Participant.
DP-ID	Depository Participant's Identification.
DR	Depository Receipts.
EBITDA	Profit/(loss) after tax for the year adjusted for income tax expense, finance costs, depreciation, and amortization expense, as presented in the statement of profit and loss.

EGM	Extra-ordinary General Meeting.
EEA	European Economic Area.
EPS	Earning per Equity Share.
FY/Financial Year	Period of 12 months ended March 31of that particular year, unless otherwise stated.
GAAP	Generally Accepted Accounting Principles.
GDP	Gross Domestic Product.
GoI/Government	The Government of India.
GST	Goods and Services Tax.
HUF	Hindu Undivided Family.
Ind AS	Indian Accounting Standards.
Indian GAAP/I-GAAP	Generally Accepted Accounting Principles in India.
Income Tax Act/ IT Act	The Income Tax Act,1961and amendments thereto.
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
INR / ₹ / Rs. / Indian Rupees	Indian Rupee, the official currency of the Republic of India.
IST	Indian Standard Time.
IT	Information Technology.
MCA	The Ministry of Corporate Affairs, GoI.
Mn / Mn	Million.
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
N.A. or NA	Not Applicable.
NAV	Net Asset Value.
NEFT	National Electronic Fund Transfer.
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect.
NR/ non-resident	A person resident outside India, as defined under the FEMA and includes an NRI, FPIs registered with SEBI and FVCIs registered with SEBI.
NRE	Account Non-resident external account.
NRI	Non-resident Indian.
NSDL	National Securities Depository Limited.
NSE	National Stock Exchange of India Limited
OCB	Overseas Corporate Body.
p.a.	Per annum.
P/E Ratio	Price/Earnings Ratio.
PAN	Permanent account number.
PAT	Profit after Tax.
RBI	Reserve Bank of India.
RBI Act	Reserve Bank of India Act, 1934.
RoNW	Return on Net Worth.
SCORES	SEBI Complaints Redress System.
SCRA	Securities Contracts (Regulation) Act, 1956.
SCRR	Securities Contracts (Regulation) Rules, 1957.
SEBI	Securities and Exchange Board of India.
SEBI Act	Securities and Exchange Board of India Act, 1992.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019.
SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.
SEBI (ICDR) Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments thereto.
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments thereto.
Securities Act	United States Securities Act of 1933, as amended.
STT	Securities transaction tax.
Trade Marks Act	Trade Marks Act, 1999 and the rules thereunder, including subsequent amendments thereto.

NOTICE TO INVESTORS

The distribution of the Draft Letter of Offer, this Letter of Offer, Abridged Letter of Offer, and the Issue of Rights Equity Shares on a rights basis to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons in whose possession the Draft Letter of Offer, Letter of Offer, Abridged Letter of Offer or Application Form may come are required to inform themselves about and observe such restrictions.

Our Company is making this Issue of the Rights Equity Shares on a rights basis to the Equity Shareholders as on Record Date; and the Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter, and other Issue material will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have registered their e-mail address, the Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their registered e-mail address and in case such Eligible Equity Shareholders have not registered their e-mail address, then the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Those overseas shareholders, who have not updated our records with their Indian address or the address of their duly authorised representative in India, prior to the date on which we propose to dispatch the Letter of Offer/ Abridged Letter of Offer and Application Form, shall not be sent the Letter of Offer/ Abridged Letter of Offer and Application Form. Further, the Letter of Offer will be sent/ dispatched to the Eligible Equity Shareholders who have provided Indian address and who have made a request in this regard.

No action has been or will be taken to permit this Issue in any jurisdiction where action would be required for that purpose. Accordingly, the Rights Equity Shares may not be offered or sold, directly or indirectly, and the Letter of Offer/Abridged Letter of Offer and Application Form or any offering materials or advertisements in connection with the Issue may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Receipt of the Draft Letter of Offer, this Letter of Offer, Abridged Letter of Offer and Application Form will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, under such circumstances, the Draft Letter of Offer, this Letter of Offer, Abridged Letter of Offer and CAFs must be treated as sent for information only and should not be acted upon for subscription to Rights Equity Shares and should not be copied or redistributed. Accordingly, persons receiving a copy of the Draft Letter of Offer, this Letter of Offer, Abridged Letter of Offer and Application Form should not, in connection with the issue of the Rights Equity Shares or Rights Entitlements, distribute or send the same in or into any jurisdiction where to do so would or might contravene local securities laws or regulations. If the Draft Letter of Offer, this Letter of Offer, Abridged Letter of Offer and Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Equity Shares or the Rights Entitlements referred to in the Draft Letter of Offer, this Letter of Offer, Abridged Letter of Offer and Application Form. Envelopes containing a Application Form should not be dispatched from any jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Equity Shares in this Issue must provide an Indian address.

Any person who makes an application to acquire Equity Shares offered in this Issue will be deemed to have declared, represented, warranted, and agreed that she/ he is authorised to acquire the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in her/ his jurisdiction. Our Company, the Registrar, or any other person acting on behalf of us reserve the right to treat any Application Form as invalid where we believe that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements and we shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form. Neither the delivery of the Draft Letter of Offer, this Letter of Offer, Abridged Letter of Offer and Application Form nor any sale hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or that the information contained herein is correct as at any time subsequent to the date of this Letter of Offer.

The contents of Draft Letter of Offer, this Letter of Offer, Abridged Letter of Offer and Application Form should not be construed as legal, tax or investment advice. Prospective investors may be subject to adverse foreign, state or local tax or legal consequences as a result of the offer of Equity Shares. As a result, each investor should consult its own counsel, business advisor and tax advisor as to the legal, business, tax and related matters concerning the offer of the Rights Equity Shares. In addition, our Company is not making any representation to any offeree or purchaser of the Rights Equity Shares regarding the legality of an investment in the Rights Equity Shares by such offeree or purchaser under any applicable laws or regulations.

NO OFFER IN THE UNITED STATES

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the Securities Act, or any U.S. state securities laws and may not be offered, sold, resold or otherwise transferred within the United States of America or the territories or possessions thereof ("United States" or "U.S."), or to, or for the account or benefit of "U.S. persons" (as defined in Regulation S of the Securities Act), except in a transaction not subject to, or exempt from the registration requirements of the Securities Act. The offering to which this Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlement for sale in the United States or as a solicitation therein of an offer to buy any of the Rights Equity Shares or Rights Entitlement. There is no intention to register any portion of the Issue or any of the securities described herein in the United States or to conduct a public offering of securities in the United States. Accordingly, the Draft Letter of Offer, this Letter of Offer or Abridged Letter of Offer and the enclosed Application Form should not be forwarded to or transmitted in or into the United States at any time. In addition, until the expiry of 40 days after the commencement of the Issue, an offer or sale of Rights Entitlements or Rights Equity Shares within the United States by a dealer (whether or not it is participating in the Issue) may violate the registration requirements of the Securities Act.

Neither our Company nor any person acting on our behalf will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on our behalf has reason to believe is, either a U.S. Person or otherwise in the United States when the buy order is made. Envelopes containing a Application Form should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Rights Equity Shares Issue and wishing to hold such Equity Shares in registered form must provide an address for registration of these Equity Shares in India. Our Company is making the Issue on a rights basis to Eligible Shareholders and the Letter of Offer/ Abridged Letter of Offer and Application Form will be dispatched only to Eligible Shareholders who have an Indian address. Any person who acquires Rights Entitlements and the Rights Equity Shares will be deemed to have declared, represented, warranted and agreed that, (i) it is not and that at the time of subscribing for such Rights Equity Shares or the Rights Entitlements, it will not be, in the United States, (ii) it is not a U.S. Person and does not have a registered address (and is not otherwise located) in the United States when the buy order is made, and (iii) it is authorised to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations.

Our Company reserves the right to treat any Application Form as invalid which: (i) does not include the certification set out in the Application Form to the effect that the subscriber is not a U.S. Person and does not have a registered address (and is not otherwise located) in the United States and is authorised to acquire the Rights Equity Shares or Rights Entitlement in compliance with all applicable laws and regulations; (ii) appears to us or our agents to have been executed in or dispatched from the United States; (iii) appears to us or our agents to have been executed by a U.S. Person; (iv) where a registered Indian address is not provided; or (v) where our Company believes that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form.

Rights Entitlements may not be transferred or sold to any person in the United States.

THIS DOCUMENT IS SOLELY FOR THE USE OF THE PERSON TO WHOM IT IS ADDRESSED FROM OUR COMPANY OR FROM THE REGISTRAR. THIS DOCUMENT IS NOT TO BE REPRODUCED OR DISTRIBUTED TO ANY OTHER PERSON.

CERTAIN CONVENTIONS, USE OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY OF PRESENTATION

Certain Conventions

Unless otherwise specified or the context otherwise requires, all references herein to 'India' are to the Republic of India and its territories and possessions and all references herein to the "Government", "Indian Government", "GoI", Central Government" or the "State Government" are to the Government of India, Central or State, as applicable.

Unless otherwise specified or the context otherwise requires, all references in this Draft Letter of Offer to the 'US' or 'U.S.' or the 'United States' are to the United States of America and its territories and possessions.

Unless otherwise specified, any time mentioned in this Draft Letter of Offer is in Indian Standard Time ("IST"). Unless indicated otherwise, all references to a year in this Draft Letter of Offer are to a calendar year. A reference to the singular also refers to the plural and one gender also refers to any other gender, wherever applicable. Unless stated otherwise, all references to page numbers in this Draft Letter of Offer are to the page numbers of this Draft Letter of Offer.

Financial Data

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Draft Letter of Offer has been derived from the Audited Financial Statements for the year ended on March 31,2024 and Unaudited Financial Results for the period ended on September 30,2024, of our Company. For details, please see "*Financial Information*" on page 93. Our Company's financial year commences on April 01 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the twelve (12) month period ended on March 31 of that year.

The GoI has notified the Indian accounting standards ("Ind AS"), which are converged with the International Financial Reporting Standards of the International Accounting Standards Board ("IFRS") and notified under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended (the "Ind AS Rules").

The Audited Financial Statements of our Company for the Financial Year ended March 31,2024, has been prepared in accordance with Ind AS and the Limited review Unaudited Financial Results for the half year (six-month period) ended September 30,2024 have been prepared in accordance with recognition and measurement principles laid down in Ind AS as prescribed under Section 133 of Companies Act read with the Ind AS Rules and presented as per the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Our Company publishes its financial statements in Indian Rupees.

The Unaudited Financial Results for the half year ended September 30,2024 is not indicative of the full year performance of the Company and hence are not comparable with the financial information presented for the year ending [●].

In this Draft Letter of Offer, any discrepancies, or inconsistencies in any table between the aggregate and the total of the sums recorded are because of rounding off and unless otherwise specified, all financial numbers in parenthesis represent negative figures. Our Company has presented all numerical information in this Draft Letter of Offer in "lakh" units, in case of Financial Statements for the year ended March 31, 2024 and the Financial Results for the period ended September 30,2024 presented in chapter titled "*Financial Information*" beginning at page 93 of the Draft Letter of Offer or in whole numbers where the numbers have been too small to represent in lakh. One lakh represents 1,00,000.

There are significant differences between Ind AS, US GAAP and IFRS. We have not provided a reconciliation of the financial information to IFRS or US GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Letter of Offer, and you are urged to consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Draft Letter of Offer will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act and the SEBI LODR and SEBI ICDR Regulations. Any reliance by persons not familiar with these accounting principles and regulations on our financial disclosures presented in this Draft Letter of Offer should accordingly be limited. For further information, see "*Financial Information*" on page 93.

Certain figures contained in this Draft Letter of Offer, including financial information, have been subject to rounded off adjustments. All figures in decimals (including percentages) have been rounded off to one or two decimals. However, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points in their respective sources, such figures appear in this Draft Letter of Offer rounded-off to such number of decimal points as provided in such respective sources. In this Draft Letter of Offer, (i) the sum or percentage change of certain numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Any such discrepancies are due to rounding off.

Currency and Units of Presentation

All references to:

- "Rupees" or "₹" or "INR" or "Rs." are to Indian Rupee, the official currency of the Republic of India;
- "USD" or "US$" or "$" are to United States Dollar, the official currency of the United States of America; and

Our Company has presented certain numerical information in this Draft Letter of Offer in "lakh" or "Lac" units. One lakh represents 1,00,000. All the numbers in the document have been presented in lakh or in whole numbers where the numbers have been too small to present in lakh. Any percentage amounts, as set forth in "*Risk Factors*," "*Our Business*," "*Management's Discussion and Analysis of Financial Conditions and Results of Operation*" and elsewhere in this Draft Letter of Offer, unless otherwise indicated, have been calculated based on our Financial Information.

Industry and Market Data

Unless stated otherwise, industry and market data used in this Draft Letter of Offer has been obtained or derived from publicly available information as well as industry publications and sources.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured.

Although we believe the industry and market data used in this Draft Letter of Offer is reliable, it has not been independently verified by us. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors*" on page 19 of this Draft Letter of Offer. Accordingly, investment decisions should not be based solely on such information.

The extent to which the market and industry data used in this Draft Letter of Offer is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources.

FORWARD-LOOKING STATEMENTS

All statements contained in this offer document that are not statements of historical fact constitute forward- looking statements. All statements regarding our expected financial condition and results of operations, business, plans, and prospects are forward-looking statements. These forward-looking statements include statements with respect to our business strategy, our revenue and profitability, our projects and other matters discussed in this offer document regarding matters that are not historical facts. Investors can generally identify forward-looking statements by the use of terminology such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "objective", "plan", "project", "may", "will", "will continue", "will pursue", "contemplate", "future", "goal", "propose", "will likely result", "will seek to" or other words or phrases of similar import. All forward looking statements (whether made by us or any third party) are predictions and are subject to risks, uncertainties, and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward- looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect.

Further the actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industries in India in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposureto market risks, general economic and political conditions in India and overseas which have an impact on our business activities or investments, the monetary and fiscal policies of India and other jurisdictions in which we operate, inflation, deflation, unanticipated volatility in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and/or acts of violence. Other important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- Changes in laws and regulations relating to the sectors/areas in which we operate;
- Company has experienced negative cash flows from operating activities in the past. Sustained negative cash flows could impact our growth and business. Uncertainty regarding the Government Infrastructure Projects, raw material prices, economic conditions, andother factors beyond our control;
- Inability to identify or effectively respond to customer needs, expectations, or trends in a timely manner;
- Our ability to successfully implement our growth strategy and expansion plans, and to successfully launch and implement various projects;
- Volatility of loan interest rates and inflation;
- Our failure to keep pace with rapid changes in technology;
- Our ability to meet our further capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Conflict of Interest with affiliated companies, the promoter group, and other related parties;
- Changes in political and social conditions in India, the monetary and interest rate policies of India and othercountries;
- General economic and business conditions in the markets in which we operate and in the local, regional,national, and international economies;
- Changes in government policies and regulatory actions that apply to or affect our business;
- The performance of Electronics System Design & Manufacturing (ESDM) industry in India and globally;
- The occurrence of natural disasters or calamities; and
- Failure to successfully upgrade our service portfolio, from time to time.

For further discussions of factors that could cause our actual results to differ, please refer the section titled "*Risk Factors*," "*Our Business"* and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on page nos. 19, 52 & 156 of this Draft Letter of Document, respectively.

Forward-looking statements reflect the current views of our Company as of the date of this Letter of Offer and are not a guarantee of future performance. These statements are based on the management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, our Promoters, nor the Syndicate Member(s) have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with SEBI requirements, our Company will ensure that investors in India are informed of material developments from the date of this Draft Letter of Offer until the time of the grant of listing and trading permission by the Stock Exchanges.

SECTION II - SUMMARY OF DRAFT LETTER OF OFFER

The following is a general summary of certain disclosures included in this Draft Letter of Offer and is neither exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Letter of Offer or all details relevant to prospective Investors. This summary should be read in conjunction with and is qualified by the more detailed information appearing in this Draft Letter of Offer, including the sections titled 'Risk Factors', 'Objects of the Issue', 'Industry Overview', 'Our Business', and 'Outstanding Litigations, Defaults and Material Developments' beginning on pages 19, 43, 62, 52, and 166 of this Draft Letter of Offer, respectively.

Primary Business

MIRC Electronics was founded in the year 1981. It has its headquarters in Mumbai and is known for its renowned brand ONIDA.
We have our manufacturing facilities at Wada (Maharashtra) and Roorkee (Uttarakhand) with a capacity of over 1 million Televisions and 8 lakhs Washing Machines respectively. The company has been a key player in India's electronics industry, leveraging its innovative marketing and product range to build a strong presence.

With 44 years of Innovation and Excellence, MIRC Electronics Limited (ONIDA) has always been known for TVs and high-quality innovative products. We also compete in the market in categories like Air Conditioners, LED TVs, Washing Machines, Refrigerators and Air Coolers.
For further details, please refer to the chapter titled 'Our Business' beginning on page 52 of this Draft Letter of Offer.

Industry in which Our Company Operates

The Indian electronics system design and manufacturing (ESDM) sector is one of the fastest growing sectors in the economy and is witnessing a strong expansion in the country. Electronics System Design and Manufacturing (ESDM) continues to transform businesses, and economies across the globe. The global electronics market is estimated to be over $2 tn. India's share in global electronics manufacturing has grown from 1.3% in 2012 to 3.0% in 2018. The electronics manufacturing sector accounts for 2.5% of India's GDP, and employs over 13 million people.

India houses one-sixth of the world's population, of which 1.2 billion are mobile subscribers and 661 million are internet users. With per capita disposable income and private consumption having doubled in the past 7 years, India has emerged as one of the largest markets for electronic products in the world. Therefore, building a vibrant electronics manufacturing ecosystem is central to the "Make in India and Digital India, Make for India, Make for the world" goal set forth by the Government of India.

For further details, please refer to the chapter titled 'Industry overview' beginning on page 62 of this Draft Letter of Offer.

Our Promoters

As on the date of this Draft Letter of Offer, our Promoters are Gulu Mirchandani, and Vijay Mansukhani. For further details, please see "Our Promoters" on page 89.

Intention and extent of participation by Our Promoter(s) and Promoter Group in the Issue:

Our Promoters and entities forming part of our Promoter Group, vide their Letters dated January 8, 2024 have undertaken that they will subscribe to the full extent of their Rights Entitlement and will not renounce any portion of their rights entitlement outside of our promoter group. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements pursuant to the Rights Issue.

Objects of the Issue

The intended use of the Net Proceeds of the Issue by our Company is set forth in the following table:

Sr. No.	Particulars	Amount
1.	Working Capital Requirements	Up to 3800.00
2.	Funding expenditure for General Corporate Purposes*	[●]

	Total Net Proceeds**	[●]

**Subject to the finalization of the Basis of the Allotment and the Allotment. The amount utilized for general corporate purposes shall not exceed 25% of the Issue Proceeds.*

***Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment and be adjusted as per the Rights Entitlement ratio.*

For further details, please refer to the chapter titled "Objects of the Issue" beginning on page 43 of this Draft Letter of Offer.

Financial Information

The following table sets forth the summary financial information derived from the Audited Financial Statements for the Financial Years ending March 31, 2024 and and Unaudited Financial Results for the six months period ended September 30,2024:

Amount in Lakhs

Particulars	For the six months period ended September, 30 2024	For the Financial Year ended March 31, 2024
Equity Share Capital	2,311.39	2,311.39
Net Worth	13,057.00	12,844.52
Total Income	38,345.62	97,452.37
Profit/(loss) after tax	178.79	(6,220.83)
Basic and diluted EPS (in₹)	0.08	(2.69)
Total borrowings	11,335.63	10,271.23

For further details, please refer to the chapter titled *"Financial Information"* beginning on page 93 of this Draft Letter of Offer

Summary of Outstanding Litigations

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigation
By our Company	1	Nil	Nil	Nil	330
Against our Company	Nil	99	Nil	Nil	188
By our directors	Nil	Nil	Nil	Nil	Nil
Against our Directors	Nil	2	Nil	Nil	Nil
By our Promoter	1	Nil	Nil	Nil	Nil
Against our Promoters	1	3	Nil	Nil	12
By our Subsidiaries	Nil	Nil	Nil	Nil	Nil
Against our Subsidiaries	Nil	1	Nil	Nil	Nil

#*To the extent quantifiable.*

For detailed information refer chapter Outstanding Litigations on page no 166.

Risk Factors

For details, please see the section entitled "Risk Factors" on page 19 of this Draft Letter of Offer. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue.

Contingent Liabilities

For details of the contingent liabilities, please refer to the section titled "Financial Statements" beginning on page 93 of this Draft Letter of Offer.

Related Party Transactions

For details of the related party transactions, please refer to the section titled "Financial Statements" beginning on page 93 of this Draft Letter of Offer.

Issue of Equity Shares Made in Last One Year for Consideration Other Than Cash

Our Company has not issued any Equity Shares for consideration other than cash during the last 1 (One) year immediately preceding the date of filing this Draft Letter of Offer.

Split or Consolidation of Equity Shares in The Last One Year

Our Company has not undertaken a split or consolidation of Equity Shares in the last one year.

SECTION III- RISK FACTORS

An investment in our Equity Shares involves a high degree of risk. You should carefully consider each of the following risk factors and all other information set forth in this Draft Letter of Offer, including in "Our Business," "Industry Overview," and "Financial Statements" beginning on pages 52, 62 and 93 respectively in this Draft Letter of Offer, before making an investment in our Equity Shares.

The risks and uncertainties described below are not the only risks that we currently face; additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also adversely affect our business, financial condition, results of operations, and cash flows. If any or some combination of the following risks, or other risks that are not currently known or believed to be adverse, occur, our business, financial condition, and results of operations could suffer, the trading price and the value of your investment in, our Equity Shares could decline, and you may lose all or part of your investment. In making an investment decision with respect to this Issue, you must rely on your own examination of our Company and the terms of this Issue, including the merits and risks involved. You should consult your tax, financial, and legal advisors about the consequences of an investment in our Equity Shares and its impact on you.

This Draft Letter of Offer also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from such forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Letter of Offer.

Unless specified or quantified in the relevant risk factors below, we are not able to quantify the financial or other implications of any of the risks described in this section. Unless the context otherwise requires, in this section, reference to 'we,' 'us,' 'our' refers to our Company.

Materiality

The Risk factors have been determined based on their materiality. The following factors have been considered for determining the materiality.

1. Some events may not be material individually but may be found material collectively.
2. Some events may have material impact qualitatively instead of quantitatively; and
3. Some events may not be material at present but may have a material impact in future

INTERNAL RISK FACTORS

1. ***The loss or shutdown of operations at any of our manufacturing facilities or any accidents or damage to our manufacturing equipment, plant and machinery or information technology systems may have a material adverse effect on our business, financial condition, cash flows and results of operations.***

   We operate manufacturing facilities at Wada (Maharashtra) and Roorkee (Uttarakhand). These manufacturing facilities are subject to operating risks, such as breakdowns or accidents or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, obsolescence, labor disputes, strikes, lockouts, natural disasters, and industrial accidents. For example, there was major accidental fire on 8^{th} February, 2012 at one of the facilities of the Company situated at Khasra No. 399 to 401 & 405 to 410, 158 KMS Milestone, Delhi - Roorkee National Highway 58, Village – Mundiyaki, Pargana – Manglour, Tehsil - Roorkee, District – Haridwar, Uttarakhand – 247 670 due to which the said facility was non-operational from February 8, 2012 till April 15, 2013. Subsequently, from April 16, 2013 the plant became fully operational and has since then contributing to the production of the Company. Further, the operations at Wada plant were suspended on January 1, 2010 due to illegal strike resorted by the contract workers. The Company had declared a lock out from January 16, 2010 till January 26, 2010. Thereafter, the Wada plant has been operational and has since then been contributing to the production of the Company. Such kind of incidents could significantly affect our operations by causing production to shut down or slow down. Our manufacturing facilities are also subject to operating risk arising from compliance with the directives of relevant government authorities. Furthermore, we are dependent on our information technology systems for managing key business processes such as product design and development, customer and dealer management, transaction processing, accounting, and production. Any failure in our information technology systems in any manner may adversely impact our ability to manufacture our products, manage our dealers and provide service to our customers, any of which may have a material adverse effect on our reputation, business, financial condition, cash flows and results of operations.

2. ***We have recorded losses for the Financial Years ended March 31, 2023 and March 31, 2024. Our inability to earn any future profits would have an adverse effect on our business.***

Our Company has recorded losses for the Financial Year ended March 31, 2023 and March 31, 2024, such accumulation of losses may have a negative impact on our balance sheet and affect the financial condition of the Company. Any profit or loss in future is totally based on successful implementation of business strategy, market conditions, customer trend, economic conditions of the country and other related factors.

3. ***Substantial portion of our revenues has been dependent upon our few clients. The loss of any one or more of our major clients would have a material adverse effect on our business operations and profitability.***

   For financial year ended March 31, 2024 our top ten (10) largest clients accounted for 56.11% of our total sales. The loss of a significant client or clients would have a material adverse effect on our financial results. We cannot assure you that we can maintain the historical levels of business from these clients or that we will be able to replace these clients in case we lose any of them. Furthermore, major events affecting our clients, such as bankruptcy, change of management, mergers and acquisitions could adversely impact our business. If any of our major clients becomes bankrupt or insolvent, we may lose some or all of our business from that client and our receivable from that client would increase and may have to be written off, adversely impacting our income and financial condition.

4. ***We have witnessed negative cash flows from investing activities and operating activities. Any negative cash flows in the future could adversely affect our results of operations and financial condition.***

   Our cash flows from operating activities and Investing activities for the year ending March 31, 2024 are summarised below:

(*Amount in lakhs)

Particulars	Fiscal 2024
Operating Cashflow	(454.48)
Investing Cashflow	(220.97)

If we do not maintain positive cash flow, we cannot assure you that we will be able to sustain our growth or achieve profitability in future periods.

5. ***Our business in relation to sale of certain electronic products is seasonal in nature. Any substantial decrease in our sales during this period can have a material adverse effect on our financial performance.***

   The sale of our certain electronic products is seasonal in nature. This unevenness in seasonal sales is largely due to the buying cycles of the customers and weather cycles of locations to which we cater. The sale of few of our products like TV, air conditioners, etc. is higher during a particular season and festival time. We expect that this trend of buying and weather cycles will continue to influence our business and results of operations. Any disturbances/disruptions in production during this period may lead to reduction in sales and have an impact on the financial performance of the Company.

6. ***We face significant competition in the electronic industry. Any failure to compete effectively may have a material adverse effect on our business and operations.***

   The electronic industry in India is highly competitive with several other domestic and foreign brands present in the market and we expect that competition will continue to increase with entry of new companies (both domestic and international) in this industry, and with advent of new technologies. In such a competitive environment, our brand may face considerable pressure to sustain customer loyalty, satisfaction, requirement, and brand equity. With number of domestic and international brands entering Indian electronic industry, the industry is witnessing substantial change in dynamics. Many of our competitors have access to considerable financial and technological resources with which they can compete aggressively, including by funding future growth and expansion and improving on the product quality and in acquisitions.

   We face a variety of competitive challenges including:

- anticipating and quickly responding to changing consumer demands and preferences;
- maintaining favourable brand recognition;
- developing innovative, high-quality products that appeal to consumers;
- pricing our products effectively and achieving customer perception of value;
- providing strong and effective marketing support;
- providing prompt after sales services;

We face stiff competition from other market players across our products and leading players in major verticals are as under:

Air conditioners: The Indian air conditioner market in 2024 was estimated at USD 5.41 billion and is anticipated to grow at CAGR of 6.9% through 2030. There are various key players in the industry like –

- Voltas Limited
- Daikin Airconditioning India Pvt. Ltd.
- LG Electronics India Pvt. Ltd.
- Blue Star Limited
- Johnson Controls-Hitachi Air Conditioning India Limited
- Panasonic India Private Limited
- Samsung India Electronics Private Limited
- Haier Appliances India Pvt. Ltd
- Havells India Limited
- Carrier Midea India Private Limited

(Source: https://www.techsciresearch.com/report/india-air-conditioners-market/14835.html)

Flat Panel Television (LED + LCD)
India Smart TV Market Size is Anticipated to reach USD 44.9 Billion by 2032 exhibiting a compound annual growth rate (CAGR) of 17.50% over the projected period (2024 - 2032). The expanded popularity of content on over-the-top (OTT) services, increased consumer spending, the adoption of extravagant lifestyles, and a rise in several strategic collaborations are the main market drivers anticipated to propel India's Smart TV market.
(Source: https://www.marketresearchfuture.com/reports/india-smart-tv-market-16154)

Washing Machines
The India Washing Machine Market size is estimated at USD 4.44 billion in 2024, and is expected to reach USD 6.27 billion by 2029, growing at a CAGR of 7.14% during the forecast period (2024-2029). The Washing Machine Market in India is fragmented. The presence of international players has made the washing machine market highly competitive. The implementation of energy labels and energy-efficiency policies has allowed manufacturers to prioritize the development of energy-efficient products. Manufacturers are currently emphasizing new product development, technological advancements, and expanding their manufacturing capabilities. Meanwhile, domestic players have directed their attention towards rural areas, as foreign multinationals continue to dominate urban markets. Some of the key players in the washing machine market are LG Electronics India Pvt. Ltd., Samsung India Electronics Ltd, Whirlpool, Godrej, Electrolux, IFB, Lloyd, Bosch, Haier, and Other prominent players. (*Source: https://www.mordorintelligence.com/industry-reports/india-washing-machine-market)*

Refrigerators
The Indian refrigerator market is fragmented in nature. Increasing household income, improving living standards, rapid urbanization, a rising number of nuclear families, a largely untapped market, and environmental changes are key growth drivers for the refrigerator industry. The major players are reducing their prices and launching new models with advanced features and new designs. The major players in the Indian refrigerator market are Samsung Electronics, LG Electronics, Godrej, Whirlpool Corporation, and Haier.
(Source: https://www.mordorintelligence.com/industry-reports/india-refrigerator-market)

Our competitors may spend more financial and other resources to improve their market share to compete more aggressively. With increase in competition, we may inter alia witness lower demand for our products, pressure on pricing, loss in market share, which may impact our business and results of operations. Our inability to withstand competitive pressures and respond to changing business dynamics may have a material adverse effect on our business prospects, financial condition, cash flows and results of operations.

7. ***As on March 31, 2024, we have, secured borrowings of '10,271.23' lakhs, inability to pay so may have adverse effect on our financial condition, cash flows and future financial performance.***

(Amount in lakhs)

Particulars	**0 to 1 year**	**1 to 5 years**	**> 5 years**	**Total**
Year Ended March 2024				
Borrowings	8,714.81	1,556.42	-	10,271.23

8. ***Significant increases in prices of key raw materials or our inability to continue to procure raw materials from our suppliers at favourable terms could have an adverse effect on our results of operations and financial position.***

We are dependent on external suppliers for timely supply of raw materials including metals. We purchase plastic raw material, Prism sheets, Power supply boards, Open cells, Plate diffusers, Bar LED lights, Gear boxes, Motors, Drain valves etc. from our approved suppliers, the pricing of component what we buy is totally dependent on international commodity pricing & currency variation. Accordingly, our profits are sensitive to changes in raw material prices. Volatility in the prices of raw materials, including mismatches between trends in prices for raw materials and our products, as well as limitations on or disruptions in the supply of raw materials, could adversely affect our results of operations and cash flows. Our inability to procure these raw materials on terms more favourable, or at all, may constrain our raw material supply, resulting in an adverse effect on our business, financial condition, cash flows and results of operations Any volatility in the prices of such raw materials in such jurisdictions or fluctuations in the currency exchange values could adversely affect our financial condition and results of operations. Further, we do not have exclusive arrangements with our suppliers and they can supply raw materials to our competitors, which may increase competition for us and may result in an adverse effect on our financial condition. Further, any substantial delay in supply or non-conformance to quality requirements by our suppliers can impact our ability to meet our customer requirements and thus impact our business and results of operations. In case we fail to correctly analyse our product requirement or non-availability of required raw materials or any other item of production in desired quantity and quality at the right time, it may impact our sales commitments resulting in having adversely effect on our business and results of operations.

9. ***There are outstanding litigations pending against our Company and Directors which, if determined adversely, could affect our business, results of operations and financial condition.***

The summary of Outstanding Litigations is provided in the table below. For further information refer chapter '*Outstanding Litigations and Material Developments'* on page no 166.

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigation
By our Company	1	Nil	Nil	Nil	330
Against our Company	Nil	99	Nil	Nil	188
By our directors	Nil	Nil	Nil	Nil	Nil
Against our Directors	Nil	2	Nil	Nil	Nil
By our Promoter	1	Nil	Nil	Nil	Nil
Against our Promoters	1	3	Nil	Nil	12
By our Subsidiaries	Nil	Nil	Nil	Nil	Nil
Against our Subsidiaries	Nil	1	Nil	Nil	Nil

10. ***Our success depends upon our ability to sustain effective implementation of our business and growth strategy. Our failure to do so may adversely affect our success and sustainability.***

The success of our business depends greatly on our ability to effectively implement our business and growth strategy. Whilst we believe that we have successfully executed our business strategy in the past, there can be no assurance that we will be able to execute our strategy on time and within the estimated budget, or that we will meet the expectations of targeted customers. We expect our growth strategy to place significant demands on our management, financial and other resources and require us to continue developing and improving our operational, financial, and other internal controls, none of which can be assured. Our inability to manage our business and growth strategy in line or better than our competitors in this competitive and innovative industry could have a material adverse effect on our business, financial condition, cash flow, and results of operations.

11. ***Sales and profitability of our business depend on our ability to develop new products that appeal to consumers and cater to their taste and requirement, and any failure to do the same could have a material adverse effect on our business.***

We compete in home appliance and electronics industry characterised by continual change, product introductions, changes in consumer demands, innovations, and evolving industry standards. While we continually endeavour to cater to the changing preferences of consumers, we cannot guarantee that we will be successful in these efforts.

Additionally, lack of innovation in developing new products could adversely affect our business. Our ability to successfully develop new products is also subject to numerous uncertainties, including our ability to anticipate and successfully respond to rapidly changing consumer preferences. If we fail to anticipate and respond to consumer requirements, we could lose potential customers to competitors, which in turn may materially and adversely affect our business, financial condition, cash flows and results of operations.

12. We have limited ability to protect our intellectual property and may be subject to third party claims and if we are unable to protect such intellectual property, our business could be adversely affected.

We regard our intellectual property rights such as trademarks, designs, and copyrights important to our success. Generating and maintaining brand recognition is a significant element of the business strategy of the Company. We may be subject to legal proceedings and claims in the ordinary course of business, including claims of alleged infringement of the trademarks and other intellectual property rights of third parties. In addition, litigation may be necessary in the future to enforce our intellectual property rights, protect trade secrets or to determine the validity and scope of proprietary rights claimed by others. Any litigation of this nature, regardless of outcome or merit, could result in substantial costs and diversion of management and technical resources, any of which could adversely affect our business, financial condition, cash flows and results of operations. We have registered various trademarks and designs across various jurisdictions and have also filed certain applications for registration of trademarks and patents in India. Few of the trademarks applied by us with the Trademark Registry have been objected by third parties, including, the trademark for our brand name **"ONIDA."** For further details regarding applications pending with appropriate authorities, please refer to the section titled "Government and Other Approvals" on page 178. There is no assurance that these applications shall result in us being granted registration in a timely manner or at all or that third parties would not infringe upon our intellectual property or any order restraining or prohibiting us from using the trademark, shall adversely affect the business prospects, reputation, and goodwill of the Company. In such a case protection of the trademark in India may be difficult and we may be a party to litigation for infringement. In addition, the Company may not be able to detect any unauthorized use or take appropriate and timely steps to protect our intellectual property rights. Our inability to protect the same could adversely affect our business. We cannot provide any assurance that third parties will not infringe upon our trademark, trade names, logos or brand names and thereby cause damage to our business prospects, reputation, or goodwill.

13. We are dependent on our research and development for our success and the failure to keep developing/ improving products/ processes could adversely affect our business

The Company believes in offering world class technological products to its valued customers. With this objective, the Research and Development personnel of the Company periodically visit foreign exhibitions and trade shows to understand the latest technology used in electronic products. Besides the Research and Development team also works closely with world class technology developers to understand their technology. Efforts are also made by the team to bring in immaculate features in the products which are consumer-centric. Our success depends on our ability to continue and to quickly develop and improve our products and processes for which we make continuous effort and investments in our research and development. As on March 31, 2024 we incurred Rs. 291.94 Lakhs on research and development, which was 0.30% of our net turnover. We cannot assure you whether we will be able to enhance our research and development investments or continue the current level of research and development investments in our business, or that our research and development investments will yield satisfactory results, if at all or whether we will be successful in producing products better than the competitors. The upgradation and development of new processes could be a lengthy and costly affair and there can be no assurance that a new/ improved product or process developed by us will be commercially successful. Further, research undertaken by our competitors may lead to the launch of a competing or improved product or process that may affect the sales of our products and adversely affect our business, results of operations, cash flows and financial condition. As new features and applications of electronics products are frequently introduced and can be significantly different from the ones they supersede, there can be no assurance that we will be equipped with the technologies and/or licenses required for developing and manufacturing electronics products that meet new standards. If the industrial standards of electronics products change substantially in the future and we are unable to provide new products on a timely basis or at all, our business, cash flows and results of operations may be adversely affected.

14. Demand for our products is affected by global and national economic conditions. Any development which decelerates the demand for our products would have an adverse impact on the Company.

The electronic industry in India in general and our business and results of operations in particular are affected by the change in various global and national economic conditions. Changes or a downturn in the global or national economy could add uncertainty to currency inflation or deflation, interest rates, taxation, stock market performance, consumers' confidence, and consumers' perception of economic conditions, which in turn may affect the consumers' willingness to purchase our products. Our business is sensitive to several factors that influence the levels of consumer spending, including political and economic conditions such as recessionary environments, the levels of disposable consumer income, consumer debt, interest rates. Declines in consumer spending on electronics or home products could have an adverse effect on our operating results. Purchases by consumer of our products generally decline during recessionary periods and other periods in which disposable income is adversely affected. While adverse economic and business conditions are harmful to all companies, companies such as ours are particularly sensitive to them, particularly declining levels of disposable consumer income, higher consumer debt, higher interest rates, higher taxation, increase in unemployment because of their direct impact on discretionary consumer spending. Unfavourable changes in business and economic conditions affecting our consumers could result in decrease in demand for our products or lower our profit margins, and have a material adverse effect on our financial condition, cash flows and results of operations.

15. ***The security of our IT systems may fail and adversely affect our business, operations, cash flows, financial condition and reputation.***

We are dependent on the effectiveness of our information security policies, procedures, and capabilities to protect our computer and telecommunications systems and the data such systems contain or transmit. Any delay in implementation or disruption of the functioning of our information technology systems could disrupt our ability to track record and analyse work in progress or cause loss of data and disruption to our operations, process financial information or manage creditors/debtors or engage in normal business activities. Our computer systems, software and networks may be vulnerable to unauthorised access, computer viruses or other malicious code and other events that could compromise data integrity and security. Although we maintain procedures and policies to protect our IT systems, such as a data back-up system, disaster recovery and business continuity system, any failure of our IT systems as mentioned above could result in business interruption, material financial loss, initiation of regulatory actions and legal proceedings and harm to our reputation.

16. ***Our insurance coverage may not adequately protect us against certain operational hazards and this may have a material adverse effect on our business.***

Our businesses involve many risks and hazards, including the breakdown, failure or substandard performance of equipment, delay in delivery of equipment or improper installation or operation of equipment, difficulties in upgrading or expanding existing facilities, labor disturbances, fire, natural disasters such as earthquakes, adverse weather conditions or flooding, environmental hazards, and industrial accidents. In addition, the insurance coverage for our facilities is subject to periodic renewal. As on March 31, 2024, we have availed various insurance policies like policies for manufacturing units, offices, buildings, plant and machinery, furniture, fixture and fittings and stocks due to fire, Burglary and other perils, Money Insurance Policy, Group Personal Accident Policy, etc. with an aggregate sum insured for around Rs. 1,03,048.13 Lakhs Numerous factors outside our control can affect market conditions, which in turn can affect the availability of insurance coverage as well as premium levels for policies. The insurance coverage is generally also subject to certain exclusions, limitations, and deductibles. If the availability of insurance coverage is reduced significantly, we may become exposed to certain risks for which we are not or could not be insured.

Also, if premiums for the insurance coverage required for these facilities increase significantly, we could incur substantially higher costs for such coverage or may decide to reduce the coverage amounts, either of which could have an adverse effect on their financial condition, cash flows and results of operations. We maintain insurance which we believe is typical in our industry at their respective locations in India and in amounts that we believe to be commercially appropriate. Such insurance, however, may not provide adequate coverage in certain circumstances. We do not carry business interruption insurance with respect to our operations. The occurrence of a significant event for which we are not adequately insured against could materially adversely affect our operations, cash flows and financial condition. In addition, in the future, some or all our insurance coverage may become unavailable or may not be available on commercially reasonable terms.

17. ***Our Promoters and members of the Promoter Group will continue jointly to retain majority control over the Company after the Issue, which will allow them to determine the outcome of matters submitted to shareholders for approval.***

We are controlled by our Promoters and members of the Promoter Group who, as at 31 March, 2024, beneficially owns 53.36% of our paid – up equity capital of the Company. As a result of their interest, members of our Promoters and members of the Promoter Group have the ability to exert significant influence over our business and certain actions requiring shareholders' approval, including, but not limited to, the election of directors, the declaration of dividends, the appointment of management and other policy decisions. The interests of our Promoters and members of the Promoter Group could conflict with the interests of our other shareholders. Such a concentration of ownership may also have the effect of delaying, preventing, or deterring a change in control of the Company. In addition, our Promoters and members of the Promoter Group will continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests or the interests of some or all our creditors or minority shareholders, and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our Equity Shares.

18. Our Company is subject to various Foreign Currency Risk which may adversely affect our business operations

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Companies operating activities that is buying of Raw Material from international buyers. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies. The Company manages its foreign currency risk by hedging transactions that are expected to occur within a maximum 12-month period for hedges of purchases. The Company hedges its exposure to fluctuations on the translation into INR of its import’s operations. This foreign currency risk is hedged by using foreign currency forward contracts.

Following table analyses foreign currency assets and liabilities as on balance sheet date:

	March 31, 2024		March 31, 2023	
Particulars	**Foreign currency in lakhs**	**₹ in lakhs**	**Foreign currency in lakhs**	**₹ in lakhs**
Foreign currency liabilities				
In USD	12.61	1,051.40	4.68	383.20
In RMB	-		126.35	1,511.75
In JPY	0.86	0.48	-	-
Foreign currency Assets				
In USD	-	-	-	-

19. We are dependent on our senior management team and the loss of key members or failure to attract skilled personnel may adversely affect our business.

Our business depends largely on the efforts, expertise, and abilities of our senior management, as well as other skilled personnel which oversees the day-to-day operations, strategy, and growth of our business. If one or more members of our key management team are unable or unwilling to continue in their present positions, such persons may be difficult to replace and our business, prospects, financial condition, cash flows and results of operations could be adversely affected. In addition, our success in expanding our business will also depend, in part, on our ability to attract, retain and motivate appropriately qualified personnel. Our failure to successfully manage our personnel needs could materially adversely affect our business, prospects, financial condition, cash flows and results of operations. If we are unable to address these risks, our business, financial condition, cash flows and results of operations could be adversely affected.

20. Our manufacturing facilities are in few geographical areas. Any breakdown of services in such areas could have a material and adverse effect on our results of operations, cash flows and financial conditions.

Our manufacturing facilities are in Wada (Maharashtra) and Roorkee (Uttarakhand). As a result, we are exposed to risks including any change in policies relating to these states, any localized social unrest, any natural disaster and any event or development which could make our manufacturing facilities in such states less economically beneficial. Any such risk, if materializes, could have material adverse effect on the business, financial position, cash flows and results of operations of the Company.

21. We do not own our warehouses & branch offices out of which we operate. Any dispute in relation to the lease of our premises would have a material adverse effect on our business, cash flows and results of operations.

We do not own our branch offices and Warehouses out of which we operate. The details of such warehouses & branch offices are as follows:

SR. No	Location	Details (Address)

1	Hyderabad	P 1/2, Next to Laxmi Starch, Road No. 1, I D A Nacharam, Uppal, Hyderabad, Telangana 500076
2	Ahmedabad	MIRC Electronics Ltd, Ground Floor, 2e, 2f, 2h, 2d, Satnam Estate, Sanathal Chowkdi, Sanathal, Ahmedabad, Ahmedabad, Gujarat, 382210
3	Kolkata	Kumar Complex, Mouza Jala Dhulagori, L.R. Dag No. 264, Khatian No. 657, J.L No 21, Po - Korla, Ps - Domjur, Dhulagori, Howrah – 711411
4	Bangalore	MIRC Electronics Ltd No: 4/2, Addakimaranahalli, Makali Post, Tumkur Road, Dasanapura Hobli, Bangalore North Taluk ,Bangalore - 562 162
5	Karnal	MIRC Electronics Ltd, Plot No. 27 Sector-3, Industrial Area (Hsiidc), Karnal-132001 Haryana
6	Ludhiana	MIRC Electronics Ltd Village Budhwal Near Om Logistics Ltd Godown No. 8 Chandigarh Road Ludhiana Punjab 141112
7	Coimbatore	MIRC Electronics Ltd, Sf No17-1 A & 22-1 A, Bharathi Nagar, Fci Road, Krishnarayapuram Village, Coimbatore 641006
8	Chennai	MIRC Electronics Ltd, Door No.28, Survey No.820/17-18, Kumthambakkam Village, Poonamallee Taluk, Thiruvallur District, Tamil Nadu 600124
9	Vijaywada	D-No: 1-208, RS No. 170/2, Sri Jailakshmi Rice and Groundnut Mil Compound, Enikepadu, Krishna district, Vijaywada-521108
10	Ghaziabad	MIRC Electronics Ltd Godown No 3, Kh No. 1219, Multan Gate, Delhi- Meerut Road, Opposite Reliable Institute, Village. Morta, Ghaziabad Up Pin Code 201003
11	Pune	MIRC Electronics Ltd, Thakkar Warehousing, Survey No- 879/A/5, Near Sakal Press, Wadki Gaon, Fursungi, Tal. Haveli, Pune – 412308
12	Nagpur	Neeta Logistics India Pvt. Ltd., Khasara No 173/3 Khadgaon Road, Near Mission India, Khadgaon, Tahsil Nagpur (Rural) – 441501
13	Chennai	1st Floor, SG PRANAVAM,,No : 22/5 (36/5), 18th AVENUE,ASHOK NAGAR,CHENNAI – 600 083
14	Bangalore	MIRC Electronics Limited. 847,3RD Floor, 17th Main Road, A Block Sahakar Nagar, Bangalore -560092

It is not certain whether the leases for such properties would be renewed in favourable terms or at all. If the owners of any of these premises do not renew the agreements under which we occupy the premises or renew such agreements on terms and conditions that are not favourable to us, we may suffer a disruption in our operations or may have to pay increased rentals which could have an adverse effect on our business, cash flows and results of operations.

22. As a manufacturing business, our success depends on efficiently managing the supply chain logistics. Transportation of our products from our manufacturing facilities to our logistics service provider and finally to our dealers and retailers need to be efficiently managed. Such supply chain logistics are subject to various uncertainties and risks, and delays in delivery may result in rejected or discounted deliveries.

We depend on trucking to deliver our products from our manufacturing facilities to our warehouses of our logistics service provider and finally to our dealers and retailers. Disruptions of transportation services due to heavy rains, storm, theft, inadequacies in road infrastructure; or due to labour problems like strikes, lockouts; or other events could impair our ability to manage the supplies of our products. There can be no assurance that such disruptions will not occur. Any such disruptions could materially adversely affect our business, financial condition, cash flows and results of operations. Further, we do not have long term agreements (exceeding one year) with our logistics service providers. In event such agreements are terminated or such logistics service provider does not renew the agreements on commercially acceptable terms, or at all, we may be compelled to identify alternative logistics service providers and enter into a fresh agreement. Such a situation could result in loss of business and may adversely affect our results of operations, cash flows and profitability.

23. Our business entails high working capital requirements and cash flows and if we are not able to arrange for the same, in a timely manner or at all, may adversely impact the results of our operations.

Our business demands substantial fund and non-fund based working capital facilities, for further information refer section "Objects of the Issue" on page 43. Owing to general economic and market condition, we may experience circumstances or events leading to or resulting in mismatch in cash inflows and outflows and adverse imbalances in working capital components. In case there is insufficient cash flows to meet our working capital requirement or if we are not able to arrange for the same from other sources or due to other factors including delay in disbursement of arranged funds, resulting in our inability to finance our working capital needs when needed or there is any increase in interest rate on our borrowings, it may adversely affect our performance.

If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, and could have a significant effect on our profitability and cash flows and we may be subject to additional covenants, which could limit our ability to access cash flows from operations. If we decide to raise additional funds through the issuance of equity, your shareholding in the Company may be diluted. Our working capital requirements may increase if the payment terms changes resulting in reducing advance payments or longer payment schedules. These factors may result in increases in the amount of our receivables and short-term borrowings. Continued increase in our working capital requirements may have an adverse effect on our business, financial condition and results of operations and we cannot assure that we will be able to raise the full amount we believe is necessary to fund our working capital requirements, or that such amounts will be available at costs acceptable to us.

24. Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditures and restrictive covenants in our financing arrangements.

Our ability to pay dividends is dependent on various factors such as future earnings, financial condition, cash flows, working capital requirements, capital expenditures and restrictive covenants in our financing arrangements. Our ability to pay dividends is also restricted under certain financing arrangements that we have entered and expect to enter. The combination of these factors may result in variations in our revenues and profits and thereby may impact our ability to pay dividends. We cannot assure you that we will generate sufficient income to cover our operating expenses and pay dividends to our shareholders.

25. We have in the past entered related party transactions and may continue to do so in the future. These transactions or any future transactions with our related parties could potentially involve conflicts of interest.

We have, during our business, entered transactions with related parties. Such related party transactions may give rise to potential conflicts of interest with respect to dealings between us and the related parties. Furthermore, it is likely that we will continue to enter related party transactions in the future and such transactions, individually or in the aggregate, may have an adverse effect on our financial condition and results of operations. For details of related party transactions as per AS-18 entered by us please refer section "Financial Information" on page 93

26. Our operations are subject to various environmental, employees, health and safety laws and regulations. Our failure to comply with environmental laws and similar regulations in India, including improper handling of raw materials, may result in significant damages and may have an adverse effect on our business, financial condition cash flows and results of operations.

Our Company has 481 employees as on March 31, 2024. Our operations are subject to laws and regulations governing relationships with employees in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring, and terminating of employees, contract labor and work permits. Further, our business and prospects are contingent upon, among other things, receipt of all required health and safety permits, and our ability to comply with any conditions specified in such permits and registrations, on a continuous basis. Changes or concessions required by regulatory authorities may involve significant compliance costs and result in the loss of an existing license, which may adversely affect our business, cash flows and results of operations. Further, we are subject to various environmental laws and regulations relating to environmental protection in various locations in India. For example, we must comply with Extended Policy requirements as per E -Waste policies, inability to comply with such regulations may impose fines and penalties on the company apart from the environmental degradation made.

As per Central Pollution Control Board, we must comply with following directions:

a) We shall create awareness through media, publications, advertisements, posters or by any other means of communication;
b) We shall file annual returns in the laid down form on the portal on or before 30th day of June following the financial year to which that returns relates;
c) We shall fulfil our extended producer responsibility obligations through online purchase of extended producer responsibility certificate from only those recyclers having obtained recycler registration certificate from CPCB

through the EPR portal and whose name appears as registered recyclers on the EPR portal themselves and submit it online by filing quarterly return;

Further, any failure to comply with present or future environmental regulations could result in the imposition of fines against us, or in orders requiring the suspension of production or cessation of operations. In addition, new regulations could require significant capital expenditure on equipment or other expenses that may negatively affect our cash flows and results of operations.

27. ***Our future success depends on our ability to reduce our cost of production and thereby increase our operational efficiency. Our inability to manage our cost may adversely impact our business and thereby our cash flows and results of operations***.

Our future success in the market will depend a lot on our ability to reduce our cost of production and accordingly increase our operational efficiency. Any inability on our part to manage our cost of production will result in a decrease in our operational efficiency. Such decrease in operational efficiency may affect our growth in the business and thereby will affect our cash flows and results of operations.

28. ***We may be subject to financial and reputational risks due to product quality and liability issues which may have an adverse effect on our business, financial condition, and results of our operations.***

If we and our component suppliers are not able to meet the regulatory quality standards, or strict quality standards imposed by our customers, which are applicable to us in our manufacturing processes, it could have an adverse effect on our business, financial condition, and results of operations. The contracts we enter with our customers typically include warranties that the products we deliver will be free from defects and perform in accordance with specifications agreed with the customers. To the extent that products shipped by us to our customers do not, or are not deemed to, satisfy such warranties, we could be responsible for repairing or replacing any defective products, or, in certain circumstances, for the cost of effecting a recall of all products which might contain a similar defect, as well as for consequential damages. However, we are still subject to claims from our customers if end products sold by our customers fail to perform or cause injury, death, or damage due to problems in our products due to defects attributable to us. If any of the products sold by us fail to comply with applicable quality standards, it may result in customer dissatisfaction, which may have an adverse effect on our business, sales, and results of operations. From time to time, due to human or operational error, orders may not meet the specifications required by those customers and may therefore be rejected by customers. Any ongoing issues with products not meeting required specifications could reduce our revenue and negatively impact our reputation and financial performance.

29. ***Success of the products manufactured by us is driven by user preferences. Obsolescence arising from the changes in technology may affect on the demand of our products which may result in price declines.***

Our industry is characterized by the changing technology (including advances in both software and hardware functionality and performance) and user preferences, evolving industry standards and the frequent introduction of new products and enhancements. As a result, the price of our technology driven products tends to decline over the product life cycles, reflecting product obsolescence, decreased costs of input components, decreased demand and increased competition as more manufacturers can produce similar products in large numbers as such products become standardized. The trend towards declining average selling prices over the life cycles of our products has resulted in constant downward pressure on our margins. Owing to advancement in technology and/or changes in consumer preferences, we may be forced to reduce the price of our products which we sell to our customers as they may face reduced demand for such products and therefore may have to resort to discounts and price reductions to continue to sell these products. Any such an impact on our customers also influences us, therefore to mitigate the effects of price declines in our existing products and to sustain margins, we are constantly trying to improve our production efficiency by reducing our input costs, reducing our inventory levels, and lowering among other things, our operating costs to be able to continue to make margins at all times. Our ability to do so depends on factors both within and outside our control and may be constrained by the distinct characteristics and production requirements of individual products. Therefore, changes in the technology could not only renders the products sold by our customers obsolete it also reduces our ability to be able to manufacture more such products and accordingly we are also required to be able to move with the trends that our customers see from their customers.

We cannot be certain that we will be able to continue to improve production efficiency and maintain reasonable margins for all our existing products. To maintain profitability, our strategy, in addition to improving our production efficiency for our existing products, has been to design new and improvised original products designs, prior to our competitors doing the same and thereby being able to retain and acquire new customers. This strategy requires us to obtain and incorporate new hardware, software, communications, and peripheral technologies into our product range, some of which are primarily developed by others. These newer products generally carry higher profit margins but require large expenditures for research and development or the acquisition of new technologies. Our product strategy focuses on designing and producing products that comply with evolving industry performance standards, meet customer quality expectations and are available at prices appealing to our customers. There can be no assurance that our strategy will be successfully implemented or that it will be effective in maintaining our profitability. Because of the pace of technological advances, we may in addition to our existing products also be required to introduce new products that offer our customers the latest competitive technologies while managing the production of our existing products on a timely basis. The success of any new product is dependent on factors including timely completion of new product design, acceptable production yields and market acceptance. Since the product design process is sometimes carried out well in advance of production and sales, we must seek to anticipate factors including the expected demand for the product as well as advances in technology. Considering the foregoing, we cannot be sure that new products designed by us will gain market acceptance or will not be adversely affected by new technological changes or new product designs by our competitors. Any delay in developing new products, or commencing commercial production of such new products or in replacing existing products with new products or our continued inability to not be able to predict trends and be able to service our customers may have an adverse effect on our business, financial condition, and results of operations.

30. ***The objects of the Issue are based on the internal estimates and discussions of our management, and have not been appraised by any bank or financial institution.***

The objects of the Issue as stated in this LOF are based on the internal discussions and estimates of the management of the Company. Such estimates have not been appraised by any bank, financial institutions or third parties who are competent in appraising of any such estimates. There is a possibility that the estimates provided in the Draft Letter Of offer may not be in accordance to the actual incurring of the issue proceeds towards the objects of the Issue.

31. ***Any failure to obtain required regulatory approvals, licenses, registrations or permits to develop and operate our business or are unable to renew them in a timely manner, or comply with applicable legislations, could materially and adversely affect our business and our ability to operate.***

Being a manufacturing company, we are required to maintain certain necessary licenses, approvals and permits in relation to our business requirements. Our business requires us to obtain and renew from time to time, certain approvals, licenses, registrations and permits, some of which have expired and for which we have either made or are in the process of making an application for obtaining the approval or its renewal. For more information about the pending licenses, refer section titled "Government and Other Approvals" on page 178. Failure to obtain and maintain necessary licenses, approvals and permits in a timely manner or at all and the introduction of new laws or regulations pertaining to licensing requirements, renewal requirements, certification requirements and consumer protection may further restrict our ability to operate and adversely affect our business operations and results of operations. We cannot assure you that we will be able to obtain approvals in respect of such applications or any application made by us in the future.

32. ***Our business and growth plan could be adversely affected by the rate of taxes, import and custom duties, which could adversely affect our financial condition, cash flows and results of operations.***

We are subject to taxes and other levies imposed by the central or state Governments, including customs duties, excise duties, central sales tax, state sales tax, service tax, income tax, value added tax and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. The central and state tax scheme in India is extensive and subject to change from time to time. Any adverse changes in any of the taxes levied by the central or state Governments may adversely affect our competitive position and results of operations. Further, we cannot assure you that tax incentives will continue to be available in the future. Changes in, or elimination of, tax incentives could adversely affect our financial condition, cash flows and results of operations. Any sort of change in tax regime and levy of excess import and custom duty may adversely affect our business as we are required to import raw materials in bulk. Electronic industry does require certain items that may not be available locally, and must be imported and change in the import and custom duties or tax levied may be averse to our growth and business. Also, the taxation system within India is complex. Each state in India has different local taxes and levies including sales tax, Goods & service tax, local body tax, and octroi. Changes in these local taxes and levies may adversely affect our profits and profitability. Any adverse changes in the regulatory conditions in India or our other geographic markets could adversely affect our financial condition, cash flows and results of operations.

33. ***We outsource some of our production to third parties on non-exclusive basis and any significant loss or disruption***

of production from our third-party manufacturers for any reasons could adversely affect our business, results of operations, cash flows and financial conditions.

We outsource manufacture of certain products to third parties with whom we do not have exclusive arrangements. As a result, such vendors may manufacture products similar or identical to ours for our competitors or manufacture entirely for such competitors, which may have an adverse effect on our business, cash flows and results of operation. Production at facilities of these third-party manufacturers is beyond our control and any significant loss or disruption of production at these facilities for any reasons may adversely affect our business, results of operations, cash flows and financial conditions.

ISSUE SPECIFIC RISK

34. ***SEBI has recently, by way of circulars dated January 22, 2020, May 6, 2020, January 19, 2021, April 22, 2021, and October 01, 2021 streamlined the process of rights issues. You should follow the instructions carefully, as stated in such SEBI circulars and in this Draft Letter of Offer.***

The concept of crediting Rights Entitlements into the demat accounts of the Eligible Equity Shareholders has recently been introduced by the SEBI. Accordingly, the process for such Rights Entitlements has been recently devised by capital market intermediaries. Eligible Equity Shareholders are encouraged to exercise caution, carefully follow the requirements as stated in the SEBI circulars dated January 22, 2020, May 6, 2020, January 19, 2021, April 22, 2021, and October 01, 2021, and ensure completion of all necessary steps in relation to providing/updating their demat account details in a timely manner. For details, see "*Terms of the Issue*" on page 188 of this Draft Letter of Offer. In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialized form; and (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings.

35. ***The Rights Entitlement of Eligible Equity Shareholders holding Equity Shares in physical form ("Physical Shareholders") may lapse in case they fail to furnish the details of their demat account to the Registrar.***

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, the credit of Rights Entitlement and Allotment of Rights Equity Shares shall be made in dematerialized form only. Accordingly, the Rights Entitlements of the Physical Shareholders shall be credited in a suspense escrow demat account opened by our Company during the Issue Period. The Physical Shareholders are requested to furnish the details of their demat account to the Registrar not later than two Working Days prior to the Issue Closing Date to enable the credit of their Rights Entitlements in their demat accounts at least one day before the Issue Closing Date. The Rights Entitlements of the Physical Shareholders who do not furnish the details of their demat account to the Registrar not later than two Working Days prior to the Issue Closing Date, shall lapse. Further, pursuant to a press release dated December 3, 2018 issued by the SEBI, with effect from April 1, 2019, a transfer of listed Equity Shares cannot be processed unless the Equity Shares are held in dematerialized form (except in case of transmission or transposition of Equity Shares).

36. ***Failure to exercise or sell the Rights Entitlements will cause the Rights Entitlements to lapse without compensation and result in a dilution of shareholding.***

The Rights Entitlements that are not exercised prior to the end of the Issue Closing Date will expire and become null and void, and Eligible Equity Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Equity Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for the dilution of your percentage ownership of the equity share capital of our Company that may be caused because of the Issue. Renouncees may not be able to apply in case of failure in completion of renunciation through off-market transfer in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees prior to the Issue Closing Date. Further, in case, the Rights Entitlements do not get credited in time, in case of On Market Renunciation, such Renouncee will not be able to apply in this Issue with respect to such Rights Entitlements. For details, see "*Terms of the Issue*" on page 188

37. Applicants to this Issue are not allowed to withdraw their Applications after the Issue Closing Date.

Applicants in this Issue are not allowed to withdraw their Applications after the Issue Closing Date. The Allotment in this Issue and the credit of such Rights Equity Shares to the Applicant's demat account with its depository participant shall be completed within such period as prescribed under the applicable laws. There is no assurance, however, that material adverse changes in the international or national monetary, financial, political, or economic conditions or other events in the nature of force majeure, material adverse changes in our business, results of operation, cash flows or financial condition, or other events affecting the Applicant's decision to invest in the Rights Equity Shares, would not arise between the Issue Closing Date and the date of Allotment in this Issue. Occurrence of any such events after the Issue Closing Date could also impact the market price of our Equity Shares. The Applicants shall not have the right to withdraw their applications in the event of any such occurrence. We cannot assure you that the market price of the Equity Shares will not decline below the Issue Price. To the extent the market price for the Equity Shares declines below the Issue Price after the Issue Closing Date, the shareholder will be required to purchase Equity Shares at a price that will be higher than the actual market price for the Equity Shares at that time. Should that occur, the shareholder will suffer an immediate unrealized loss as a result. We may complete the Allotment even if such events may limit the Applicants' ability to sell our Equity Shares after this Issue or cause the trading price of our Equity Shares to decline.

38. Investors will be subject to market risks until the Equity Shares are credited to the investor's demat account are listed and permitted to trade.

Investors can start trading our Equity Shares allotted to them only after they have been credited to an investor's demat account, are listed, and permitted to trade. Since our Equity Shares are currently traded on the Stock Exchange, investors will be subject to market risk from the date they pay for our Equity Shares to the date when trading approval and listing approval are granted for the same. Further, there can be no assurance that our Equity Shares allocated to an investor will be credited to the investor's demat account or that trading in such Equity Shares will commence in a timely manner.

38. Any further issuance of Equity Shares by Our Company or sales of Equity Shares by any significant shareholders may adversely affect the trading price of the Equity Shares.

Any future issuance of Equity Shares by our Company could dilute the investors' shareholding. Any such future issuance of Equity Shares or sales of Equity Shares by any of our significant shareholders may also adversely affect the trading price of the Equity Shares, and could impact our ability to raise capital through an offering of securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares

39. There are restrictions on daily movements in the price of the Equity Shares, which may adversely affect a shareholder's ability to sell, or the price at which it can sell, the Equity Shares at a particular point in time.

The price of the Equity Shares will be subject to a daily circuit breaker imposed by all stock exchanges in India which does not allow transactions beyond a certain level of volatility in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by the SEBI on Indian stock exchanges. The percentage limit on our circuit breaker is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges do not inform us of the percentage limit of the circuit breaker from time to time, and may change it without our knowledge. This circuit breaker effectively limits upward and downward movements in the price of the Equity Shares. As a result, shareholders' ability to sell the Equity Shares, or the price at which they can sell the Equity Shares, may be adversely affected at a particular point in time.

40. We may decide not to proceed with this Issue at any time before allotment. If we decide not to proceed with the Issue after the Issue Opening Date but before Allotment, the refund of Application amounts deposited will be subject to us complying with our obligations under applicable laws.

The Company reserves the right not to proceed with this Issue at any time before the Allotment. If we withdraw the Issue after the Issue Opening Date, we will be required to refund all Application amounts deposited within 4 days of the Issue Closing Date. We shall be required to pay interest at the rate of 15% per annum on the Application amounts received if refund orders are not dispatched within 4 days from the Issue Closing Date. Notwithstanding the foregoing, the Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which the Company shall apply for after Allotment and (ii) the final ROC approval, if required.

41. Investors may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.

Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if Securities Transaction Tax (STT) has been paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the equity shares are sold. Any gain realized on the sale of equity shares held for more than 12 months to an Indian resident, which are sold other than on a recognized stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares. In addition, changes in the terms of tax treaties or in their interpretation, because of renegotiations or otherwise, may affect the tax treatment of capital gains arising from a sale of Equity Shares.

EXTERNAL RISK FACTORS

42. The Companies Act, 2013 has effected significant changes to the existing Indian company law framework, which may subject us to higher compliance requirements and increase our compliance costs.

The Companies Act, 2013 introduced certain additional requirements which do not have corresponding equivalents under the Companies Act, 1956. Accordingly, we may face challenges in interpreting and complying with such provisions due to limited jurisprudence on them. In the event, our interpretation of such provisions of the Companies Act, 2013 differs from, or contradicts with, any judicial pronouncements or clarifications issued by the Government in the future, we may face regulatory actions or we may be required to undertake remedial steps. We may face difficulties in complying with any such overlapping requirements. Further, we cannot currently determine the impact of provisions of the Companies Act, 2013, which are yet to come in force. Any increase in our compliance requirements or in our compliance costs may have an adverse effect on our business and results of operations.

43. Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, results of operations, financial condition, and prospects

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, may adversely affect our business, results of operations, financial condition, and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

44. Civil disturbances, extremities of weather, regional conflicts and other political instability may have adverse effects on our operations and financial performance.

Certain events that are beyond our control such as earthquake, fire, floods, and similar natural calamities may cause interruption in the business undertaken by us. Our operations and financial results and the market price and liquidity of our equity shares may be affected by changes in Indian Government policy or taxation or social, ethnic, political, economic, or other adverse developments in or affecting India.

45. Terrorist attacks, civil unrest and other acts of violence or war involving India and other countries could adversely affect the financial markets and our business.

Terrorist attacks and other acts of violence or war may negatively affect the Indian markets on which our Equity Shares will trade and adversely affect the worldwide financial markets. These acts may also result in a loss of business confidence, impede travel and other services, and ultimately adversely affect our business. In addition, any deterioration in relations between India and Pakistan might result in investor concern about stability in the region, which could adversely affect the price of our Equity Shares. India has also witnessed civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic, and political events in India could have a negative impact on the value of share prices generally as well as the price of our Equity Shares. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse impact on our business and the price of our Equity Shares.

46. Instability in financial markets could materially and adversely affect our results of operations and financial condition.

The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States of America or Europe, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets.

The global financial turmoil, an outcome of the sub-prime mortgage crisis which originated in the United States of America, led to a loss of investor confidence in worldwide financial markets. Indian financial markets had also experienced the contagion effect of the global financial turmoil, evident from the sharp decline in SENSEX, BSE's benchmark index. Any prolonged financial crisis may have an adverse impact on the Indian economy and us, thereby resulting in a material and adverse effect on our business, operations, financial condition, profitability, and price of our Equity Shares.

47. ***Any downgrading of India's debt rating by a domestic or international rating agency could adversely affect our Company's business.***

Any adverse revisions to India's debt ratings by domestic or international rating agencies may adversely affect our Company's ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could harm our Company's business and financial performance and ability to obtain financing for capital expenditures.

48. ***Conditions in the Indian securities market and stock exchanges may affect the price and liquidity of our Equity Shares.***

Indian stock exchanges, which are smaller and more volatile than stock markets in developed economies, have in the past, experienced problems which have affected the prices and liquidity of listed securities of Indian companies. These problems include temporary exchange closures to manage extreme market volatility, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time-to-time restricted securities from trading, limited price movements and restricted margin requirements. Further, disputes have occurred on occasion between listed companies and the Indian stock exchanges and other regulatory bodies that, in some cases, there had been a negative effect on market sentiment. If similar problems occur in the future, the market price and liquidity of the Equity Shares could be adversely affected. Further, a closure of, or trading stoppage on, either of the Stock Exchanges could adversely affect the trading price of our Equity Shares.

49. ***It may not be possible for investors to enforce any judgment obtained outside India against us or any of our directors and executive officers in India respectively, except by way of a law suit in India on such judgment.***

Our Company is incorporated under the laws of the Republic of India all its directors reside in India. As a result, it may be difficult for investors to enforce the service of process upon our Company and any of our directors and executive officers India or to enforce judgments obtained against our Company and these persons in courts outside of India. India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, which includes the United Kingdom, United Arab Emirates, Singapore, and Hong Kong. Recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Code of Civil Procedure, 1908 ("Civil Code"). Section 44A of the Civil Code provides that where a certified copy of a decree of any superior court, within the meaning of that Section, in any country or territory outside India which the Government has by notification declared to be in a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by a district court in India. However, Section 44A of the Civil Code is applicable only to monetary decrees not being in the same nature of amounts payable in respect of taxes, other charges of a like nature or in respect of a fine or other penalties and does not apply to arbitration awards (even if such awards are enforceable as a decree or judgment). A judgment of a court of a country which is not a reciprocating territory may be enforced in India only by a suit upon the judgment under Section 13 of the Civil Code, and not by proceedings in execution. Section 13 of the Civil Code 30 provides that foreign judgments shall be conclusive regarding any matter directly adjudicated upon except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or refusal to recognize the law of India in cases to which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; and/ or (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. The suit must be brought in India within three years from the date of judgment in the same manner as any other suit filed to enforce a civil liability in India. Further, there are considerable delays in the disposal of suits by Indian courts. It may be unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it may be unlikely that an Indian court would enforce foreign judgments if it viewed the number of damages awarded as excessive or inconsistent with public policy in India. A party seeking to enforce a foreign judgment in India is required to obtain prior approval from the RBI under FEMA to repatriate any amount recovered pursuant to execution and any such amount may be subject to income tax in accordance with applicable laws. Any judgment or award in a foreign currency would be converted into Indian Rupees on the date of the judgment or award and not on the date of the payment.

SECTION IV – INTRODUCTION

THE ISSUE

This Issue has been authorized by way of a resolution passed by our Board of Directors on September 2, 2024, in pursuance of Section 62 of the Companies Act, 2013.

The following is a summary of the Issue, which should be read in conjunction with, and is qualified in its entirety by, more detailed information in *"Terms of the Issue"* on page 188 of this Draft Letter of Offer.

Right Shares proposed to be Issued in this Issue	Upto [●] Rights Equity Shares.
Rights Entitlement for Equity Shares	Upto [●] ([●]) Rights Equity Shares for every [●] ([●]) Equity Shares held on the Record Date i.e. [●].
Record Date	[●]
Fractional Entitlement	For Equity Shares being offered under this Issue, if the shareholding of any of the Eligible Shareholders is less than [●] Equity Shares or is not in multiples of [●] Equity Shares, the fractional entitlement of such Eligible Shareholders shall be ignored for computation of the Rights Entitlements. However, Eligible Shareholders whose fractional entitlements are being ignored earlier will be given preference in the Allotment of 1 (One) Additional Right Share each, if such Eligible Shareholders have applied for Additional Right Shares over and above their Rights Entitlements, if any.
Face Value per Equity Share	₹1.00/- (Rupees Two Only) each.
Issue Price per Equity Share	₹ [●]/- (Rupees [●] Only) including a premium of ₹ [●]/- (Rupees [●] Only) per Rights Equity Share.
Issue Size	Upto ₹ [●] Lakhs
Voting Rights and Dividend	The Equity Shares issued pursuant to this Issue shall rank pari passu in all respects with the Equity Shares of our Company.
Equity Shares outstanding prior to the Issue	23,09,52,619
Equity Shares outstanding after the Issue (assuming full subscription for and allotment of the Rights Entitlement)	[●]
Terms of the Issue	Please refer to the section titled "***Terms of the Issue***" beginning on page 188 of this Draft Letter of Offer.
Use of Issue Proceeds	Please refer to the section titled *"**Objects of the Issue**"* beginning on page 43 of this Draft Letter of Offer.
Security Code/ Scrip Details	**ISIN:** INE831A01028 **BSE Scrip Code:** 500279 **NSE Scrip ID:** MIRCELECTR **ISIN for Rights Entitlements: [●]**

For details in relation to fractional entitlements, see *"Terms of the Issue-Fractional Entitlements"* beginning on page 188 of this Draft Letter of Offer.

TERMS OF PAYMENT

Amount payable per Right Share	Face Value	Premium	Total
On Application	₹1.00/-	₹ [●]	₹ [●]

ISSUE SCHEDULE

Issue Opening Date	[●]
Last date for On Market Renunciation of Rights*	[●]
Issue Closing Date**	[●]

**Eligible Equity Shareholders are requested to ensure that renunciation through off- market transfer is completed in such manner that the Rights Entitlement are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.*

***The Board of Directors or a duly authorized committee thereof will have the right to extend the Issue period as it may determine from time to time, provided that the Issue will not remain open in excess of 30 (thirty) days from the Issue Opening Date.*

GENERAL INFORMATION

Our Company was incorporated as MIRC Electronics Private Limited, a Private Company limited by shares under the Companies Act, 1956 on January 1, 1981 in the State of Maharashtra with registration number 23637 of 1981. Subsequently, it became a deemed public Company on September 13, 1988 and was converted to a Public Limited Company on September 18, 1992.

The Corporate Identity Number of our Company is L32300MH1981PLC023637

Registered Office of our Company

Onida House,
G-1, MIDC, Mahakali Caves Road,
Andheri (East), Chakala MIDC, Mumbai,
Maharashtra, India, 400093
Telephone: +91 2266975777
Email: investors@onida.com
Website: https://www.onida.com/
CIN: L32300MH1981PLC023637

Registrar of Companies

Our Company is registered at the Registrar of Companies, Mumbai located at 100, 5th floor, Everest, Near Marine Lines Railway Station, Marine Drive, Mumbai 400 002, India.

Board of Directors

Sr No.	Name	Designation	DIN
1	Gulu Mirchandani	Chairman and Managing Director	00026664
2	Vijay Mansukhani	Managing Director	01041809
3	Kaval Mirchandani	Whole Time Director	01179978
4	Shirish Suvagia	Non-promoter Executive Director	10095690
5	Arvind Sharma	Non-Executive Independent Director	01229072
6	Mohita Arora	Non-Executive Independent Director	08771417
7	Nandini Mansinghka	Non-Executive Independent Director	03570647
8	Milind Pokle	Non-Executive Independent Director	10764304

For further details of our Board of Directors, please refer to the section titled 'Our Management' beginning on page 80 of this Draft Letter of Offer.

CHIEF FINANCIAL OFFICER

Shirish Suvagia is the Chief Financial Officer of our Company. His contact details are set forth hereunder.

Onida House,
G-1, MIDC, Mahakali Caves Road,
Andheri (East), Chakala MIDC, Mumbai,
Maharashtra, India, 400093
Telephone: 022-66975777
Email: shirish.suvagia@onida.com
Website: https://www.onida.com/

COMPANY SECRETARY AND COMPLIANCE OFFICER

Mr. Prasad Oak, is the Company Secretary and Compliance Officer of our Company. His contact details are set forth hereunder.

Onida House,
G-1, MIDC, Mahakali Caves Road,
Andheri (East), Chakala MIDC, Mumbai,
Maharashtra, India, 400093
Telephone: 022-66975777
Fax No: NA
Email: investors@onida.com
Website: https://www.onida.com/

DETAILS OF KEY INTERMEDIARIES PERTAINING TO THIS ISSUE OF OUR COMPANY:

REGISTRAR TO THE ISSUE

LINK INTIME INDIA PRIVATE LIMITED

C-101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai - 400083, Maharashtra, India.
Tel No.: +91 8108114949
Email: mirc.rights2025@linkintime.co.in
Website: www.linkintime.co.in
Investor Grievance Email: mirc.rights2025@linkintime.co.in
Contact Person: Ms. Shanti Gopalakrishnan
SEBI Registration No.: INR000004058
Validity of Registration: Permanent

Investors may contact the Registrar or our Company Secretary and Compliance Officer for any pre-Issue or post-Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), E-mail address of the sole/ first holder, folio number or demat account number, number of Rights Equity Shares applied for, amount blocked (in case of ASBA process), ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process) For details on the ASBA process, see section titled "Terms of the Issue" beginning on page 188 of this Draft Letter of Offer.

STATUTORY AND PEER REVIEW AUDITOR OF OUR COMPANY

M/s. ASA & Associates LLP
Chartered Accountants
Email: info@asa.in
Telephone No.: +91 22 4921 4000
Membership No: 027972
Firm Registration No: 009571N/N500006
Peer Review Certificate No: 015057
Address: Lotus Corporate Park, CTS No.185/A Graham Firth Compound, Western Express Highway, Goregaon East, Mumbai 400 063

BANKERS TO THE ISSUE/REFUND BANK

SBI - BACKBAY RECLAMATION BRANCH (01593)
Address: Tulisani Chambers, first floor, Free press marg, Nariman Point, Mumbai
E-mail: sbi.01593@sbi.co.in
Telephone: 022-22745841
Contact Person: Smt.Sunita Rawat

Website: https://www.onlinesbi.sbi/

DESIGNATED INTERMEDIARIES

Self-Certified Syndicate Bankers (SCSB)

The list of banks that has been notified by SEBI to act as SCSBs for the ASBA process is provided on SEBI's website at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes Details relating to designated branches of SCSBs collecting the ASBA application forms are available at the above-mentioned link. Investors may contact the Registrar to the Issue or our Company Secretary and Compliance Officer for any pre-Issue/ post-Issue related matters such as non-receipt of letter of Allotment, credit of Rights Equity Shares or Refund Orders and such other matters. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSB, giving full details such as name, address of the applicant, number of Rights Equity Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSB where the Application was submitted by the ASBA Investors.

CREDIT RATING

This issue being a Rights Issue of Equity Shares, no credit rating is required.

DEBENTURE TRUSTEE

As the Issue is of Equity Shares, the appointment of a debenture trustee is not required.

MONITORING AGENCY

Since the Issue size does not exceed ₹10,000 Lakhs, there is no requirement to appoint a monitoring agency in relation to the Issue under SEBI (ICDR) Regulation.

APPRAISING ENTITY

None of the purposes for which the Net Proceeds are proposed to be utilized have been financially appraised by any banks or financial institution or any other independent agency.

UNDERWRITING

This Issue is not underwritten and our Company has not entered any underwriting arrangement. [●]

MINIMUM SUBSCRIPTION

The objects of the Issue involve financing other than financing of capital expenditure for a project and our Promoters and members of our Promoter Group have undertaken to (i) subscribe to the full extent of their respective Rights Entitlements, subject to compliance with the minimum public shareholding requirements, as prescribed under the SCRR; and (ii) have also confirmed that they shall not renounce their Rights Entitlements, except to the extent of renunciation within the promoter group. Accordingly, in terms of the SEBI ICDR Regulations, the requirement of minimum subscription in the Issue is not applicable.

FILING

SEBI vide its Amendment regulations i.e., SEBI (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 w.e.f. 28.09.2020, has granted certain relaxations with respect to rights issues under the SEBI ICDR Regulations. One of those relaxations is the increase of threshold of the rights issue size for filing of the Draft Letter of Offer with SEBI. The threshold of the rights issue size under Regulation 3 of the SEBI (ICDR) Regulations has been increased from Ten Crores to Fifty Crores. Since the size of this Issue falls under the threshold, this Draft Letter of Offer had been filed with the Stock Exchange and will not be filed with SEBI. However, the Draft Letter of Offer will be submitted to SEBI for information and dissemination and will be filed with the Stock Exchanges.

ISSUE SCHEDULE

The subscription will open upon the commencement of the banking hours and will close upon the close of banking hours on the dates mentioned below:

Last Date for credit of Rights Entitlements	[●]
Issue Opening Date	[●]
Last Date for On Market Renunciation of Rights Entitlements	[●]
Issue Closing Date*	[●]
Finalization of Basis of Allotment (on or about)	[●]
Date of Allotment (on or about)	[●]
Date of credit (on or about)	[●]
Date of listing (on or about)	[●]

Note:

Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date; *Our Board will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date. Please note that if Eligible Shareholders holding Equity Shares who have not provided the details of their demat accounts to our Company or to the Registrar to the Issue, they are required to provide their demat account details to our Company or the Registrar to the Offer not later than 2 (Two) Working Days prior to the Issue Closing Date, i.e., [●] to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least 1 (One) day before the Issue Closing Date, i.e., [●]. Investors are advised to ensure that the Applications are submitted on or before the Issue Closing Date. Our Company or the Registrar to the Issue will not be liable for any loss on account of non-submission of Applications on or before the Issue Closing Date. Further, it is also encouraged that the Applications are submitted well in advance before the Issue Closing Date. For details on submitting Application Forms, please refer to the section titled "Terms of the Issue" beginning on page 188 of this Draft Letter of Offer. The details of the Rights Entitlements with respect to each Eligible Shareholders can be accessed by such respective Eligible Shareholders on the website of the Registrar to the Issue at www.linkintime.co.in after keying in their respective details along with other security control measures implemented there at. For further details, please refer to the paragraph titled see 'Credit of Rights Entitlements in demat accounts of Eligible Shareholders' under the section titled "Terms of the Issue" beginning on page 188 of this Draft Letter of Offer.

Please note that if no Application is made by the Eligible Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall get lapsed and shall be extinguished after the Issue Closing Date. No Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an application to apply for Equity Shares offered under Rights Issue for subscribing to the Equity Shares offered under this Issue.

CAPITAL STRUCTURE

The share capital of our Company as on the date of this Draft Letter of Offer is set forth below:

(₹ in Lakhs, except the shares data)

Particulars	Aggregate Value at Nominal Value	Aggregate Value at Issue Price
Authorised Share Capital		
57,80,20,000 Equity Shares of ₹ 1 each	5,780.20	-
10,000 8% Cumulative Redeemable Preference Shares of ₹ 100 each	10.00	
10,00,000 11% Non-Cumulative Redeemable Preference Shares of ₹ 100 each	1,000.00	
Issued, Subscribed and Paid-up Share Capital before the Issue		
23,09,52,619 Equity Shares of Re.1 each fully paid up	2,309.53	-
Add: 2,48,000 Forfeited Equity Shares of Re.1 each partly paid up)	1.86	
	2,311.39	
Present Issue in terms of this Draft Letter of Offer[(a)(b)]		
Up to [●] ([●]) Issue of Equity Shares, each at a premium of ₹ [●]/- (Rupees [●] Only) per Equity Share, at an Issue Price of ₹ [●]/- (Rupees [●] Only) per Equity Share	[●]	[●]
Issued, subscribed and paid-up Equity Share capital after the Issue		
[●] ([●]) Equity Shares	[●]	
Securities premium account		
Before the Issue		
After the Issue[(c)]	[●]	

Notes:

(a) *The present Issue has been authorized by our Board of Directors pursuant to the resolution passed in their meeting conducted on;* [●]
(b) *Assuming full subscription for allotment of Right Shares;*
(c) *Subject to finalization of Basis of Allotment, Allotment and deduction of Issue expense*

NOTES TO THE CAPITAL STRUCTURE

1) The Equity Shares of our Company are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Letter of Offer;

2) At any given time, there shall be only one denomination of the Equity Shares. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time;

3) As on the date of this Draft Letter of Offer, our Company has not issued any special voting Right Shares and there are no outstanding Equity Shares having special voting rights;

4) The ex-rights price arrived in accordance with the formula prescribed Regulation 10 (4) (b) of the SEBI (SAST) Regulations, in connection with the Issue is ₹ [●] (Rupees [●] Only);

5) **Details of outstanding warrants, outstanding instruments with an option to convert or securities which are convertible at a later date into Equity Shares**
As on the date of this Draft Letter of Offer, our Company does not have any outstanding warrants, outstanding instruments with an option to convert or securities which are convertible at a later date into Equity Shares;

6) **Details of stock option scheme of our Company**

As on the date of this Draft Letter of Offer, our Company has 83,76,520 outstanding ESOPS under MIRC Electronics Employee Stock Option Plan, 2023 (MIRC ESOP 2023), none of these options have been vested or exercised.

7) **Intention and participation by the promoter and promoter group**

Our Promoters and entities forming part of our Promoter Group have, *vide* their Letters dated January 8, 2024 have undertaken that they will subscribe to the full extent of their Rights Entitlement and will not renounce any portion of their rights entitlement outside of our promoter group. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements pursuant to the Rights Issue.

8) **Shareholding Pattern of our company as per the latest quarterly filing with the Stock Exchange in compliance with SEBI Listing Regulations:**

i. The shareholding pattern of our Company as on September 30,2024 , can be accessed on the website of the BSE at Mirc Electronics Ltd Live Stock Price , Mircelectr Live Share Price, 500279 | BSE and the NSE at MIRC Electronics Limited Share Price Today, Stock Price, Live NSE News, Quotes, Tips – NSE India

ii. Statement showing holding of Equity Shares of the Promoters and Promoter Group including details of lock-in, pledge of and encumbrance thereon, as on September 30,2024 can be accessed on the website of the BSE at the https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=500279&qtrid=123.00&QtrName=September%202024

iii. Statement showing holding of Equity Shares of persons belonging to the category "Public" including shareholders holding more than 1% of the total number of Equity Shares as on September 30,2024 can be accessed on the website of the BSE at

https://www.bseindia.com/corporates/shpdrPercnt.aspx?scripcd=500279&qtrid=123.00&CompName=MIRC%20ELECTRONICS%20LTD.&QtrName=September%202024&Type=TM

9) **Details of shares locked-in, pledged, encumbrance by Promoters and Promoter Group:**

As on the date of this Draft Letter of Offer, 4,25,25,503 Equity Shares held by our members of the Promoter Group are pledged. Details regarding the same can be accessed on the website of BSE at https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=500279&qtrid=123.00&QtrName=September%202024

OBJECTS OF THE ISSUE

Our Company proposes to utilize the Net Proceeds to:

1. Towards working capital requirements

2. General Corporate Purposes.

We intend to utilize the gross proceeds raised through the Issue (the "Issue Proceeds") after deducting the Issue related expenses ("Net Proceeds") for the above-mentioned Objects.

The objects set out in the Memorandum of Association enable us to undertake our existing activities and the activities for which funds are being raised by us through the Issue and the activities for which the borrowings proposed to be prepaid in full or part from the Net Proceeds.

Issue Proceeds

The details of Issue Proceeds are set forth in the following table

Particulars	Amt. (₹ in lakhs)
Gross Proceeds from the Issue#	Up to 4,950*
Less: Issue Expenses	[●]
Net Proceeds from the Issue	[●]

Assuming full subscription and Allotment

*The issue size will not exceed ₹4,950.00 lakhs. If there is any reduction in the amount on account of or at the time of finalization of issue price and Rights Entitlements Ratio, the same will be adjusted against General Corporate Purpose.

REQUIREMENT OF FUNDS AND UTILIZATION OF ISSUE PROCEEDS

We intend to utilize the Net Proceeds of the Issue as set forth below:

Sr. No.	Particulars	Amt. (₹ in lakhs)
1.	Working Capital Requirements	Up to 3,800.00
2.	Funding expenditure for General Corporate Purposes	Up to 1150.00
	Total	4950*

*Assuming full subscription and Allotment

UTILIZATION OF NET PROCEEDS AND SCHEDULE OF IMPLEMENTATION

We propose to deploy the Net Proceeds towards the aforesaid objects in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

Sr. No.	Particulars	Amount to be deployed from Net Proceeds	Estimated deployment of Net Proceeds for the Financial Year ending March 31, 2025
1.	Working Capital Requirements	Up to 3,800.00	Up to 3,800.00
2.	Funding expenditure for General Corporate Purposes#	[●]	[●]
	Total Net Proceeds*	[●]	[●]

#The amount to be utilized for General corporate purposes will not exceed 25.00% of the Gross Proceeds;

**Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement ratio.*

The above fund requirements are based on our management estimates and have not been appraised by any bank or financial institution. Our Company's funding requirements and deployment schedule are subject to revision in the future at the discretion of our Board and will not be subject to monitoring by any independent agency.

In view of the competitive environment of the industry in which we operate, we may have to revise our business plan from time to time and consequently, our funding requirements may also change. Our historical funding requirements may not be reflective of our future funding plans. We may have to revise our funding requirements, and deployment from time to time on account of various factors such as economic and business conditions, increased competition and other external factors which may not be within our control. This may entail rescheduling the proposed utilization of the Net Proceeds and changing the allocation of funds from its planned allocation at the discretion of our management, subject to compliance with applicable law. Further, in case the Net Proceeds are not completely utilized in a scheduled Fiscal Year due to any reason, the same would be utilized (in part or full) in the next Fiscal Year/ subsequent period as may be determined by our Company, in accordance with applicable law. For further details, please see the section titled "*Risk Factors*" beginning on page 19 of this Draft Letter of Offer.

In case of any increase in the actual utilization of funds earmarked for any of the Objects of the Issue or a shortfall in raising requisite capital from the Net Proceeds, such additional funds for a particular activity will be met through means available to us, including by way of incremental debt and/or internal accruals. If the actual utilization towards any of the Objects is lower than the proposed deployment, such balance will be used for future growth opportunities including funding other existing Objects, if required and will be used towards general corporate purposes to the extent that the total amount to be utilized towards general corporate purpose will not exceed 25% of the Gross Proceeds from the Issue in accordance with applicable law.

MEANS OF FINANCE

Our Company proposes to meet the entire requirement of funds for the objects of the Issue from the Net Proceeds. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance for the aforesaid object, excluding the amount to be raised from the Issue. The fund requirement and deployment are based on our management estimates and has not been appraised by any bank or financial institution or any other independent agencies. The fund requirement above is based on our current business plan and our Company may have to revise these estimates from time to time on account of various factors beyond our control, such as market conditions, competitive environment and interest or exchange rate fluctuations. Consequently, our Company's funding requirements and deployment schedules are subject to revision in the future at the discretion of our management.

DETAILS OF OBJECTS OF ISSUE

The details in relation to objects of the Issue are set forth herein below:

1. To augment the existing and incremental working capital requirement of our company

We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals. We operate in a highly competitive and dynamic market conditions and may have to revise our estimates from time to time on account of external circumstances, business or strategy, foreseeable opportunity. Consequently, our fund requirements may also change.

The details of estimation of Working Capital Requirement (on a standalone basis), is as under:

Particulars	Fiscal 2023 (Audited)	Fiscal 2024 (Audited)	Fiscal 2025 (Provisional)	Fiscal 2026 (Estimated)
Current Assets				
Trade Receivables	8,957.17	16,199.34	14,801.43	17,021.65
Inventories	27,258.40	23,750.15	20,494.29	23,568.43
Other current assets	1,449.92	2,079.55	1,266.03	1,316.03
Total Current Assets	**37,665.49**	**42,029.04**	**36,561.75**	**41,906.11**
Current Liabilities:				
Trade Payables	21,441.15	29,898.01	22,470.88	26,239.52
Other Current Liabilities	1,074.16	1,112.82	3,160.01	3,312.31
Other financial liabilities	1,952.51	1,481.50	-	-
Lease Liabilities	119.00	113.71	-	-
Short Term Provisions	454.11	463.40	503.06	543.87
Total Current Liabilities	**25,040.93**	**33,078.44**	**26,133.95**	**30,095.70**
Net working capital	**12,624.56**	**8,950.60**	**10,427.80**	**11,810.41**
Funding Pattern				

Changes in Internal Accruals/ Equity			1,370.39	699.60
Changes in Borrowings			(1,693.19)	(1,316.99)
Net Proceeds from the Issue				**3800**

Notes on Working Capital for the Fiscal 2024, 2025 and 2026.

Assumptions for holding level (Days)

Particulars	Fiscal 2024 (Audited)	Fiscal 2025 (Provisional)	Fiscal 2026 (Estimated)
Inventory Holding period	98	109	108
Trade Receivables	61	64	65
Trade Payables	123	120	120
Working capital cycle	35	54	52

Inventory	We have calculated the Inventory holding period of around 98 days and 109 days for the FY 2023-24 and FY 2024-25 against the estimated period of around 108 days for FY 2025-26 which is higher than FY 2024-25.
Trade Receivables	The Average collection period of FY 2023-24 and FY 2024-25 is calculated around 61 and 64 days. Further, the average collection period for the FY 2025-26 is estimated to be around 65 days which is higher than the previous years.
Trade Payables	In financial year 2023-24, our Trade Payable credit period was around 123 days. By making early payments to the suppliers the company shall be able to get competitive prices for materials and thereby increasing the profitability of the Company. Thus, the Company has estimated credit period of 120 days and 120 days in a FY 2024-25 and 2025-26 respectively, which would in turn help in reducing the cost of sales.
Working capital cycle	The working capital cycle is calculated as 35 days and 54 days respectively for the FY 2023-24 and FY 2024-25 respectively. Further, the working capital cycle for the FY 2025-26 is estimated to be 52 days which is lower than the previous year.

2. General Corporate Purpose

The remaining Net Proceeds, if any, shall be utilized towards general corporate purposes and the amount to be utilized for general corporate purposes shall not exceed 25.00% (Twenty-Five Percent) of the Gross Proceeds. Such utilization towards general corporate purposes shall be to drive our business growth, including, amongst other things including but not limited funding our growth opportunities, strengthening marketing capabilities and brand building exercises, and strategic initiatives and any other purpose as permitted by applicable laws; subject to meeting regulatory requirements and obtaining necessary approvals/ consents, as applicable.

The quantum of utilization of funds towards any of the above purposes will be determined based on the amount actually available under this head and the business requirements of our Company, from time to time. Our Board will have flexibility in utilizing surplus amounts, if any.

EXPENSES FOR THE ISSUE

The Issue related expenses consist of fees payable to the Legal Counsel, processing fee to the SCSBs, Registrars to the Issue, printing and stationery expenses, advertising expenses and all other incidental and miscellaneous expenses for listing the Rights Equity Shares on the Stock Exchange. Our Company will need approximately ₹ [●]/- towards these expenses, a break-up of the same is as follows:

Sr. No.	Particulars	Amount (₹ in Lakhs)	% of Total Expenses	% of Total Issue size
1.	Fees of Registrar to the Issue	[●]	[●]%	[●]%
2.	Fee to the professional service providers and statutory fee	[●]	[●]%	[●]%
3.	Regulatory Expenses	[●]	[●]%	[●]%

4.	Statutory Advertising, Marketing, Printing and Distribution	[●]	[●]%	[●]%
5.	Other expenses (including miscellaneous expenses and stamp duty)	[●]	[●]%	[●]%
Total estimated Issue expenses*		[●]	[●]%	[●]%

**Subject to finalization of Basis of Allotment and actual Allotment. In case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall be adjusted with the amount allocated towards general corporate purposes. All Issue related expenses will be paid out of the Gross Proceeds from the Issue.*

APPRAISAL OF OBJECTS

None of the Objects of the Issue for which the Net Proceeds will be utilized have been apprised by any bank or financial institution.

SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF FUNDS

Our Company proposes to deploy the entire Net Proceeds towards the Objects as described herein during Fiscal 2025-2026. The funds deployment described herein is based on management estimates and current circumstances of our business and operations. Given the dynamic nature of our business, we may have to revise our funding requirements and deployment on account of variety of factors such as our financial condition, business and strategy, including external factors which may not be within the control of our management. This may entail rescheduling and revising the planned funding requirements and deployment and increasing or decreasing the funding requirements from the planned funding requirements at the discretion of our management. Accordingly, the Net Proceeds of the Issue would be used to meet all or any of the purposes of the fund's requirements described herein.

BRIDGE FINANCING FACILITIES

Our Company have not raised or availed any bridge financing facilities for meeting the expenses as stated under the Objects of the Issue.

INTERIM USE OF FUNDS

Our Company, in accordance with the policies formulated by our Board from time to time, will have flexibility to deploy the Net Proceeds. Pending utilization of the Net Proceeds for the purposes described above, our Company intends to deposit the Net Proceeds only with scheduled commercial banks included in the second schedule of the Reserve Bank of India Act, 1934 or make any such investment as may be allowed by SEBI from time to time.

MONITORING OF UTILIZATION OF FUNDS

Since the proceeds from this Issue are less than ₹10,000 Lakhs, in terms of Regulation 41(1) of the SEBI (ICDR) Regulations, our Company is not required to appoint a monitoring agency for this Issue. However, as per SEBI (LODR) Regulation, the Board of Directors of the Company would be monitoring the utilization of the proceeds of the Issue. The Company will disclose the utilization of the Issue Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. The Company will indicate investments, if any, of unutilized Issue Proceeds in the Financial Statements of the Company for the relevant Financial Years subsequent to receipt of listing and trading approvals from the Stock Exchanges.

We will also on an annual basis, prepare a statement of the funds which have been utilized for purposes other than those stated in this Draft Letter of Offer, if any, and place it before the Audit Committee and the Board. Such disclosure will be made only until all the Issue Proceeds have been utilized in full. Pursuant to Regulation 32 of the SEBI (LODR) Regulation, the Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Issue Proceeds. In accordance with Regulation 32 of the SEBI (LODR) Regulation, the Company shall furnish to the Stock Exchange, on a quarterly basis, a statement on material deviations, if any, in the utilization of the proceeds of the Issue from the objects of the Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results after placing the same before the Audit Committee.

INTEREST OF PROMOTERS AND DIRECTORS IN THE OBJECTS OF THE ISSUE

Except as disclosed above, there are no material existing or anticipated transactions in relation to the utilization of the Net Proceeds with our Promoters, Directors or Key Management Personnel of our Company and no part of the Net Proceeds will be paid as consideration to any of them.

STATEMENT OF POSSIBLE TAX BENEFITS

ASA & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
www.asaandassociates.co.in

Pioneer Tower, 207-208
Second Floor, Marine Drive
Kochi 682 031 INDIA
T +91 484 410 9999

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

To,
The Board of Directors
MIRC Electronics Limited
Onida House, G-1, MIDC, Mahakali Caves Road,
Andheri (East), Mumbai – 400093, Maharashtra.

Dear Sir(s):

Sub: Statement of possible special tax benefits ("the statement") available to MIRC Electronics Limited ("the Company") and its shareholders in connection with the proposed rights issue of equity shares of ₹ 1 each (the "equity shares") of the Company and such offering ("Issue").

Dear Sirs,

We have been requested by the Company to issue a report on the special tax benefits available to the Company and shareholders of the Company for inclusion in the Draft letter of offer ("DLOF") prepared in connection with the proposed rights issue of equity shares of the Company (the "Issue"). The statement ("Statement") has been prepared by the management of the Company and stamped by us for identification purpose only. This report is issued in accordance with the Engagement Letter dated January 8, 2025.

We report that the enclosed statement in **Annexure A** prepared by the Company, states the possible special tax benefits available to the Company and to its shareholders under the applicable tax laws presently in force in India which includes Income-tax Act, 1961 and Income-tax Rules, 1962 (read with applicable circulars and notifications) as amended by the Finance Act 2024, Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, State Goods and Services Tax Act, 2017, Customs Act, 1962 and Customs Tariff Act, 1975 read with respective rules, circulars and notifications issued thereunder and Foreign Trade Policy 2023 read with Handbook of Procedures (together **"Tax Laws"**) presently in force in India as on date of signing this statement. These possible special tax benefits are dependent on the Company and its shareholders, fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company and its shareholders to derive these possible special tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company and its shareholders may or may not choose to fulfill.

The benefits discussed in enclosed **Annexure A** are not exhaustive and cover the possible special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to the Company and its shareholders. Further, the preparation of the enclosed **Annexure A** and its contents is the responsibility of the management of the Company. We were informed that the Statement is only intended to provide general information to the investors and is neither designed or intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed right issue particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the possible special tax benefits, which an investor can avail. Neither we are suggesting nor advising the investors to invest money based on the Statement.

ASA & Associates LLP Chartered Accountants

Aurobindo Tower, 81/1 Third Floor Adchini, Aurobindo Marg, New Delhi 110 017 INDIA Tel +91 11 4100 9999
Ahmedabad • Bengaluru • Chennai • Gurugram • Hyderabad • Kochi • Mumbai • New Delhi

We conducted our examination in accordance with the "Guidance note on reports or certificates for special purposes (revised 2016)" (the "Guidance note") issued by the institute of chartered accountants of India. The guidance note Requires that we comply with ethical requirements of the code of ethics issued by the Institute of Chartered Accountants of India.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services engagements.

We do not express any opinion or provide any assurance as to whether:

I) The Company or its shareholders will continue to obtain these possible special tax benefits in future; or
II) The conditions prescribed for availing the possible special tax benefits where applicable, have been/would be met with.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of the Tax Laws and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to the company and any other person in respect of this report, except as per applicable law.

We hereby give consent to include this report in the Draft Letter of Offer in connection with the Proposed right Issue, and it is not to be used, referred to or distributed for any other purpose without our prior written consent.

Your sincerely,

For **ASA & Associates LLP**
Chartered Accountants
Firm Registration Number: 009571N/N50000

ASA & Associates LLP
Chartered Accountants

K Nithyananda Kamath
Partner
Membership No.: 027972
UDIN : 25027972BMKORL4486

Date: January 13, 2025
Place: Ernakulam

Annexure A

Statement of possible special tax benefits available to MIRC Electronics Limited ("the Company") and its shareholders under the applicable direct and indirect taxes ("Tax Laws")

The information provided below sets out the possible special tax benefits available to the Company and the shareholders under the Tax Laws presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the equity shares particularly in view of the certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

These Possible Special Tax Benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the Tax Laws. Hence, the ability of the Company and its shareholders to derive the Possible Special Tax Benefits is dependent upon fulfilling such conditions, which are based on business imperatives it faces in the future, it may or may not choose to fulfill.

A. Special tax benefits to the Company

Under Direct Tax Laws

i. Lower corporate tax rate under Section 115BAA of the Income Tax Act, 1961 ('the Act')

Section 115BAA has been inserted in the Act w.e.f. 1 April 2020 (A.Y. 2020 - 21). Section 115BAA of the Act grants an option to a domestic company to be governed by the section from a particular assessment year. If a company opts for section 115BAA of the Act, it can pay corporate tax at a reduced rate of 25.168% (22% plus surcharge of 10% and education cess of 4%). Section 115BAA of the Act further provides that domestic companies availing the said option will not be required to pay Minimum Alternate Tax ('MAT') on their 'book profits' under Section 115JB of the Act. However, such a company will no longer be eligible to avail specified exemptions / incentives/deductions under the Act and will also need to comply with the other conditions specified in section 115BAA of the Act. Further, it shall not be allowed to claim set-off of any brought forward loss arising to it on account of additional depreciation and other specified incentives.

ii. Section 80JJAA - Deduction in respect of employment of new employees

As per the section 80JJAA of the Act, the Company is entitled to claim deduction of an amount equal to thirty per cent of additional employee cost (relating to specified category of employees) incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided. The eligibility to claim the deduction is subject to fulfilment of prescribed conditions specified in sub-section (2) of section 80JJAA of the Act.

Under Indirect Tax Laws

Custom Bonded Warehouse: A customs bonded warehouse is a secure location where imported and exported goods can be stored, manipulated, or manufactured without paying duty.

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MIRC ELECTRONICS LTD. MUMBAI

B. Special tax benefits to the shareholder

Under Direct Tax Laws

There are no special direct tax benefits available to the shareholders of the Company for investing in the shares of company. However, such shareholders shall be liable to concessional tax rates on certain incomes under the extant provisions of the Income Tax Act ("ITA"). Further it may be noted that there are general tax benefits available to equity shareholders, other shareholders holding any other type of instruments are not covered below.

1. **Dividend Income:** Dividend income earned by the domestic shareholders would be taxable in their hands at the applicable rates. However, in case of shareholders who are Individuals, Hindu Undivided Family, Association of Persons, Body of Individuals, whether incorporated or not and every artificial juridical person, maximum rate of surcharge would be restricted to 15%, irrespective of the amount of dividend. Further in case shareholder is a domestic company, deduction under section 80M of the ITA would be available on fulfilling the conditions as mentioned above.

2. **Tax on Capital gains:** As per section 112A of the ITA, Long term capital gains arising from transfer of equity shares, or a unit of an equity-oriented fund or a unit of a business trust shall be taxed at 12.5% (without indexation) of such capital gains subject to payment of securities transaction tax on acquisition and transfer of equity shares and on the transfer of units of an equity-oriented fund or a unit of business trust. However, no tax under this section shall be levied where such capital gains does not exceed INR 1,25,000 in a financial year.

   Further, as per section 111A of the ITA, short term capital gains arising from transfer of equity shares, or a unit of an equity-oriented fund or a unit of a business trust shall be taxed at 20% subject to fulfillment of prescribed conditions under the ITA.

3. **Tax benefits for non-resident shareholders :** For non-residents, tax rates and subsequent taxation may be adjusted based on the benefits available under the applicable Double Taxation Avoidance Agreement (DTAA) between India and the non-resident's country of fiscal domicile. Additionally, any capital gains or dividends earned by non-residents may be subject to withholding tax under the provisions of the Act or the relevant DTAA, whichever is more favourable. If the non-resident has obtained a lower withholding tax certificate from the tax authorities, the withholding tax will be applied at the rate specified in the certificate. Non-residents shareholders may also claim credit for taxes paid, subject to the local laws of their country of residence.

Under Indirect Tax Laws

There are no special indirect tax benefits available to shareholders of the company by virtue of their investment in the company.

Note:

1. The above is as per the current Tax Laws.
2. The above Statement of possible special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all the existing and potential tax consequences of the purchase, ownership and disposal of equity shares of the Company.
3. This Statement does not discuss any tax consequences in any country outside India of an investment in the equity shares of the Company. The shareholders / investors in any country outside India are advised to consult their own professional advisors regarding possible income tax consequences that apply to them under the laws of such jurisdiction.

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SECTION V- ABOUT THE COMPANY

OUR BUSINESS

Some of the information in this chapter, including information with respect to our plans and strategies, may contain certain forward-looking statements that involve risks and uncertainties. Before deciding to invest in the Equity Shares, Shareholders should read this entire Draft Letter of Offer. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with investment in the Equity Shares, you should read "Risk Factors" on page 19, for a discussion of the risks and uncertainties related to those statements, as well as "Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 93 and 156, respectively, for a discussion of certain factors that may affect our business, financial condition, or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Unless otherwise stated, the financial information used in this chapter is derived from our Audited Financial Statements and Unaudited Financial Results.

BUSINESS OVERVIEW

MIRC Electronics Limited, founded in 1981 and headquartered in Mumbai, is known for its renowned brand Onida. Starting with a goal of manufacturing televisions sets, it transformed into a complete consumer durable company with a wide product portfolio including Flat panel TVs (LED LCD TVs), Air Conditioners, Washing Machines, Microwave Ovens, Refrigerators and Air Coolers. Onida has been an enduring brand in the Indian Consumer Durable space, and has won the trust of millions of consumers with its high-quality products. Being an Indian company, the company understands the unique requirements of the Indian consumer – more than any other company does. This has found expression in so many of the innovative products that have been launched over the years. This understanding of the consumer is one of the core strengths of the company that has enabled it to compete in the market.

In the chronicles of Indian advertising, Onida enjoys a storied past. Onida's advertisements were unconventional and became a defining feature of the brand. The company introduced creative elements, such as the Onida Devil, and memorable taglines like "Neighbor's Envy, Owner's Pride," establishing a powerful and lasting presence in advertising.

We have world class manufacturing facilities at Wada (Maharashtra) and Roorkee (Uttarakhand) with a capacity of over 1 million Televisions and 8 lakhs Washing Machines respectively. With a Maverick leadership team, Onida has become a torch-bearer for consumer-centric innovations and unconventional communication.

The company has been a key player in India's electronics industry, leveraging its innovative marketing and product range to build a strong presence. However, it has also experienced challenges, such as fluctuating profits and operational inefficiencies. Onida has often been voted as the top most trusted consumer durable brand in India – a reflection of its continued success.

Onida is committed to quality and strives for continual improvement through innovation and human resource development to give the customer better value for money always and Comply with the statutory requirements.

The company has positioned its brand towards Trendy, Unconventional Brand for Young Nesters that offer products with Innovative form functionality, satisfying consumer needs in surprising ways. Brand values that define Onida are – Unconventionality, Creativity, Surprising thoughtfulness, and Wit.

With 44 years of Innovation and Excellence, MIRC Electronics Limited (ONIDA) has always been known for TVs and high quality innovative and futuristic products. Being an Indian company and the pride of India for 44 years, Onida has always strategically kept Indians and their needs as the main criteria and developed products as per these needs. The company understands the unique requirements of the Indian consumer more than any other company does. This has found expression in many of the innovative products that have been launched over the years. This understanding of the Indian consumers is one of the core strengths of the company that has enabled it to compete in the market in categories like Air Conditioners, LED TVs, Washing Machines, Refrigerators and Air Coolers.

Having won the trust of millions of consumers in the Indian Durable space, the brand has been instrumental in introducing new technologies and innovative products and has been communicating about these innovations to consumers in the right way and through the right mediums. This trust bestowed upon us by our consumers is truly a reflection of our continued success. We always believe in offering the best quality products with high-end specifications at affordable prices, thereby, empowering users with luxury at an attractive price. Taking forward the same approach, we present yet another exemplary range of Air Conditioners that will provide you with an unparalleled experience.

Our Air Conditioners are designed for Indian Climates and with great Pride we will continue to carry on this magnificent legacy to serve you and forever will be #IndiaKaOnida.

Financial Performance

(Amount in Lakhs)

Particulars	Financial Year		
	2023-2024	**2022-2023**	**2021-2022**
Revenue From Operations	96,803.65	1,11,022.50	119,217.20
Profit/(Loss) before Tax	(6,220.83)	(1,246.79)	(2,007.14)
Profit/(Loss) after Tax	(6,220.83)	(1,246.79)	(2,007.14)
EBITDA	(3,917.89)	746.42	1889.78
Dividend	---	---	---

Company's Vision and Mission

The company has strived to imbibe its employees with the Vision and Mission of the organisation through clear articulation and internal communication. The articulation of the Vision has also brought in sharper focus, greater sensitivity to consumers, and led to clearly defining priorities.

Vision

To become the leading consumer electronics brand that provides affordable innovative product solutions to empower Digital India.

Mission

Make Technologically Advanced Smart products that enable the social and economic empowerment for every Indian citizen.

Values

Our Company operates on certain core values which are enshrined in the table below. These core values ensure that the Company achieves its end objective without compromising on the quality of the products of the Company.

- DIFFERENT AND UNIQUE
- RESPECT FOR INDIVIDUAL
- INTEGRITY
- CUSTOMER RELATIONSHIP
- ACHIEVING THE IMPOSSIBLE
- PASSION FOR PERFECTION

Location

Nature of Property	Address
Registered Office	Onida House, G-1, MIDC, Mahakali Caves Road, Andheri (East), Chakala MIDC, Mumbai, Maharashtra, India, 400093
Corporate Office	Onida House, G-1, MIDC, Mahakali Caves Road, Andheri (East), Chakala MIDC, Mumbai, Maharashtra, India, 400093

Main objects of the Company

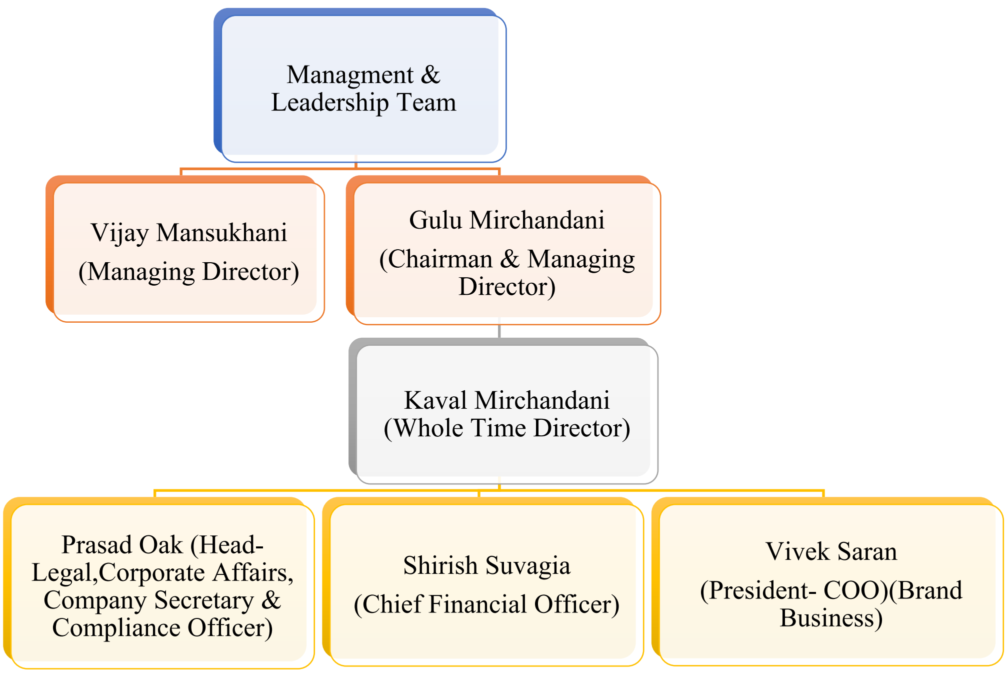
Our main objects as contained in our Memorandum of Association are as under:

1. To Manufacture, assemble, export, import, deal, alter, repair, exchange, let on hire, treat, prepare, barter, in India or elsewhere all types of electronic equipment including radios, record changers, tape recorders, video games, televisions, wireless sets, quartz, digital and analogue watches, electronic gadgets, electronic calculators, computers, electronic copiers, counter equipments, electronic weighing machines and counters, bakelite and plastic components, process control instrumentation, and testing equipments and other allied electrical or electronic products.

2. To carry the business of manufacturers and dealers in electronics, spare parts accessories for electronic miniature electronic components.

Existing and the proposed activities of our Company are within the scope of the Object Clause to our Memorandum of Association.

Management And Leadership Team



Our Products

1. **Televisions**

   Televisions are electronic devices designed to receive and display visual and audio signals, enabling users to watch content like broadcast programs, movies, and digital streams. They work by converting transmitted signals into visual images and sound, displayed on a screen. Modern televisions vary from traditional cathode ray tube (CRT) models to advanced LED, OLED, and QLED screens, offering features like high-definition (HD) resolution, smart connectivity, and integration with internet-based platforms.

   Our company offers various kinds of televisions based on their resolution type, operating systems and backlighting technology like- LED's and LCD's.

2. **Air Conditioners**
   An air conditioner (AC) is an appliance or system designed to regulate the temperature, humidity, and air quality of an enclosed space. Its primary purpose is to provide cooling by removing heat and moisture from the interior of a room or building. Some air conditioners also offer heating functionality.

3. **Washing Machines**
   A washing machine is a household appliance designed to clean clothes, linens, and other textiles by using water, detergent, and mechanical agitation. Washing machines automate the process of washing, rinsing, and in some cases, drying, making laundry tasks more efficient and less labour-intensive. Our company offers various kinds of washing machines depending on their capacity, energy rating and type like – Inverter, Split and Window.

4. **Microwave Ovens**
   A microwave oven is a kitchen appliance that cooks or heats food using electromagnetic radiation in the microwave frequency range. It works by causing water, fats, and sugars in food to vibrate, generating heat through friction. Our company offers a range of Microwave Ovens based on capacity and watt.

5. **Refrigerators**
   A refrigerator is a household appliance designed to keep food and beverages fresh by maintaining a cool temperature. It uses a refrigeration system to slow down bacterial growth, preserving food for longer.

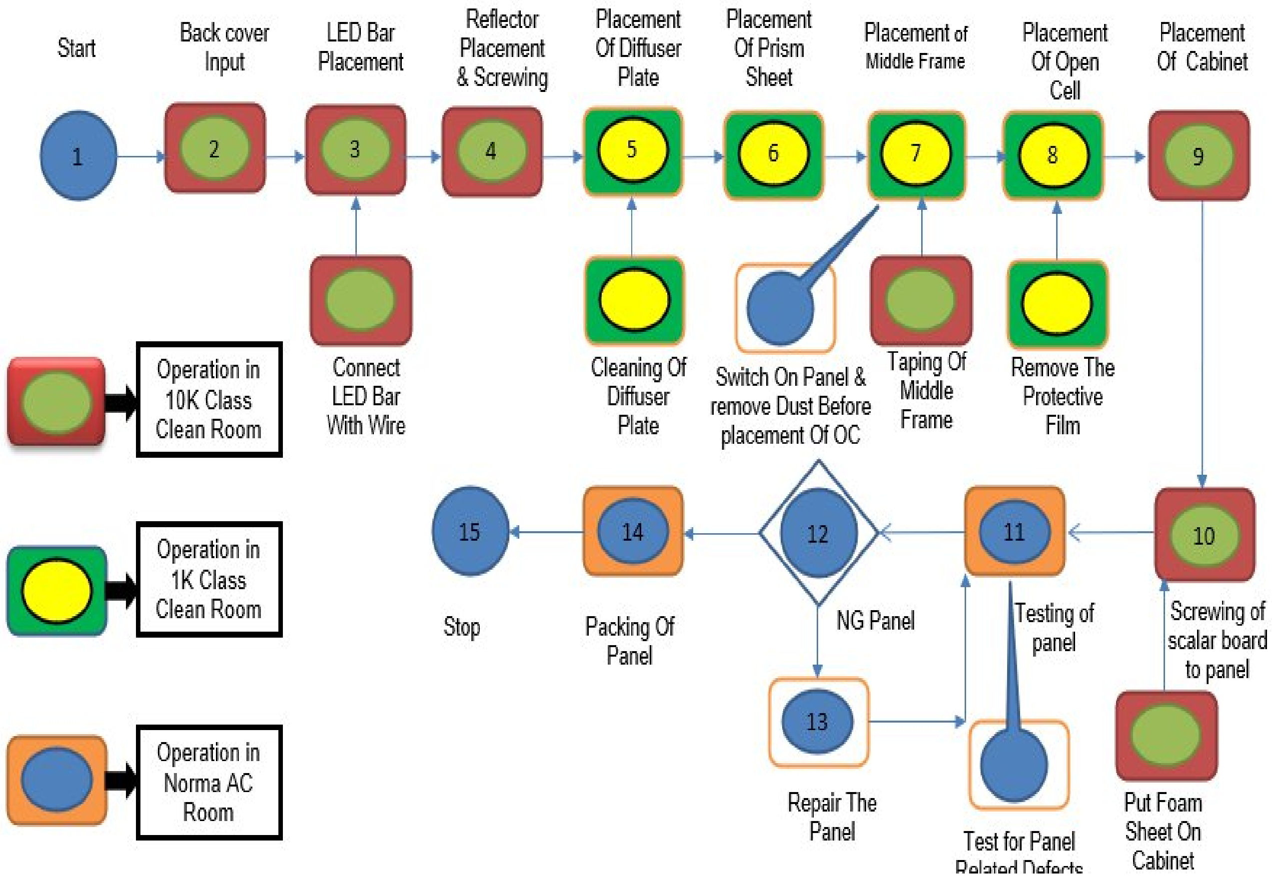
6. **Air Coolers**
   An air cooler, also known as an evaporative cooler, is a device that cools air through the evaporation of water. It works by drawing in warm air, passing it through water-saturated pads, and then releasing the cooled air into a room.

7. **Dishwashers**

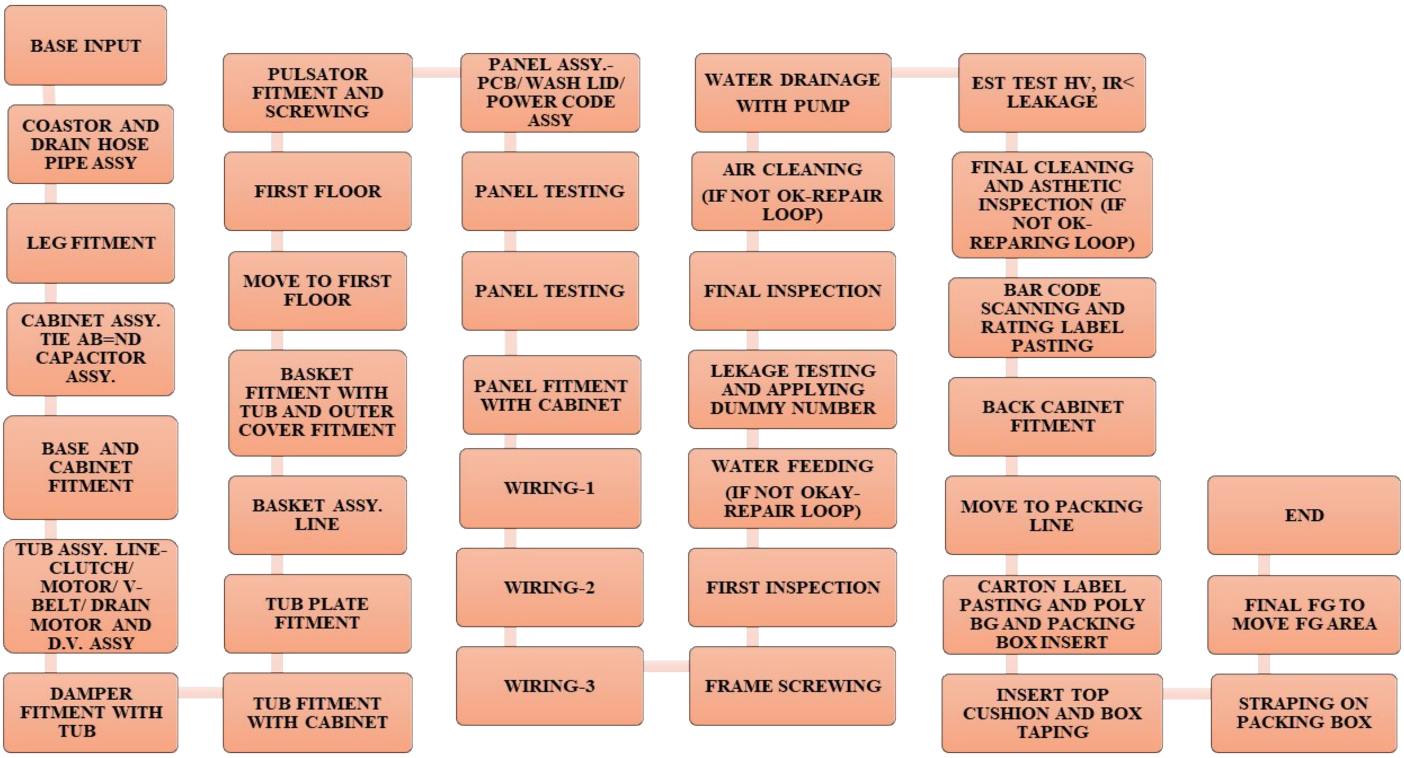
A dishwasher is an appliance used for automatically cleaning dishes, pots, pans, and utensils. It uses hot water, detergent, and mechanical agitation to remove food particles, grease, and stains. Dishwashers save time and labour by automating the dishwashing process, providing more efficient and hygienic cleaning compared to manual washing.

Manufacturing Process

(1) LED TV – LCM



(2) Washing Machine – Fully Automatic



Trade Marks

We have in total 136 Trademarks.
For Detailed Information please refer to chapter *"Government and Other Approvals"* on page no. 178.

Opportunities

(a). Affordable products provide opportunities to set footprints in more geographical locations in India and improve market share across categories.
(b). Cooling products are used year-round due to rising temperatures, which is expected to benefit various industries.

Threats

(a). Dynamic consumer landscape has promoted companies to innovate and introduce new technologies at a rapid pace to meet evolving consumer needs.
(b). Due to frequently revised energy efficiency requirements lead to high manufacturing costs.
(c). Manifold increase in competition from international players.

Risks & Concerns

(a). Prolonged market, supply chain and operational disruptions caused by any global events, impact the operating activities of the Company.
(b). The Management Team periodically reviews the major risks and concerns which could impact the business and accordingly formulate the mitigation plans.
(c). The Company's operations are subject to risk arising from the fluctuations in exchange rates from rupee to dollar

Corporate Social Responsibility:

As per Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, every company having net worth of ₹ 500 crores or more or turnover of ₹1000 crores or more or net profit of ₹ 5 crores or more during immediately preceding financial year shall ensure that it spends, in every financial year, at least 2 (Two) percent of the average net profits made during three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy. The Company has already constituted a Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Companies Act, 2013. The statutory provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 with respect to spending in CSR activities are not applicable to the Company as on March 31, 2024.

Employee Stock Option Plan (ESOPS)

The Shareholders of the Company by way of a special resolution passed through postal ballot on 17th January, 2024, resolved to issue to Option Grantee under the Plan a maximum of 83,76,520 (Eighty-three lakhs seventy-six thousand five hundred and twenty only) Options. These may be granted in one or more tranches, from time to time under the Plan, being exercisable into fully paid-up equity Shares of a face value of INR. 1/- each fully paid-up, with each such Option conferring a right upon the Option Grantee to be issued one Share of the Company, in accordance with the terms and conditions of such Grant.

The objectives of the Plan are as follows:

i. To enable the Employees of the Company to get a share in the value that they help to create for the Company over a period of time;
ii. To attract and retain talented people, who add to the strength of the Company;
iii. To reward Employees for good performance in the past and to motivate similar performance in the future.

As of now, 38,00,846 (1.65%) ESOP's have been granted and no options have been vested.

Insurance

Our operations are subject to various risks in the manufacturing industry. Accordingly, we maintain insurance policies for our manufacturing units, offices, buildings, plant and machinery, furniture, fixture and fittings and stocks due to fire, Burglary, and other perils. Further, we have also maintained fire and burglary policy for our raw material stored at our manufacturing units and some of our warehouses. We have also maintained insurance policies for our vehicles. Further we have also obtained group medical claim policy, accident insurance policy and workmen compensation policy for our employees. We also maintain marine cargo insurance policy to insure consignments shipped by sea and to cover inland movement of all cargos by road or rail. These insurance policies are reviewed periodically to ensure that the coverage is adequate. We believe that our insurance coverage is in accordance with industry custom, including the terms of and the coverage provided by such Insurances. Our policies are subject to standard limitations. Therefore, insurance might not necessarily cover all losses incurred by us and we cannot provide any assurance that we will not incur losses or suffer claims beyond the limits of, or outside the relevant coverage of, our insurance policies.

Land and Property

We have our properties located at following:

Sr.no	Property Details	Area	Deed Details
1	11-B, Mahal Indl. Estate, Mahakali Caves Road, Andheri (E), Mumbai -93	2022.22 Sq. Meters.	Lease Deed Dated 15.12.1971
2	G-1, MIDC, Mahakali Caves Road, Andheri (East), Mumbai – 400093	2143 Sq. Meters	Lease Tenure for 95 years from 01.06.1975
3	Khasra No.399, Gram -	0.532 Hectare.	Sale Agreement Dated 19.03.2008

	Mundyaki Pargan – Mangalore Tehsil-Roorkee, Dist. – Haridwar, Uttarakhand		
4	Khasra No. 400 Khasra No. 401 Gram – Mundyaki, Pargan – Mangalore, Tehsil- Roorkee, Dist. – Haridwar' Uttarakhand	0.2880 Hectare. 0.3050 Hectare	Sale Agreement Dated 19.03.2008 Sale Deed Dated 21.07.2008
5	Khasra No. 405 Gram – Mundyaki, Pargan – Mangalore, Tehsil- Roorkee, Dist. – Haridwar' Uttarakhand	0.2050 Hectare	Sale Agreement Dated 11.04.2008
6	Khasra No. 406 Gram – Mundyaki, Pargan – Mangalore, Tehsil- Roorkee, Dist. – Haridwar' Uttarakhand	0.1900 Hectare	Sale Deed dated 23.07.2008
7	Khasra No. 407 Gram – Mundyaki, Pargan – Mangalore, Tehsil- Roorkee, Dist. – Haridwar' Uttarakhand	0.1880 Hectare	Sale Agreement Dated 20.03.2008
8	Khasra No. 409 Gram – Mundyaki, Pargan – Mangalore, Tehsil- Roorkee, Dist. – Haridwar' Uttarakhand	0.5170 Hectare	Sale Agreement Dated 20.03.2008
9	Khasra No. 410 Gram – Mundyaki, Pargan – Mangalore, Tehsil- Roorkee, Dist. – Haridwar' Uttarakhand	0.4950 Hectare	Sale Dated 24.07.2008
10	Khasra No. 408 (3/4) Gram – Mundyaki, Pargan – Mangalore, Tehsil- Roorkee, Dist. – Haridwar' Uttarakhand	0.1365 Hectare	Sale Deed dated 25.07.2008
11	Khasra No. 408 (1/4) Gram – Mundyaki, Pargan – Mangalore, Tehsil- Roorkee, Dist. – Haridwar' Uttarakhand	0.0455 Hectare	Sale Deed (Final) Dated 17.12.2008
12	Khasra No. 436 Gram – Mundyaki, Pargan – Mangalore, Tehsil- Roorkee, Dist. – Haridwar' Uttarakhand	0.0558 Hectare	Lease Deed for 30 years, Dated 28.07.2010
13	Khasra No. 437 Gram – Mundyaki, Pargan – Mangalore, Tehsil- Roorkee, Dist. – Haridwar' Uttarakhand	0.0558 Hectare	Lease Deed for 30 years, Dated 28.07.2010
14	Khasra No. 449 Gram – Mundyaki, Pargan – Mangalore, Tehsil- Roorkee, Dist. – Haridwar' Uttarakhand	0.0790 Hectare	Lease Deed for 30 years, Dated 28.07.2010
15	Plot No. 43A (Unit 9 to 16) Sheetal Industrial Estate- 5, Village – Navghar,Vasai, Dist. Thane	465.82 Sq. Meters.	Agreement of Sale Dated 14.10.1997 Mortgaged to SBI
16	Plot No. 43A (Unit 3 to 6) Sheetal Industrial Estate- 5, Village – Navghar,Vasai, Dist. Thane	221.56 Sq. Metres	Agreement of Sale, Dated: 19.11.1992 Mortgaged to SBI
17	Gut No. 234C, 236 237A, 237B, 241,242, 244, 245 (part) , Village Kudus, Taluka Wada, Thane	88979 sq. metre.	Conveyance Deed Dated: 03.09.93
18	Gut No. 239 Village Kudus, Taluka Wada, Thane	5700 Sq. Metres	Indenture of Conveyance dated. 25.01.2005
19	Gut No. 240 Village Kudus, Taluka Wada, Thane	9609 Sq. Metres.	Sale Deed dated 01.07.1995
20	Gut No. 245 (Part) Village Kudus, Taluka Wada, Thane	8497 Sq. Metres.	Sale Deed dated 20.09.95
21	Gut No. 245 (Part) Village Kudus, Taluka Wada, Thane	7363 Sq. Metres.	Sale Deed dated. 08.12.95
22	Gut No. 247, 248, 249, 250 Village Kudus, Taluka Wada, Thane	48845 Sq. Metres.	Indenture of Conveyance dated. 12.10.93
23	Gut No. 251 Village Kudus, Taluka Wada, Thane	5115 Sq. Metres.	Sale Deed dated 12.10.93
24	Gut No. 226 (Part 1) Village Kudus, Taluka Wada, Thane	22201.55 Sq. Metres	Indenture of Conveyance dated. 05.12.2003

25	Gut No. 226 (Part 2) Village Kudus, Taluka Wada, Thane	22201.55 Sq. Meters	Indenture of Conveyance dated. 05.12.2003
26	Chiplun Plant	20004 Sq. Meters	Lease Deed dated 25.11.2009 (Lease period 95 years from 01.09.2009)

Rented Properties

We have various rented properties located at fourteen locations including warehouses in Hyderabad, Ahmedabad, Kolkata, Bangalore, Karnal, Ludhiana, Coimbatore, Chennai, Cochin, Ghaziabad, Pune, and Nagpur along with Offices in Pune and Chennai. For further details refer *Risk Factors* on page no. 19.

Top 10 Customers for FY ended March 31, 2024

S. No.	Customer	% of Revenue Earned
1	The Commissioner School Education Department, Govt. Of Andhra Pradesh	16.84%
2	TTE Technology India Pvt. Ltd.	12.35%
3	Flipkart India Private Limited	6.73%
4	Reliance Retail Limited	5.49%
5	The Managing Director APTST Hrushik	5.47%
6	Ingram Micro India Private Limited	1.98%
7	Vasanth & Co.	1.83%
8	Tech Rappo Private Limited	1.67%
9	Amber Enterprises India Limited	1.60%
10	Khanna & Walia Assosiates	1.40%

Human Resources

We at Onida work towards the company's vision to make Onida an employer of choice. The focus is to attract young & bright professional, to make future leaders by building a strong performance culture, positive work environment and creating the best HR practices to attract talent, retain the better and advance the best. We believe that nurturing our people capability is the core of driving business excellence and achieving the vision of the company. We provide our employees with many opportunities to develop, grow and to perform optimally. We believe personal development is important, which is why we invest time and energy to support in performing and delivering the best and development of skills and knowledge. As on the date of this Draft Letter of Offer, we have employed 481 Employees, including senior management personnel.

Department	No of Employees
Finance & Accounts Department	50.00
Research & Development	16.00
Human Resource Department	13.00
Sales & Marketing Department	98.00
Plant operations, purchase, Supply chain	190.00
Legal, Compliance & Audit Department	7.00
IT	8.00
Service	91.00
Corporate	8.00
Total	481.00

Sales & Marketing

The efficiency of the sales, marketing and distribution network is critical to success of our Company. Our success lies in the strength of our relationship with the dealers/distributors/large format retailers/online e-commerce sellers who have been associated with our Company. Our sales team through their extensive experience in consumer durable industry and good rapport with these dealers/distributors/large format retailers/online e-commerce sellers and further owing to timely and quality delivery of products plays an instrumental role in creating and expanding the sales and distribution network for our Company. To get repeat orders from these set of customers, our sales team, regularly interacts with them and focusses on gaining an insight into the additional needs of these customers and the ultimate end consumers. Our company facilitates effective marketing through advertisements in leading newspapers, Television channels and also on various online, social media and other digital mediums. We strategically position our products by harnessing the vast reach of social media platforms, utilizing advanced and contemporary marketing techniques designed to capture the attention of a diverse, tech-savvy audience especially young nesters. Our consistent success in utilizing these digital marketing strategies has borne testament to our ability to stay at the forefront of the rapidly evolving digital landscape. This approach not only enhances brand visibility but also drives sales, with measurable impacts on customer acquisition and retention.

INDUSTRY OVERVIEW

The information in this chapter has been extracted from the websites of and publicly available documents from various sources. The data may have been re-classified by us for the purpose of presentation. Neither we nor any other person connected with this Issue has independently verified the information provided in this chapter. Industry sources and publications, referred to in this chapter, generally state that the information contained therein has been obtained from sources generally believed to be reliable but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured, and, accordingly, investment decisions should not be based on such information

GLOBAL ECONOMIC OUTLOOK

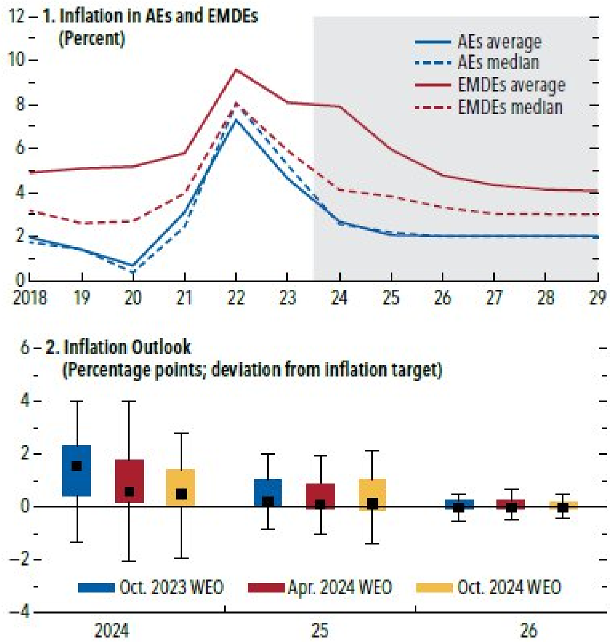
Global growth is expected to remain stable yet underwhelming. However, notable revisions have taken place beneath the surface since April 2024, with upgrades to the forecast for the United States offsetting downgrades to those for other advanced economies, particularly the largest European countries. Likewise, in emerging market and developing economies, disruptions to production and shipping of commodities—especially oil—conflicts, civil unrest, and extreme weather events have led to downward revisions to the outlook for the Middle East and Central Asia and that for sub-Saharan Africa. These have been compensated for by upgrades to the forecast for emerging Asia, where surging demand for semiconductors and electronics, driven by significant investments in artificial intelligence, has bolstered growth, a trend supported by substantial public investment in China and India. Five years from now, global growth should reach 3.1 percent—a mediocre performance compared with the pre -pandemic average.

Global growth is expected to remain stable yet underwhelming. As disinflation continues, a smooth landing is within reach. However, the balance of risks is tilted to the downside: geopolitical tensions could flare up; sudden eruptions in financial market volatility could tighten financial conditions; problems in China's property sector could generate global spillovers via their effect on global trade, as could rising protectionism and continued geoeconomic fragmentation; and disruptions to the disinflation process could prevent central banks from easing monetary policy, adding challenges to fiscal policy and financial stability. Amid numerous threats, it is time for a policy pivot. With monetary policy easing, shifting gears on fiscal policy to ensure sustainable debt dynamics and rebuilding of buffers is appropriate. Advancing structural reforms to boost long-term growth and accelerating the green transition remains as necessary as ever.

The recent global inflationary experience was characterized by large sectoral demand shifts amid supply disruptions and unprecedented fiscal and monetary stimulus. The pass-through of sectoral price pressures to core inflation, and the shifting and steepening of the Phillips curve are essential to understanding the global inflation surge. This is consistent with key sectors hitting their supply bottlenecks as demand rotated across sectors and was boosted by a drawdown of savings. The chapter offers a new monetary policy lesson and confirms an old one. In extreme cases with widespread sectoral supply bottlenecks and strong demand, inflation can surge, but tighter policy can bring it down quickly with limited output costs. Outside of such cases, when supply bottlenecks are confined to specific sectors, conventional policy rules perform well.

The recent global inflationary experience was characterized by a complex set of events. During COVID-19 lockdowns, demand shifted toward goods and then pivoted toward services as economies reopened. These demand shifts occurred in the context of supply disruptions and unprecedented fiscal and monetary stimulus. Subsequently, the war in Ukraine led to spikes in commodity
prices. Evidence suggests that the pass-through of sectoral price pressures to core inflation and the steepening of the inflation-slack relationship —that is, the Phillips curve —are essential to understanding the global surge in inflation. This evidence is consistent with key sectors hitting their supply bottlenecks as demand rotated across sectors and was boosted over time by a drawdown of savings. In extreme cases when sectoral supply bottlenecks are widespread across an economy and interact with strong demand, inflation can surge, but tighter policy can bring it down quickly with limited output costs. Outside of such cases, when supply bottlenecks are confined to specific sectors, conventional policy rules, such as those that target measures of core inflation, perform well.

<u>Inflation Outlook: Gradual Decline to Target</u>



Although bumps on the path to price stability are still possible, global headline inflation is projected to decrease further, from an average of 6.7 percent in 2023 to 5.8 percent in 2024 and 4.3 percent in 2025 in the baseline. Disinflation is expected to be faster in advanced economies—with a decline of 2 percentage points from 2023 to 2024 and a stabilization at about 2 percent in 2025—than in emerging market and developing economies, in which inflation is projected to decline from 8.1 percent in 2023 to 7.9 percent in 2024 and then fall at a faster pace in 2025 to 5.9 percent. There is a great deal of variation across emerging market economies, however, which is evident in the difference between median and average inflation. Inflation in emerging Asia is projected to be on par with that in advanced economies, at 2.1 percent in 2024 and 2.7 percent in 2025, in part thanks to early monetary tightening and price controls in many countries in the region. In contrast, inflation forecasts for emerging and developing Europe, the Middle East and North Africa, and sub-Saharan Africa remain in double-digit territory on account of large outliers amid pass-through of past currency depreciation and administrative price adjustment (Egypt) and underperformance in agriculture (Ethiopia). For most countries in Latin America and the Caribbean, inflation rates have dropped significantly from their peaks and continue to be on a downward trend. However, large countries in the region have experienced upward revisions since the April 2024 World Economic Outlook that reflect a mix of (1) robust wage growth preventing faster disinflation in the services sector (Brazil, Mexico), (2) weather events (Colombia), and (3) hikes in regulated electricity tariffs (Chile). The decline in global inflation in 2024 and 2025 reflects a broad-based decrease in core inflation, unlike the situation in 2023, when headline inflation fell mainly because of lower fuel prices. Core inflation is expected to drop by 1.3 percentage points in 2024, following a 0.1 percentage point decrease in 2023, with advanced economies leading this decline. Factors contributing to lower core inflation include the delayed effect of tight monetary policies as well as diminishing pass-through effects from earlier declines in prices, especially in those for energy. Overall, returning inflation to target is expected to take until 2025 in most cases. Although the pace of disinflation for the median economy has been faster than expected in October 2023, the dispersion across economies is now expected to be larger. Comparison of official inflation targets with the latest forecasts for a representative group of inflation-targeting advanced and emerging market economies suggests that annual average inflation will exceed targets (or the midpoints of target ranges) in more than three-quarters of these economies in 2025 (Figure 1.13, panel 2). But a great deal of this reflects annual carryover effects from 2024. Inflation is expected to decline steadily on a sequential basis, and by the end of 2025, most economies are expected to be either at target or within a stone's throw of it.

*(**Source**: World Economic Outlook Update, October 2024)*

INDIAN ECONOMY

India's economy is emerging with resilience as the dust settles after a high-stakes elections period.[1] Its gross domestic product grew 6.7% year over year in the April-to-June quarter[2] While that was the slowest rate in five quarters, India remains one of the world's fastest-growing large economies, and Deloitte's analysis predicts continued strength in the year ahead. Growth is likely to pick up, driven by increasing consumer spending, especially in rural India, as inflation subsides, and agricultural output improves after favourable monsoon conditions.

Deloitte retains its annual GDP growth projection to be between 7% and 7.2% in fiscal 2024 to 2025 and between 6.5% and 6.8% the following fiscal. A tempered global growth outlook and a delayed synchronized recovery in Western economies—compared to what was previously expected—will likely weigh on India's exports and outlook for the next fiscal year. At the same time, India may benefit from higher capital inflows, translating into long-term investment and job opportunities as multinational companies around the world look to reduce operational costs further.

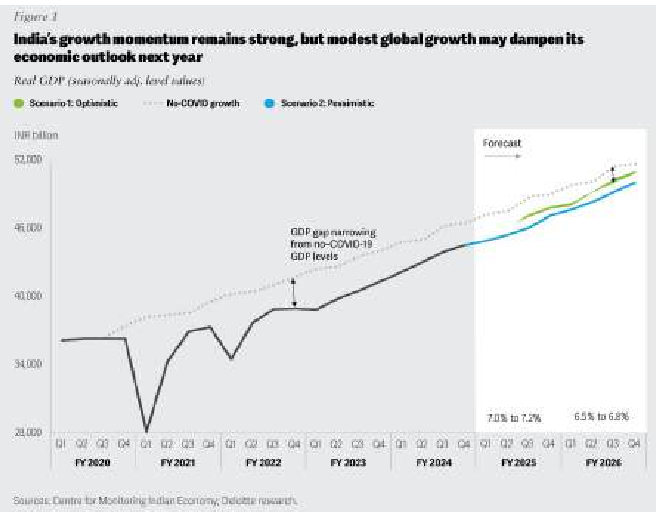
The latest report (2023 to 2024) points to some green shoots in labour market trends—with a rise in the share of salaried positions and services subsectors demanding higher qualifications, including business and professional services in the areas of technology and finance. Female participation in the labour force has also increased, particularly in rural areas. However, a heavy reliance on agricultural jobs continues, and informal employment remains prevalent.

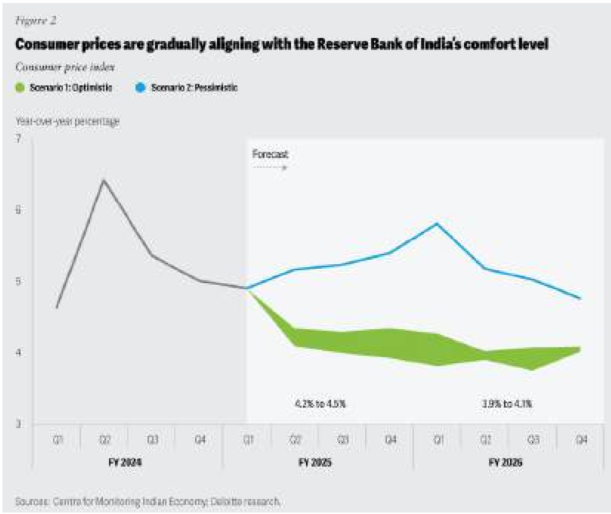
We believe the government's focus on boosting manufacturing and improving youth employability, coupled with India's young and aspirational population, presents a unique opportunity for economic growth. As the country advances toward becoming a US$5 trillion economy by fiscal 2027 to 2028, expanding manufacturing and emerging industries and transitioning toward clean-energy alternatives are likely to create high-quality, formal, and green jobs. This will help many Indian states that are aspiring to grow rapidly, as they are already investing in these areas to tap into India's demographic advantage. Subsequently, the improvements in the labour market will likely be reflected in future surveys.

India's GDP grew by 6.7% year over year in the first quarter of fiscal 2024 to 2025 (that is, the quarter from April to June 2024), aligning with our projected range of 6.5% to 6.7%. Although this marks the slowest growth in five quarters, the Indian economy showed resilience, especially during the part of the quarter coinciding with the general elections.

We expect India to grow between 7% and 7.2% in fiscal 2024 to 2025 in our baseline scenario, followed by between 6.5% and 6.8% in fiscal 2025 to 2026 (admittedly, slightly lower than previously estimated) (figure 1). India's slightly slower growth in the subsequent year will likely be tied to broader global trends, including sluggish growth and a delayed synchronous recovery in the West, as anticipated earlier. Slowing global trade and supply chain disruptions due to intensifying geopolitical uncertainties will also affect demand for exports. Despite these challenges, we will continue to see the difference between actual GDP and no –COVID-19 levels progressively narrowing as growth picks up pace.

Inflation concerns are fading as expected, with better rainfall and proactive government interventions improving the food supply chain. Inflation may ease further in the latter half of the year. However, stronger growth may also pressure inflation as demand outpaces supply. We expect inflation to slowly revert to the Reserve Bank of India's target level of 4% from early next year and remain within its comfort zone over the forecast period





A sneak peek at India's labour market

The last edition of this outlook examined the evolving consumption patterns of rural and urban consumers.[10] While we noticed a significant shift in consumption behaviour among rural consumers, sustaining that behaviour remains contingent on the purchasing power of rural India, which, in turn, will depend on job creation in the economy, ensuring a steady household income. The good news is that rural demand is finally turning the corner. After remaining modest for most of the post-pandemic period, growth is visible in the rising consumption of the fast-moving consumer goods (FMCG) category (as reported by major FMCG companies in fiscal 2024 to 2025). The other proxy indicator for rising stable employment opportunities in the rural economy is the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA): The scheme provides temporary jobs to employ people who have limited or no alternate stable income opportunities. For the first time since the pandemic, the scheme's 12-month moving average employment demanded number has fallen below pre-pandemic levels in August 2024. While the rise in farm-sector employment due to above-average monsoons and increased labour demand for kharif sowing likely reduced reliance on the scheme, a steady decline probably also points to the possibility of individuals finding better-paying job opportunities elsewhere. The fall has been the sharpest since the beginning of fiscal 2024 to 2025.

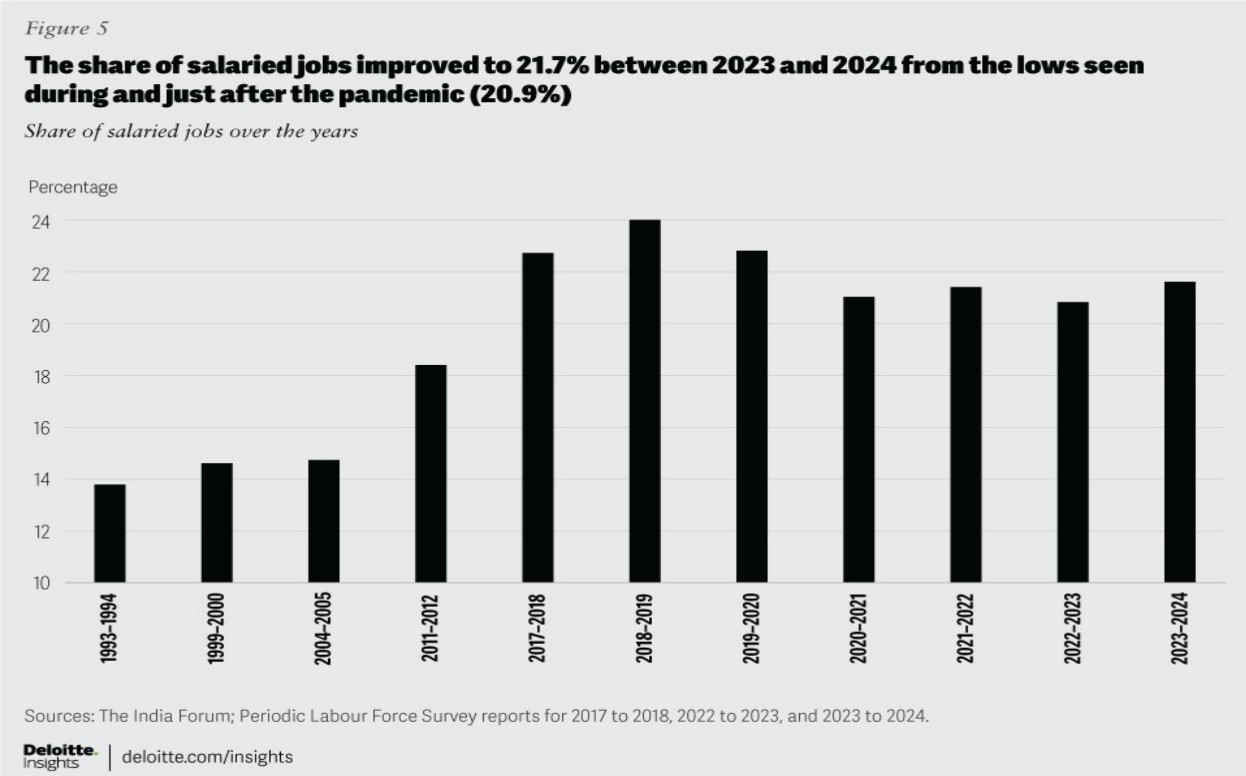
Emerging labour market trends

India has always relied heavily on agriculture for employment—with the largest share of Indian workers working in the sector. However, dependence on agriculture and related activities as a primary income source had been trending down in rural areas until the pandemic (figure 4). This trend reversed during the pandemic and later, with many migrant workers choosing to stay back and continue working in the sector even as movement restrictions were lifted, and pandemic fears subsided.

PLFS reports, including the latest one—for 2023 to 2024—highlight some interesting trends.

The green shoots: The latest report has good news about the labour market.

- The share of employment in the secondary sector rebounded post pandemic due to strong job creation in construction. Initiatives like the National Infrastructure Pipeline and increased government capex drove job creation in construction.
- Employment shares in the manufacturing and services sectors modestly improved. While schemes such as production-linked incentives helped recover the job share in manufacturing, a strong pickup in activities in the services sector helped improve the sector's employment share from 2023 to 2024. This is particularly interesting since the "other services" category, which consists of business and professional services, saw the biggest improvements.
- The female participation rate in the labour force for ages 15 years and above increased from 22% in 2017 to 2018 to 40.3% in 2023 to 2024. The jump is much higher in rural areas (22.8 percentage points) than in urban areas (7.8 percentage points) during this period, pointing to improved inclusivity and growing women's empowerment in rural India.
- The share of salaried workers in total employment that declined during the pandemic also pointed to a revival, according to the latest PLFS report. The share of formal jobs steadily rose until 2020 and then declined after the pandemic. From 2019 to 2020, the share of salaried jobs accounted for almost 23% of total jobs, up from 18.5% between 2014 and 2015. After the pandemic, this share fell to 21%. The latest PLFS data for 2023 to 2024 points to an improvement in the share, which rebounded to 21.7%. Besides, the salaried employees' average wage or salary earnings (in INR) also improved during fiscal 2023 to 2024 and have been several times higher than that earned by self-employed and casual workers.16 The rebound in the services sector and its employment share helped improve the share of formal jobs.



The jobs of the future

India will need more formal and quality jobs to ensure better income distribution as it becomes a US$5 trillion economy in the medium term and advances toward its long-term goal of embodying Viksit Bharat or a fully developed nation by 2047.In this regard, the government's focus on expanding the manufacturing sector is critical, as transitioning workers into this sector increases the likelihood of securing formal employment, given that 51.4% of manufacturing jobs are salaried ones. This shift will significantly enhance income stability for those currently lacking regular wages or social security, particularly in rural areas. Moreover, the growth of the services sector will aid job formalization, encouraging workers to pursue formal education and enhance their skills. The rise in emerging industries such as semiconductors and electronics will further create opportunities that require advanced education and specialized skills, driving the creation of more high-quality jobs. Additionally, India's push toward clean-energy alternatives is set to generate green jobs across various sectors, including energy, agriculture, tourism, and transport.

One of India's greatest strengths is its young, aspiring population. Researchers have a consensus that the ability to learn decreases with age, suggesting that younger people are more likely to learn new skills relatively quickly.19 One study found that younger minds and brains are intrinsically more flexible and exploratory.20 This positions India to gain rapid and substantial returns from investing in skill development.

Recognizing the potential of youth, the government recently announced initiatives to drive paid internship programs and provide education loans for higher education. These will go a long way in improving the employability and skills of the Indian youth. Encouragingly, many states also strive to become significant players in the growing Indian economy, and they are actively investing in formal job creation and skill development. While there may be a lag before the labour market data fully reflects these efforts, the benefits will undoubtedly begin to surface in future surveys.

*(**Source**: India Economic Outlook Update, October 2024- Deloitte)*

Electronics System Design & Manufacturing (ESDM) Industry in India

The Indian electronics system design and manufacturing (ESDM) sector is one of the fastest growing sectors in the economy and is witnessing a strong expansion in the country. The ESDM market in India is well known internationally for its potential for consumption and has experienced constant growth.

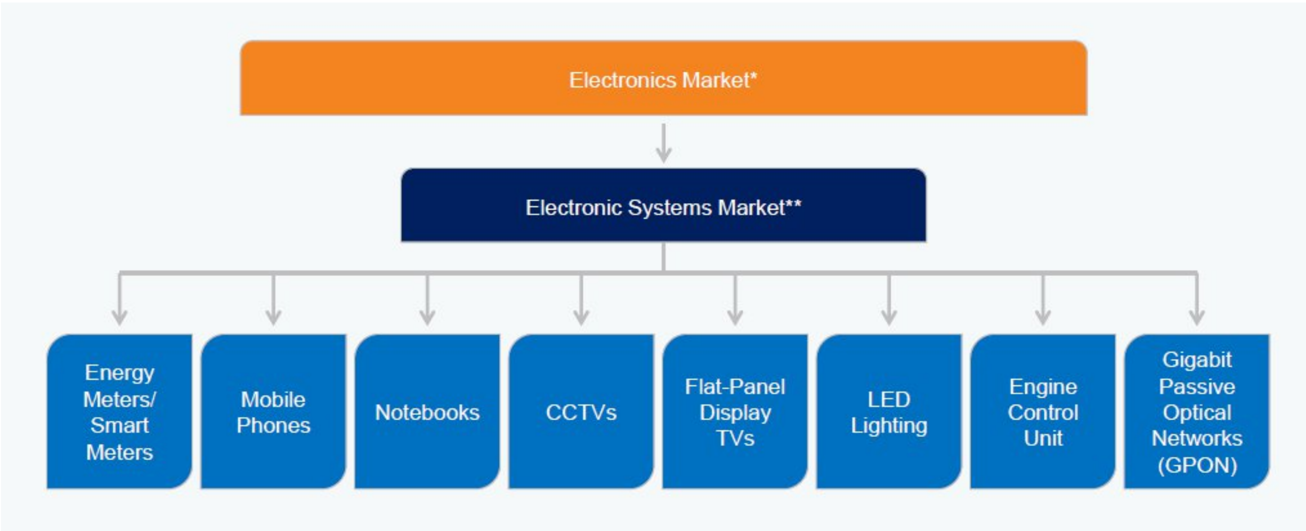
Indian manufacturers are attracting the attention of multinational corporations due to shifting global landscapes in electronics design and manufacturing capabilities, as well as cost structures. Companies from all over the world are striving to develop local capacities in India not only to serve the domestic market but also to cater to international markets.

The Electronics System Design & Manufacturing (ESDM) industry includes electronic hardware products and components relating to information technology (IT), office automation, telecom, consumer electronics, aviation, aerospace, defence, solar photovoltaic, nano electronics and medical electronics. The industry also includes design-related activities such as product designing, chip designing, Very Large-Scale Integration (VLSI), board designing and embedded systems.

India witnessed a substantial spike in demand for electronic products in the last few years; this is mainly attributed to India's position as second-largest mobile phone manufacturer worldwide and surge in internet penetration rate. The Government of India attributes high priority to electronics hardware manufacturing, as it is one of the crucial pillars of Make in India, Digital India, and Start-up India programs.

The Electronics System Design & Manufacturing (ESDM) sector plays a vital role in the government's goal of generating US$ 1 trillion of economic value from the digital economy by 2025. With various government initiatives aiming to boost domestic manufacturing, India has already started witnessing initial movement with increased production and assembly activities across products such as mobile phones and other consumer electronics.

Major Product Segments



*The Electronics Market includes (Total Domestic Consumption + Exports) + Electronics Design Market + Electronics Manufacturing Services Market + Electronics Component Market

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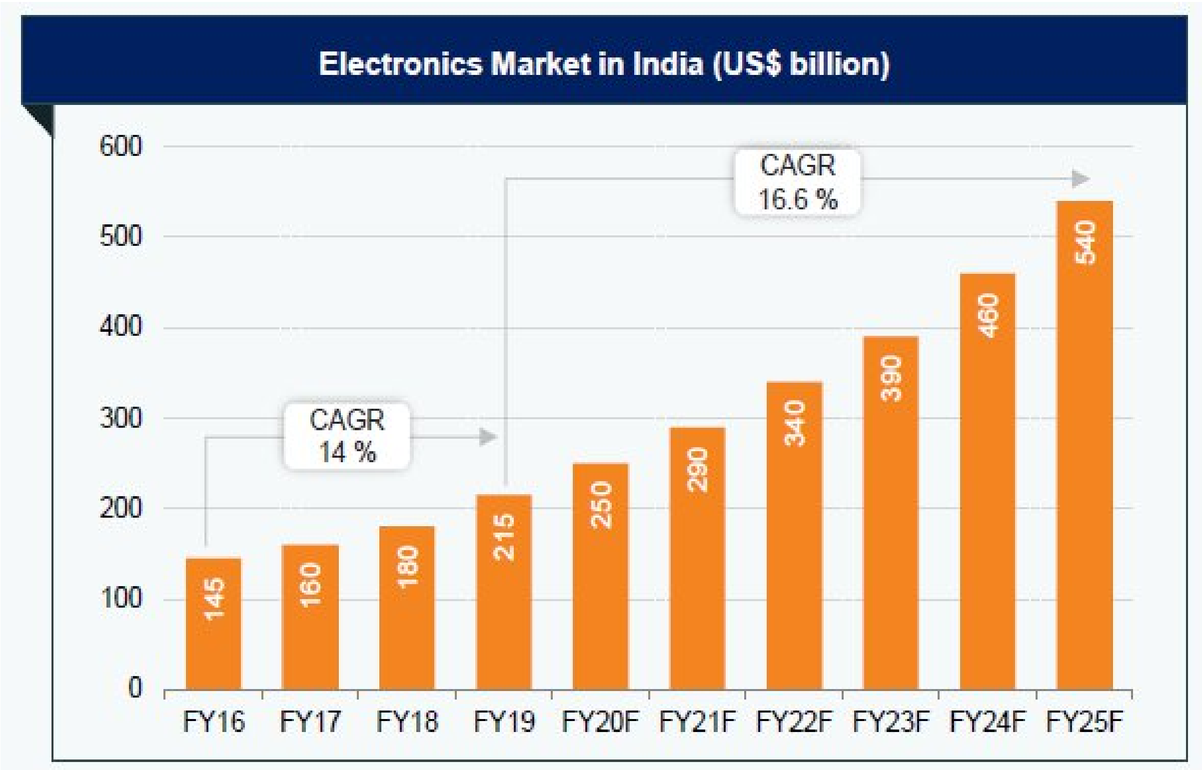
Market Size

The Indian electronics manufacturing industry is projected to reach US$ 520 billion by 2025. The demand for electronic products is expected to rise to US$ 400 billion by 2025 from US$ 33 billion in FY20. Electronics market has witnessed a growth in demand with market size increasing from US$ 145 billion in FY16 to US$ 215 billion in FY19—the market witnessed a growth of 14% CAGR from 2016-19. Electronics system market is expected to witness 2.3x demand of its current size (FY19) to reach US$ 160 billion by FY25. The top products under the ESDM sector with the highest CAGR include IT/OA at 54%, followed by industrial electronics at 38% and automotive electronics at 10%.



In FY24, the exports of electronic goods were recorded at US$ 29billion as compared to US$ 23.57 in FY23.

Electronics design segment, growing at 1%, was 22% of the ESDM market size in FY19; it is anticipated to be 27% of the ESDM market size in FY25.

India is one of the largest consumer electronics markets in the Asia Pacific Region and is home to considerable talent for electronic chip design and embedded software. India has committed to reach US$ 300 billion worth of electronics manufacturing and exports of US$ 120 billion by 2025-26.

The electronics market has grown at a CAGR of 14% from 2016-19 and is expected to accelerate at a CAGR of 16.6% in 2020-25, with the total demand likely to account for US$ 540 billion in FY25.

▪ During April- June 2024, the imports of electronics goods topped US$ 20 billion.

▪ In FY24, India witnessed a significant rise in the export of electronics goods, reaching a notable value of US$ 29.12 billion. This marks a remarkable growth of 23.6% compared to the previous year.

▪ The ESDM sector is likely to generate US$ 100-130 billion in economic value by 2025.

▪ The Government of India aims to make electronics goods amongst India's 2-3 top-ranking exports by 2026.

▪ Electronics goods exports are expected to increase from the projected US$ 15 billion in 2021-22 to US$ 120 billion by 2026.

▪ PLI scheme for large scale electronics manufacturing launched by Ministry of Electronics and Information Technology (MeitY) in April 2020 has been extended from existing five years band (FY21-FY25) to six years (FY21-FY26).

India is the second fastest digitizing economy amongst the 17 leading economies of the world. The Government of India aims to make Electronics Goods amongst India's 2-3 top-ranking exports by 2026. Electronics Goods exports are expected to increase from the projected US$ 15 billion in 2021-22 to US$ 120 billion by 2026.

Large consumer base

Source: *Reserve Bank of India (RBI), Ministry of Electronics and Information Technology (MeitY), News Articles, Make in India*

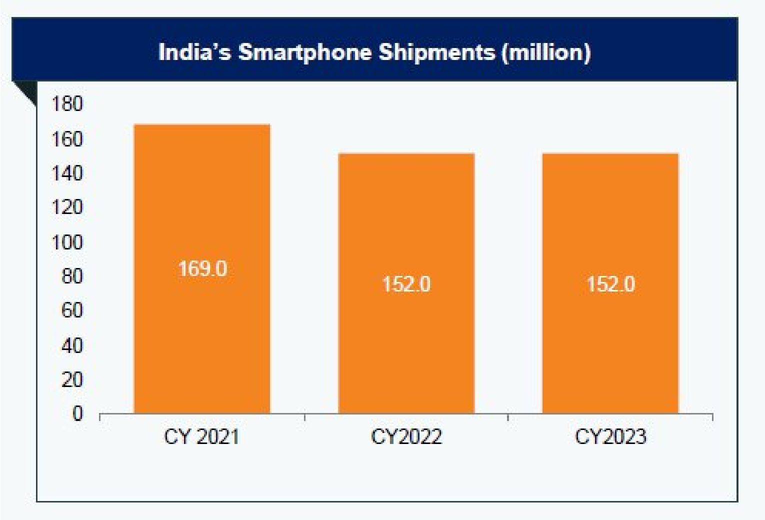
Note: *LCD - Liquid Crystal Display; LED - Light-emitting Diode, F - Forecasted*

▪ During FY24, the exports of electronic goods were recorded at US$ 29.11 billion as compared to US$ 23.57 billion during FY23.

▪ India emerged as the second-largest manufacturer of mobile phones in the world, with a production value of mobile devices reaching US$ 49.16 billion in FY24.

▪ India's export of electronic goods rose tremendously by US$ 6.3billion in 2013-14 to US$ 29.11 billion in 2023-24. Mobile phones, IT hardware (laptops, tablets), consumer electronics (TV and audio), industrial electronics and auto electronics are key exports in this sector.

▪ India has made substantial cuts to import duties on mobile phones to enhance exports. In the last financial year, mobile phone exports reached Rs 1.2 lakh crore (US$ 14.4 billion), and this upward trend is expected to persist.



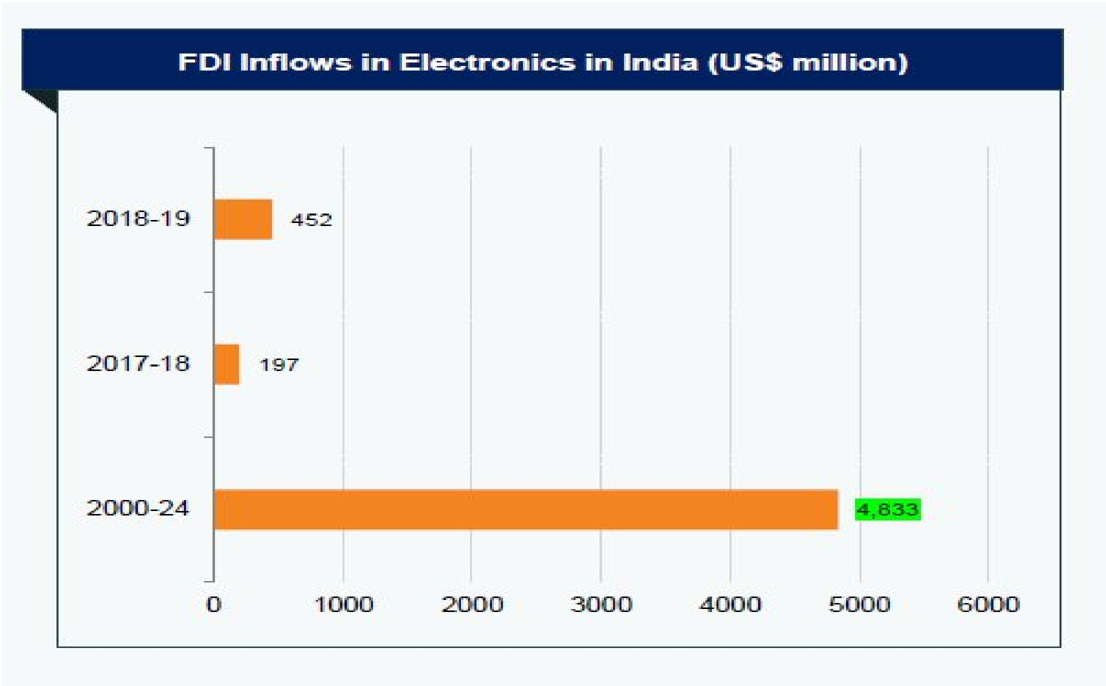
▪ The Consumer Electronics and Appliances Industry in India is expected to become the fifth-largest in the world by 2025.

▪ In addition, the consumer electronics and appliances industry in India is expected to become the fifth largest in the world by 2025; this is noticeable for LCD/LED TVs, which witnessed more than 2x growth (by volume) in the past five years.

▪ Factors such as high internet penetration rate (over 820 million users) and second-largest global smartphone manufacturer boosted penetration of electronic products to the large potential consumer base, which in turn is driving ESDM markets.

Increasing FDI inflows

Source: *Make in India, Department for Promotion of Industry and Internal Trade*



- The cumulative FDI equity inflow in the Electronics industry is US$ 4.83 billion during the period April 2000-March 2024.
- For defence electronics, FDI inflows in this sector up to 49% are allowed under automatic route and beyond 49% through government approval
- The government allows 100% FDI in the ESDM sector through an automatic route to attract investments from OEMs and IDMs.

Areas of interest for investments in ESDM are as follows:

1. Mobile phone manufacturing
2. Light Emitting Diode (LED) and Liquid Crystal Display (LCD)
3. Wearable devices
4. Solar cells and modules
5. Research, innovation and skill development in emerging areas such as Augmented Reality (AR), Virtual Reality (VR), drones, robotics and additive manufacturing
6. Semiconductor wafer fabrication
7. Medical electronic devices manufacturing
8. Research and development of automotive electronics and power electronics for mobility

(Source: https://www.ibef.org/industry/electronics-system-design-manufacturing-esdm)

Advantages in India

1. Attractive Opportunities

a) India is committed to reach US$ 300 billion worth of electronics manufacturing and exports of US$ 120 billion by 2025-26.
b) Addressable market for domestic OEMs is projected to be >Rs. 10 lakh crore (US$ 131.99 billion) by 2025.

c) In March 2024, Prime Minister Mr. Narendra Modi has laid the foundation stone for three semiconductor plants, with a total investment exceeding Rs. 1.25 lakh crore (US$ 15.02 billion), positioning India to become a global semiconductor hub.
d) AI is expected to add US$ 967 billion to Indian economy by 2035 and US$ 450-500 billion to India's GDP by 2025, accounting for 10% of the country's US$ 5 trillion GDP target.
e) In March 2023, the Government approved setting up of the Electronics Manufacturing Cluster (EMC) at Hubli-Dharwad in Karnataka, worth Rs. 180 crore (US$ 22 million) and is expected to create about 18,000 jobs.

2. Robust Demand

a) In 2023, India became Second-largest manufacturer of mobile phones in the world.
b) India will be the fifth-largest consumers of electronic products by 2025.
c) India has strong design and R&D capabilities in auto electronics and industrial economics.
d) In FY24, the exports of electronic goods were recorded at US$ 29.11 billion as compared to US$ 23.57 billion duringFY23, registering a growth of 23%.

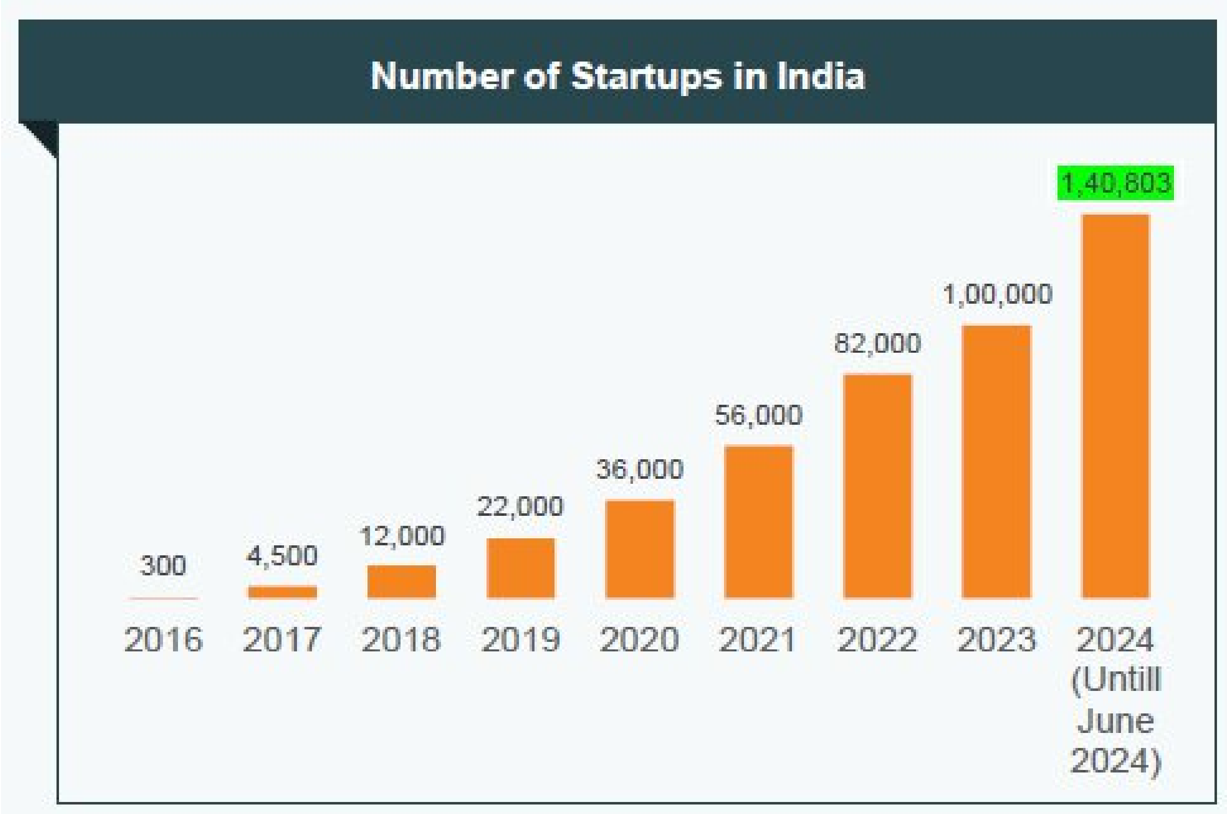
3. Policy Support

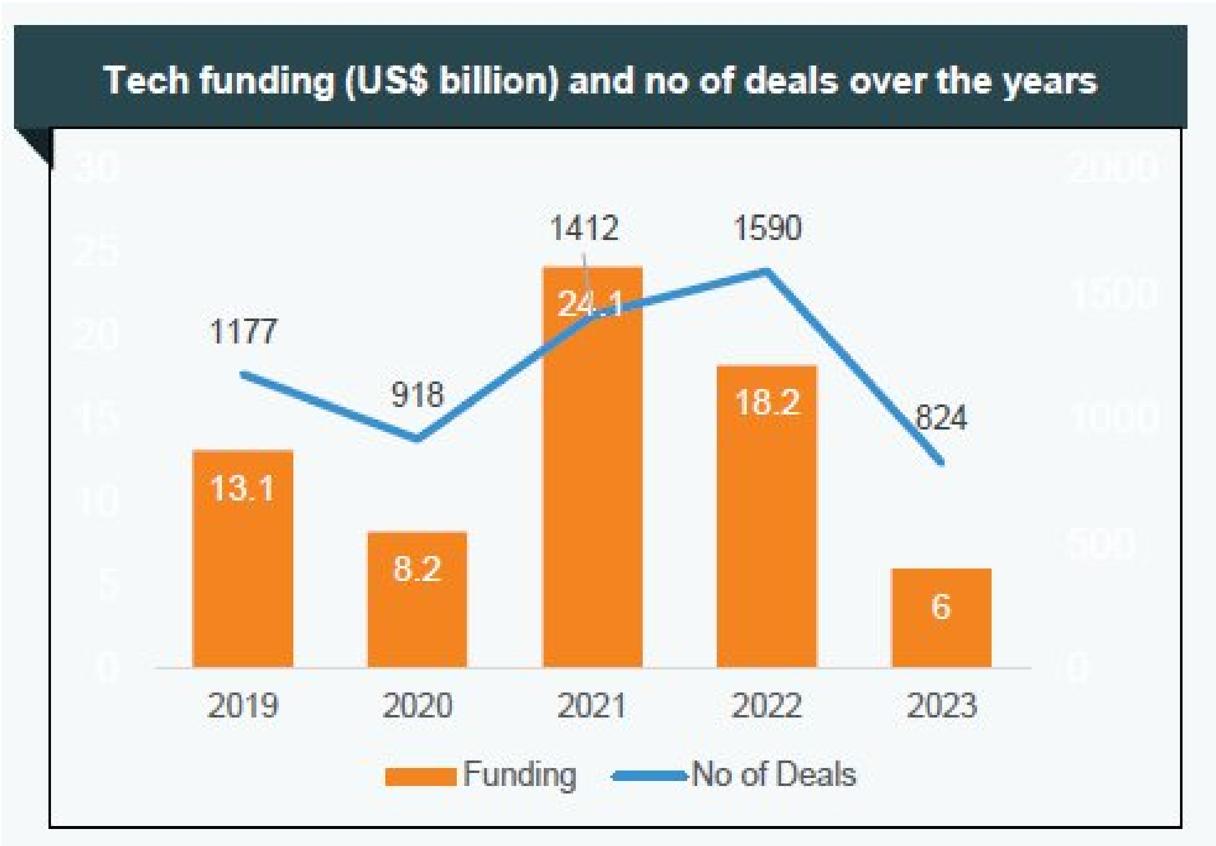
a) The production-linked incentive (PLI) schemes will provide companies opportunities to establish manufacturing plants in India.
b) 100% FDI is allowed under the automatic route. In case of electronics items for defence, FDI up to 49% is allowed under
c) automatic route and beyond 49%, government approval is required.
d) The Digital India Program has been transforming the country into a digitally empowered society and knowledge economy since its launch in July 2015.
e) The Indian government's National Policy on Electronics (NPE 2019) aims to facilitate a turnover of US$ 400 billion in domestic manufacturing by 2025.

Policies regarding EDSM sector are discussed further in detail in this chapter.

4. The third-largest start-up ecosystem

- The Indian startup ecosystem is experiencing a surge over the years, due to rapid technological advancements, increasing internet penetration, growing digital infrastructure, rising startup culture, government initiatives like Digital India, Make in India, and Startup India, as well as a large pool of skilled workforce.
- Indian tech startups secured US$ 4.1 billion in the first half of 2024, marking a 4% rise from the US$ 3.96 billion raised in the second half of 2023.
- India has witnessed an exceptional surge in the creation and funding of startups as the country has solidified its position as a major global centre for innovation and businesses. However, securing adequate funding remains a significant task for startups, often leading to survival challenges.
- In 2023, the funding scenario for tech startups turned bleak amid the global uncertainty, witnessing a 67% YoY plunge in total funding to US$ 6.0 billion. This decline came after the peak funding levels observed in 2021 (US$ 24.1 billion) and 2022 (US$ 18.2 billion), where investors displayed confidence in Indian tech startups. In 2023, the number of deals declined to 824 However, the decline appears to be cyclical than a long-term trend.





Investments/ Developments

Investment of Rs. 8,803 crore (US$ 1.06 billion) has been made under the scheme for promotion of manufacturing of electronic components and semiconductors.

The PLI scheme for large-scale electronics manufacturing has attracted an incremental investment of Rs. 8,390 crore (US$ 1.01 billion) in June 2024.

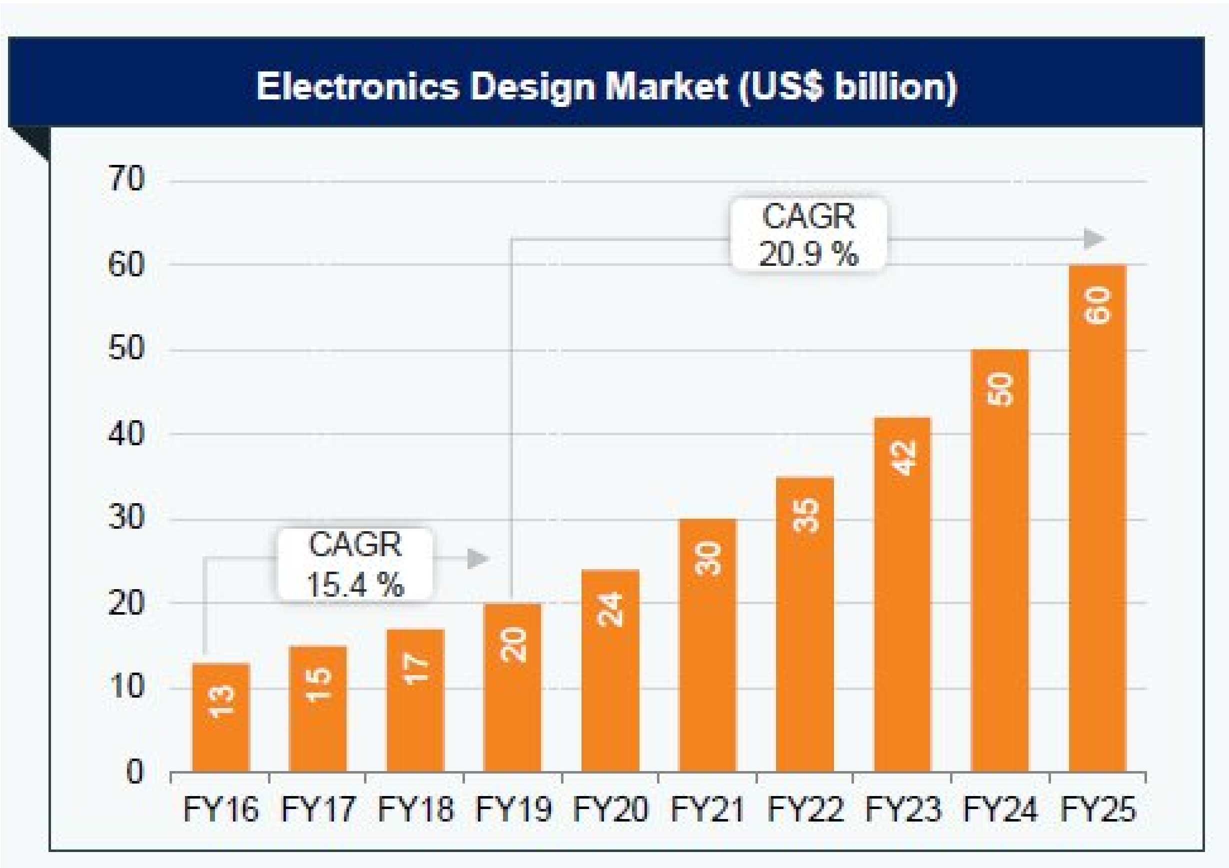
The Ministry of Electronics and Information Technology has supported over 3,600 tech startups with a total fund disbursement of Rs. 212 crore (US$ 25.5 million).

India has made substantial cuts to import duties on mobile phones to enhance exports. In the last financial year, mobile phone exports reached Rs 1.2 lakh crore (US$ 14.4 billion), and this upward trend is expected to persist.

India emerged as the second-largest manufacturer of mobile phones in the world, with a production value of mobile devices reaching US$ 49.16 billion in 2024.

Prime Minister Mr. Narendra Modi participated in the event named India's Techane: Chips for Viksit Bharat and laid the foundation stone for three semiconductor projects valued at Rs. 1.25 lakh crore (US$ 14.97 billion) on 13th March 2024.

Major Government initiatives such as ‘Digital India’, ‘Make in India’ and supportive policies including a favourable FDI Policy for electronics manufacturing have simplified the process of setting up manufacturing units in India.



Post-COVID, the Government of India aims to increase India’s contribution by around US$ 400 billion worth of electronics goods including exports worth US$ 120 billion, which would account for 9-10% of the overall global value chains, from the current supply potential of 1-2%.

Union Budget 2023-24 has allocated Rs. 16,549 crore (US$ 2 billion) for the Ministry of Electronics and Information Technology, which is nearly 40% higher on year. The budget for FY23 had allocated Rs. 14,300 crore (US$ 1.73 billion) for the IT ministry.

The Indian startup ecosystem is experiencing a surge over the years, due to rapid technological advancements, increasing internet penetration, growing digital infrastructure, rising startup culture, government initiatives like Digital India, Make in India, and Startup India, as well as a large pool of skilled workforce.

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STPI Signs MoUs to strengthen tech startup ecosystem: AIC STPINEXT Initiatives (STPINEXT), a special purpose vehicle of Software Technology Parks of India (STPI), an organisation under the Ministry of Electronics and Information Technology (MeitY) has signed two memorandums of understanding (MoUs), one with HDFC Bank, and another with Excel point Systems India Pvt .Ltd., a niche technology player for fostering entrepreneurship and nurturing tech startups in the country. These partners would play a critical role in supporting and handholding the startups in the growth journey through technical guidance & assistance, mentoring, pitching to investors, funding support, and market connect & access etc.

Some of the investments/ developments in the Electronics System Design & Manufacturing (ESDM) sector in the recent past are as follows:

- As of November 2023, applications of 27 IT hardware mobile phones manufacturers have been approved for Production Linked Incentive scheme (PLI).
- In March 2024, the Cabinet approved a massive Rs. 1.26 trillion (US$ 15.2 billion) investment in three semiconductor plants, signifying India's technological progress.
- India and Taiwan plan a US$ 7.5 billion chip plant deal, potentially boosting India’s semiconductor manufacturing with anticipated tariff reductions on components.
- Production-linked scheme (PLI) for large-scale electronics manufacturing (including mobiles) has seen investments worth Rs. 6,887 crore (US$ 833 million) (till June 2023), already surpassing the target for FY24 which was Rs. 5,488 crore (US$ 664.4 million).
- In July 2023, electronics maker Elista announced that it would invest Rs. 100 crore (US$ 12.1 million) in Andhra Pradesh to set up a manufacturing unit for Smart LED TVs, smartwatches, audio speakers, and large appliances.
- US CHIP design major Advanced Micro Devices (AMD) will invest up to US$ 400 million in India over the next five years and will set up its biggest design facility in the country.
- The Index of Industrial Production of manufacturing of computer, electronic, and optical products (weight: 1.57%) was valued at 137, during FY23.
- India's electronics sector is set to harness US$ 7 billion untapped revenue by 2035 via circular business model and policy pathways, industry stakeholders said. Current commitments and targets set the projected market size for these circular models at US$ 13 billion in 2035.
- India has overtaken China as the second-largest manufacturer of mobile devices in the world, according to a report released by the international research firm Counterpoint in August. The ‘Make in India’ initiative's mobile phone shipments from India exceeded 2 billion cumulative units and an annual growth rate of 23% was recorded.
- According to a report 'India Monthly Wearable Device Tracker' by International Data Corporation (IDC), "hundreds" of" smartwatch model launches in the first half of the calendar year 2023 contributed to India's wearable market's growth of 53.3% year-over-year (YoY). The companies shipped 57.8 million units of wearables like smartwatches, earwear, and eyeglasses to the market in the first half of CY23.
- The Ministry of Electronics and IT (MeitY) announced the exchange of signing of a Memorandum of Understanding (MoU) between the Centre for Nano Science and Engineering (CeNSE) at the Indian Institute of Science (IISc), Bengaluru and Lam Research India at the SemiconIndia in Gandhinagar.
- In November 2023, Mr. Ashwini Vaishnaw, Union Minister of Communications & IT said that 99% of mobiles used in India are made in India.

- Industrial robot accessories company Robot System Products (RSP) has announced plans to set up a subsidiary in India. The Indian entity Scandinavian Robot Systems India Private Limited has been registered in Chennai and will supply a range of industrial robot accessories to Indian customers.
- India Semiconductor Mission organized a three-day SemiconIndia 2023 Conference in July 2023 with the theme 'Catalysing India's Semiconductor Ecosystem' in Gandhinagar, Gujarat. SemiconIndia 2023 witnessed the participation of industry leaders from major global companies such as Micron Technology, Applied Materials, Foxconn, Cadence and AMD, and the industry association, SEMI.
- India and Japan on July 20, 2023, signed an agreement for semiconductor design, manufacturing, equipment research, and talent development and to bring resilience to the semiconductor supply chain.
- The cumulative FDI equity inflow in the Electronics industry is US$ 4.57 billion during the period April 2000-December 2023.
- In FY23, the exports of electronic goods were recorded at US$ 23.57 billion as compared to US$ 15.66 billion during FY22, registering a growth of 50.52%.
- Exports of electronic goods stood at US$ 2.0 billion in September 2022.
- During April 2022-February 2023, the imports of electronics goods stood at US$ 70.07 billion, whereas exports stood at US$ 20.69 billion.
- A nine-member task force was constituted by the Ministry of Electronics and Information Technology (MeitY) in March 2023 with the primary goal of making India a 'product developer and manufacturing nation', as per a report. The members of the task force are some of the veterans from the Indian electronic industry, including HCL Founder Mr. Ajay Chowdhary, Lava International Chairman Mr. Hari Om Rai, and Boat Lifestyle Co-Founder Mr. Aman Gupta, among others.
- In March 2023, the Government approved the setting up of the Electronics Manufacturing Cluster (EMC) at Hubli-Dharwad in Karnataka, worth US$ 22 million (Rs. 180 crore) and is expected to create about 18,000 jobs.
- As global companies are leveraging the well-developed manufacturing system in the State, Tamil Nadu has emerged as one of the major electronics hardware manufacturing and exporting States in the country. The state is well positioned to achieve a US$ 100 billion ESDM industry in the next five years.
- The India Cellular and Electronics Association in February 2023 signed a memorandum of understanding with the Uttar Pradesh government to facilitate investments as the electronics manufacturing and skill hub to cater to domestic demand and exports. The government has set a target to achieve US$ 300 billion of electronics manufacturing by 2025-26, out of which US$ 75-100 billion of electronics manufacturing is expected from UP.
- Mitsubishi Electric India would invest Rs. 1,891 crore (US$ 230.9 million) to build an air conditioner and compressor factory in Tamil Nadu. This facility will generate over 2,000 jobs, 60% of which will be held by women.
- Vedanta Group signed memorandums of understanding (MoUs) with 20 Korean companies from the display glass industry for the development of an electronics manufacturing hub in India. The MoUs were signed at the 'Korea Biz-Trade Show 2023' event organised by KOTRA, in collaboration with Korea's Ministry of Trade, Industry, and Energy.
- In November 2022, Voltas entered into a technology license agreement with Denmark's Vestfrost Solutions to develop, manufacture, sell and service medical refrigeration and vaccine storage equipment including ice-lined refrigerators, vaccine freezers and ultra-low temperature freezers to the Indian market.
- Voltas announced plans of Rs. 400 crore (US$ 50.10 million) capex under the PLI scheme to manufacture components for white goods in May 2022.
- In March 2022, Reliance announced that it would invest US$ 220 million in a joint venture with Sanmina Corp, a US-listed company for making electronic products in Asian countries.

- According to sources, Apple Inc. 2021 manufactures 70% of mobile phones sold in India, a sharp increase from 30% recorded two years ago. This is a significant push towards the "Make in India" initiative, following the government's Production-linked Incentive (PLI) plan, which began in FY21.
- In September 2021, tech giant Lenovo announced plans to ramp up manufacturing capabilities in India across various product categories, such as PCs, notebooks, and smartphones, due to rising consumer demand. However, details of the investment were not disclosed.
- In September 2021, PG Electroplast, a contract manufacturer of electronic goods, announced that it had applied for a PLI scheme and pledged to invest Rs. 300 crore (US$ 40.47 million) towards the production of air conditioner components.
- Intel has invested over US$ 7 billion in design and R&D facilities in the country to date.
- As of March 03, 2021, 19 companies have filed for the production-linked incentive (PLI) scheme for IT Hardware. The scheme was open for applications until April 30, 2021; its incentives will be available from April 01, 2021. Over the next four years, the scheme is expected to lead to total production of ~Rs. 160,000 crore (US$ 21.88 billion). Of the total production, IT hardware companies have proposed production of >Rs. 135,000 crore (US$ 18.46 billion); and domestic companies have proposed production of >Rs. 25,000 crore (US$ 3.42 billion).
- The government has set a target to get ~Rs. 18,000 crore (US$ 2.4 billion) investments in the electronics manufacturing segment by 2021-22.
- On February 16, 2021, Amazon announced that it will commence manufacturing electronics products from India with Cloud Network Technology, a subsidiary of Foxconn in Chennai, later in the year. The device manufacturing programme will be able to produce 'Fire TV Stick' devices in large quantities every year, catering to the demands of customers in India.

(Source: https://www.ibef.org/industry/electronics-system-design-manufacturing-esdm)

Skill development in ESDM sector

1. Electronics Sector Skills Council of India

- Electronics Sector Skills Council of India (ESSCI) aims to facilitate a world-class ecosystem for developing a future ready workforce in the Electronics System Design & Manufacturing Sector. Its mission is to become a global leader in skill development in Electronics by aligning to the product lifecycle - Design, Manufacturing & Service through blended Skilling, R&D, Innovation & adoption of state-of-the-art technologies to reach masses and lead to the growth of the ESDM sector.

2. India Electronics and Semiconductor Association

- India Electronics and Semiconductor Association (IESA) aims to grow the ESDM and electronics business segment in India and make India the preferred destination for electronics and semiconductor design and manufacturing.
- India Electronics and Semiconductor Association (IESA) acts as a trusted knowledge partner to the Central & State Governments helping device policies and incentives for the ESDM industry to help attract investments into India. In order to promote technology solutions to positively impact the lives of 1.3 billion Indian citizens is a key aim for IESA, which it achieves by bridging the gap between academia and industry to bring innovations faster to market.

3. National Institute of Electronics & Information Technology, Ajmer

- The Government of India launched the 'Scheme for financial assistance to select states for skill development in ESDM sector' in November 2013. The scheme was aimed at enhancing the skilling capacities in ESDM Sector through public and private sector for students/unemployed youth belonging to other disciplines.

Trends and opportunities:

Local Manufacturing Of Laptops, Tablets, Smart Phones

- The Index of Industrial Production of manufacturing was valued at 155.1, in March 2024.

▪ By 2025, these initiatives would have a potential production value of US$ 100 billion and will also generate five lakh additional job opportunities.

▪ India's growing mobile phone manufacturing industry, fuelled by the Make in India initiative, is set to generate 150,000 to 250,000 jobs in the next 12-16 months.

Growing Domestic Handset Manufacturing Market

▪ India's export of electronic goods rose tremendously to reach US$ 29.11 billion in FY24 with a growth of 23.5% YoY. Mobile phones, IT hardware (laptops, tablets), consumer electronics (TV and audio), industrial electronics and auto electronics are key exports in this sector.

▪ Electronic goods exports clocked US$ 25.3 billion in FY23, rising a stunning 49% since 2021-22.

▪ The increasing domestic demand for handset manufacturing and government support policies have led India to build on its smartphone manufacturing capabilities. By 2025, it is estimated that the addressable market for OEMs (original equipment manufacturers) would reach ~Rs. 10–11 lakh crore (US$ 140–150 billion).

Establishing Quantum Computing Applications Lab

▪ To accelerate quantum computing-led research & development and enable new scientific discoveries, the Ministry of Electronics, and Information Technology (MeitY), in collaboration with Amazon Web Services (AWS), will establish a quantum computing applications lab in the country.

▪ The MeitY quantum computing applications lab will provide quantum computing as a service to government ministries and departments, researchers, scientists, academia, and developers, to enable advances in areas such as manufacturing, healthcare, agriculture, and aerospace engineering.

Previous schemes for Promotion of Electronics Manufacturing:

1. **Modified Special Incentive Package Scheme (MSIPS)**

Introduced in 2012 to offset disability and attract investments in electronics manufacturing, the scheme provided a capital subsidy of 20% in Special Economic Zones (SEZs) and 25% in Domestic Tariff Area (DTA). Reimbursement of central taxes and duties is provided for some high capital investment projects like semiconductors, conductor fabrication plants. Over 400 applications have been received under MSIPS with proposed investments of over $15 Bn. MSIPS expired on December 2018.

▪ 235 applications with about Rs. 66,407 crore (US$ 8.07 billion) proposed investment have been approved.

▪ 31 applications with about Rs. 13,072 crore (US$ 1.58 billion) proposed investment have been recommended by the Appraisal Committee for approval.

▪ 141 applications with Rs. 30,289 crore (US$ 3.66 billion) proposed investment are under appraisal process.

2. **Electronics Manufacturing Clusters (EMC) Scheme**

Introduced in 2012, the scheme was intended to develop basic infrastructure, amenities, and other common facilities for ESDM units. 23 projects across 15 states -- 20 greenfield EMCs and 3 Common Facility Centres (CFCs) were approved under the EMC Scheme, and 3,561 acres of fully developed land has been made available as a result. Building on EMC's success, the Modified Electronics Manufacturing Clusters Scheme (EMC 2.0) has been introduced to further strengthen the infrastructural base for electronics manufacturing in India.

New Schemes for Promotion of Electronics Manufacturing

In order to position India as a global hub for ESDM and push further the vision of the National Policy on Electronics (NPE) 2019, three schemes namely the Production Linked Incentive Scheme (PLI), Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (SPECS) and Modified Electronics Manufacturing Clusters Scheme (EMC 2.0) were notified by the government on April 1, 2020

1. **Production Linked Incentive Scheme (PLI)**

The Production Linked Incentive Scheme (PLI) for large scale electronics manufacturing proposes a financial incentive to boost domestic manufacturing and attract large investments in the electronics value chain including mobile phones and specified electronic components. PLI scheme for large scale electronics manufacturing launched by Ministry of Electronics and Information Technology (MeitY) in April 2020 has been extended from existing five years band (FY21-FY25) to six years (FY21-FY26).

For growth industries, such as consumer electronics, electric vehicles and renewable energy, ACC battery production represents one of the biggest economic opportunities. PLI scheme for the ACC battery would allow key domestic and international players to set up a competitive ACC battery plants in the region.

PLI offers a production linked incentive to boost domestic manufacturing and attract large investments in mobile phone manufacturing and specified electronic components, including Assembly, Testing, Marking and Packaging (ATMP) of units.

- Incentive: 4-6% on incremental sales (over base year) of goods manufactured in India; incentives up to US$ 5 billion will be awarded over a period of five years.
- Eligibility: Subject to thresholds of incremental investments and incremental sales of manufactured goods

2. Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (SPECS)

Aims to strengthen the manufacturing ecosystem for electronic components and semiconductors to help meet domestic demand, increase value addition, and promote employment opportunities in this sector. Incentives of up to $434 million will be awarded under the scheme over a period of 8 years.

Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (SPECS) notified vide Gazette Notification dated April 01, 2020 provides financial incentive of 25% on capital expenditure for the identified list of electronic goods that comprise downstream value chain of electronic products, i.e., electronic components, semiconductor / display fabrication units, ATMP units, specialized sub-assemblies and capital goods for manufacture of aforesaid goods.

Through this scheme, Government of India aims to make India a significant design and manufacturing hub in Global Value chain for Electronics as part of its Atmanirbhar Bharat Economic policies.

3. Modified Electronics Manufacturing Clusters Scheme (EMC 2.0)

The scheme seeks to strengthen the infrastructure base for the electronics industry and deepen the electronics value chain in India. The development of industry-specific facilities like CFCs, ready built factory sheds/plug and play facilities will not only strengthen supply chain responsiveness and promote the consolidation of suppliers but also decrease time-to-market and lower logistics costs. EMC 2.0, therefore, provides financial incentives for creating quality infrastructure as well as common facilities and amenities for electronics manufacturers. Financial Incentives of up to $497 million will be disbursed over a period of 8 years.

4. National Policy on Electronics 2019 (NPE 2019)

▪ The National Policy on Electronics 2019 (NPE 2019) has been notified by Ministry of Electronics and Information Technology (MeitY).

▪ The vision of NPE 2019 is to position India as a global hub for Electronics System Design and Manufacturing (ESDM) by encouraging and driving capabilities in the country for developing core components, including chipsets, and creating an enabling environment for the industry to compete globally.

5. Design Linked Incentive (DLI) Scheme

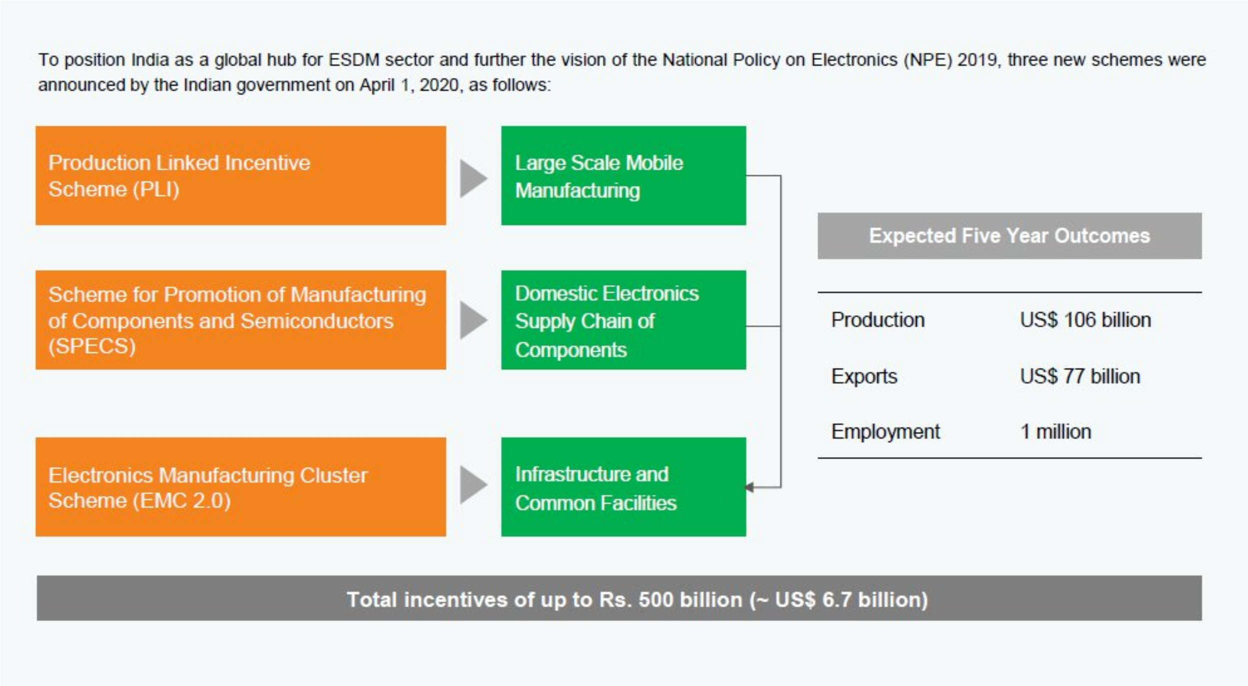
▪ The scheme offers financial incentives, design infrastructure support across various stages of development and deployment of semiconductor design for Integrated Circuits (ICs), Chipsets, System on Chips (SoCs), Systems & IP Cores and semiconductor linked design.

▪ The scheme provides "Product Design Linked Incentive" of up to 50% of the eligible expenditure subject to a ceiling of Rs. 15 crore (US$ 1.8 million) per application and "Deployment Linked Incentive" of 6% to 4% of net sales turnover over five years subject to a ceiling of Rs.30 crore (US$ 3.6 million) per application.

6. **Electronics Development Fund (EDF)**

▪ Electronics Development Fund (EDF) has been set up as a "Fund of Funds" to participate in professionally managed "Daughter Funds" which in turn will provide risk capital to startups and companies developing new technologies in the area of electronics and Information Technology (IT).

▪ This fund is expected to foster R&D and innovation in these technology sectors.



Road Ahead

Local electronics design and production are being positively influenced by ongoing domestic consumption, changing dynamics in the global supply chain, and a plethora of policy initiatives to assist indigenous manufacturing in the current period is most advantageous. The smooth implementation of new initiatives and the reversal of restrictive laws will go a long way toward boosting international business confidence in India's business environment and attracting manufacturing investments.

In India, Sony, Samsung, LG Electronics, Panasonic, and other companies are the market leaders in the ESDM sector. Government efforts are concentrated on bridging the digital gap. Projects like "Digital India," "Smart Cities," "ePanchayats," "National Optical Fiber Network," etc. enhanced consumer demand for electronic goods around the nation. India's middle class is rapidly expanding, which has improved the affordability of electronics products. The demand for electronic goods has increased as consumers' preferences for products and devices with smart technology (like smart LED TVs) and inventive designs have changed and disposable incomes have increased. Continuous rise in personal disposable income in India increased to reach 2,410 in FY23, which is directly correlated with consumers' desire to spend money on electronics.

Fuelled by strong policy support, huge investments by public and private stakeholders and a spike in demand for electronic products, the ESDM sector in India has bright prospects ahead of it and is predicted to reach US$ 220 billion by 2025, expanding at 16.1% CAGR between 2019-2025.

References: Media reports, Ministry of Electronics, and Information Technology (MeitY), Make in India, Invest India, Union Budget 2022-23, Union Budget 2023-24, Press Information Bureau, News Articles

(Source: https://www.ibef.org/industry/electronics-system-design-manufacturing-esdm)

OUR MANAGEMENT

Board of Directors

The Articles of Association require that unless otherwise determined by Company in general meeting, Board shall comprise of not less than three Directors and not more than 14 (fourteen) Directors.

Our Company is in compliance with the corporate governance laws prescribed under the SEBI Listing Regulations and the Companies Act, 2013 in relation to the composition of our Board and constitution of committees thereof.

The following table provides details regarding the Board of Directors of our Company as of the date of this Draft Letter of Offer:

Sr. No.	Details of Directors		Other Directorships/ Designated Partners
1.	**Name**	Gulu Lalchand Mirchandani	Companies: • Olmo Capital Limited • Theremin Ai Solutions Private Limited • Adino Research Foundation • Mumbai Angel Venture Mentors • Gulita Securities Limited • Adino Research Foundation
	Designation	Chairman & Managing Director	
	DIN	00026664	
	Father's Name	Lalchand Mirchandani	
	Address:	131, Tahnee Heights, D Block, 13th Floor, Nepeansea Road, Near Bank of India, Malabar Hill, Mumbai 400 006	
	Date of Birth:	June 12, 1943	
	Age:	81 Years	
	Occupation:	Business	
	Date of Appointment:	January 1, 1981	
	Tenure of Association:	3 Years	
	Nationality:	Indian	
2.	**Name**	Vijay Jaikrishan Mansukhani	Companies: • Adino Tele Services Limited • Adino Research Foundation • Akman Dquay Securities Private Limited LLPs: *Nil*
	Designation	Managing Director	
	DIN	1041809	
	Father's Name	Jaikrishin Mansukhani	
	Address:	Flat No.C-11, Seaface Park,50 Warden Road, Opp Benzer Breach Candy, Mumbai 400026	
	Date of Birth:	21 June, 1949	
	Age:	75	
	Occupation:	Business	
	Date of Appointment:	1 January, 1981	
	Tenure of Association:	3 Years	
	Nationality:	Indian	
3.	**Name**	Kaval Gulu Mirchandani	*Companies:* • MSL Driveline Systems Limited • IWAI Electronics Pvt Ltd • Gulita Wealth Advisors Private Limited • OLMO Capital Limited • Gulita Securities Limited LLP:
	Designation	Whole Time Director	
	DIN	1179978	
	Father's Name	Gulu Mirchandani	
	Address:	161, Tahnee Heights, D Block, 16th Floor, Nepean sea Road, Near Bank of India, Malabar Hill, Mumbai 400 006	
	Date of Birth:	11 June, 1975	
	Age:	49 Years	

<table>
<tr><td rowspan="4"></td><td>Occupation:</td><td>Business</td><td rowspan="4">• Nil</td></tr>
<tr><td>Date of Appointment:</td><td>26 May, 2016</td></tr>
<tr><td>Tenure of Association:</td><td>3 Years</td></tr>
<tr><td>Nationality:</td><td>Indian</td></tr>
<tr><td rowspan="11">4.</td><td>Name</td><td>Shirish Mohanbhai Suvagia</td><td rowspan="11">Companies:
• Nil

LLPs:
• Nil</td></tr>
<tr><td>designation</td><td>Non- Promoter Executive Director</td></tr>
<tr><td>DIN</td><td>10095690</td></tr>
<tr><td>Father's Name</td><td>Mohanbhai Suvagia</td></tr>
<tr><td>Address:</td><td>Onida House, G-1, MIDC, Mahakali Caves Road, Andheri (East), Chakala MIDC, Mumbai, Maharashtra, India, 400093</td></tr>
<tr><td>Date of Birth:</td><td>23 September, 1980</td></tr>
<tr><td>Age:</td><td>44 Years</td></tr>
<tr><td>Occupation:</td><td>Service</td></tr>
<tr><td>Date of Appointment:</td><td>4 April, 2023</td></tr>
<tr><td>Tenure of Association:</td><td>3 Years</td></tr>
<tr><td>Nationality:</td><td>Indian</td></tr>
<tr><td rowspan="11">5.</td><td>Name</td><td>Arvind Rajkishore Sharma</td><td rowspan="11">Companies:
• Good Brands For A Healthy Life Private Limited
• Cheetahsoft Technologies Private Limited

• Gyan Shala Foundation
LLPs:
• IVALLEY IretaiL LLP
IVALLEY Techventures LLP</td></tr>
<tr><td>Designation</td><td>Non-Executive Independent Director</td></tr>
<tr><td>DIN</td><td>1229072</td></tr>
<tr><td>Father's Name</td><td>Rajkishore Sharma</td></tr>
<tr><td>Address:</td><td>B 902-903 Ashok Gardens, Tower 1, TJ Marg, Sewri, Mumbai 400 015</td></tr>
<tr><td>Date of Birth:</td><td>10 June, 1956</td></tr>
<tr><td>Age:</td><td>68 Years</td></tr>
<tr><td>Occupation:</td><td>Professional</td></tr>
<tr><td>Date of Appointment:</td><td>14 November,2016</td></tr>
<tr><td>Tenure of Association:</td><td>5 Years</td></tr>
<tr><td>Nationality:</td><td>Indian</td></tr>
<tr><td rowspan="11">6.</td><td>Name</td><td>Mohita Arora</td><td rowspan="11">Companies:
• Nil

LLP:
• Nil</td></tr>
<tr><td>Designation</td><td>Non- Executive Independent Director</td></tr>
<tr><td>DIN</td><td>8771417</td></tr>
<tr><td>Father's Name</td><td>Kulwantsingh Arora</td></tr>
<tr><td>Address:</td><td>C-84, Cozihom, Pali Hill, Bandra (W), Mumbai – 400050, Maharashtra</td></tr>
<tr><td>Date of Birth:</td><td>25 August, 1967</td></tr>
<tr><td>Age:</td><td>57</td></tr>
<tr><td>Occupation:</td><td>Consultant</td></tr>
<tr><td>Date of Appointment:</td><td>26 June, 2020</td></tr>
<tr><td>Tenure of Association:</td><td>5 Years</td></tr>
<tr><td>Nationality:</td><td>Indian</td></tr>
<tr><td rowspan="4">7.</td><td>Name</td><td>Nandini Anjani Kumar Mansinghka</td><td rowspan="4">Companies:
• Digibooster Mediatech Private Limited
• Jaldi5 Media Private Limited</td></tr>
<tr><td>Designation</td><td>Non-Executive Independent Director</td></tr>
<tr><td>DIN</td><td>3570647</td></tr>
<tr><td>Father's Name</td><td>Anjani Kumar Mansinghka</td></tr>
</table>

	Address:	A-83, Ashiana, St. John Baptist Road, Near Mount Mary Church Steps, Bandra West, Mumbai- 400050	• MAVM Angels Network Private Limited LLP: • Proventus Collaborators LLP • IDYA Productions LLP
	Date of Birth:	13 February, 1973	
	Age:	51 Years	
	Occupation:	Professional	
	Date of Appointment:	2 November, 2023	
	Tenure of Association:	5 Years	
	Nationality:	Indian	
8.	**Name**	Milind Chandrakant Pokle	Companies*:* • *Nil* LLP: • *Nil* •
	Designation	Non-Executive Independent Director	
	DIN	10764304	
	Father's Name	Chandrakant Pokle	
	Address:	501, Elizabeth House, Near Portuguese Church, Gokhale Road, Dadar (West), Mumbai: -400028	
	Date of Birth:	8 June, 1967	
	Age:	57 Years	
	Occupation:	Professional	
	Date of Appointment:	2 September, 2024	
	Tenure of Association:	5 Years	
	Nationality:	Indian	

Confirmations:

i. There are no service contracts entered into by the Directors with our Company providing for benefits upon termination of employment.

ii. Neither Company nor our Directors are declared as fugitive economic offenders as defined in Regulation 2(1)(p) of the SEBI ICDR Regulations, and have not been declared as a 'fugitive economic offender' under Section 12 of the Fugitive Economic Offenders Act, 2018.

iii. None of the Directors of our Company have held or currently hold directorship in any listed company whose shares have been or were suspended from being traded on any of the stock exchanges in the five years preceding the date of filing of this Draft Letter of Offer, during the term of his/ her directorship in such company.

iv. None of our Directors of our Company are or were associated in the capacity of a director with any listed company which has been delisted from any stock exchange(s) at any time in the past ten years.

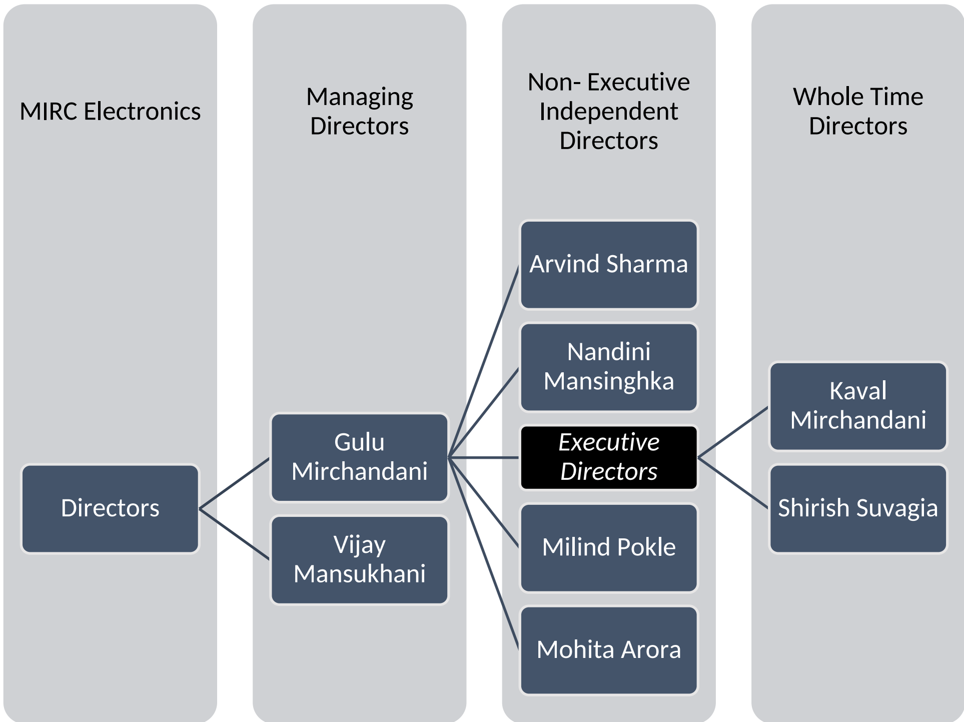
v. None of our Directors have been debarred from accessing capital markets by the Securities and Exchange Board of India. Additionally, none of our directors are or were, associated with any other company which is debarred from accessing the capital market by the Securities and Exchange Board of India.

vi. None of our Directors have been identified as a wilful defaulter, as defined in the SEBI Regulations and there are no violations of securities laws committed by them in the past and no prosecution or other proceedings for any such alleged violation are pending against them.

vii. None of Directors are currently, or have been in the past five years, on the board of directors of a listed company whose shares have been or were suspended from being traded on the Stock Exchange.

viii. None of our Directors is or was, in the past ten years, a director of any listed company which has been or was delisted from any stock exchange in India during the term of their directorship in such company.

Management Organization Structure



Corporate Governance

The provisions of the SEBI Listing Regulations and the Companies Act with respect to corporate governance are applicable to us. We are in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations, Companies Act and the SEBI ICDR Regulations, in respect of corporate governance including constitution of our Board and Committees thereof. Our corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

Our Board undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI Listing Regulations and the Companies Act. Our Board functions either directly, or through various committees constituted to oversee specific operational areas.

Committees of our Board

Our Board has constituted following committees in accordance with the requirements of the Companies Act and SEBI Listing Regulations:

i. Audit Committees
ii. Nomination and Remuneration Committee

iii. Stakeholders' Relationship Committee
iv. Corporate Social Responsibility (CSR) Committee
v. Risk Management Committee

Details of each of these committees are as follows:

Audit Committee:

The composition, role and powers of the Audit Committee meet the requirements of Part C of Schedule II with reference to the Regulation 18 of the SEBI (LODR) Regulations, 2015 and Section 177 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014.

Sr No.	Name	Designation	Position in Committee
1.	Mr. Arvind Sharma	Non-Executive Independent Director	Chairman
2.	Ms. Nandini Mansinghka.	Non-Executive Independent Director	Member
3.	Mr. Milind Pokle	Non-Executive Independent Director	Member
4.	Ms. Mohita Arora	Non-Executive Independent Director	Member

The Company Secretary acts as the Secretary to the Audit Committee.

Role of Audit Committee:

The role of the Audit Committee includes the following:

1. Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient, and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
    a. matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
    b. changes, if any, in accounting policies and practices and reasons for the same;
    c. major accounting entries involving estimates based on the exercise of judgment by the management;
    d. significant adjustments made in the financial statements and information arising out of audit findings;
    e. compliance with listing and other legal requirements relating to financial statements;
    f. disclosure of any related party transactions;
    g. modified opinions on the draft audit report.
5. Reviewing with the management, the quarterly financial statements before submission to the Board for its approval;
6. Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems
12. Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of Chief Financial Officer (CFO) (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
21. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
22. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.

Nomination and Remuneration Committee:

The composition, role and powers of the Nomination and Remuneration Committee meet the requirements of Part D of Schedule II with reference to Regulation 19 of the SEBI (LODR) Regulations, 2015 and Section 178 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014.

Sr No.	Name	Designation	Position in Committee
1.	Ms. Mohita Arora	Non-Executive Independent Director	Chairperson
2.	Ms. Nandini Mansinghka	Non-Executive Independent Director	Member
3.	Mr. Milind Pokle	Non-Executive Independent Director	Member

Powers of Nomination and Remuneration Committee

The Nomination and Remuneration Committee deals with all elements of the remuneration package of all the directors including but not restricted to the following:

- To review, assess and recommend the appointment and remuneration of executive directors.
- To review the remuneration packages payable to executive directors periodically and recommend suitable revision/ increments, whenever required to the Board of Directors of the Company.
- To recommend the commission payable to the non-executive director(s) in accordance with and up to the limits laid down under the Companies Act, 2013.
- To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down under 'Policy on Remuneration of Directors, Key Managerial Personnel and other Senior Management Employees.'
- To recommend to the Board the appointment and removal of the director and shall carry out evaluation of every director performance.
- To formulate criteria for determining qualifications, positive attributes and independence of the director.
- To recommend to the Board a 'policy' relating to the remuneration of directors, key managerial personnel and other employees.
- To devise a policy on Board diversity.
- To carry out such other functions as delegated by the Board from time to time.
- To recommend to the Board, all remuneration, in whatever form, payable to the senior management.

Stakeholders Relationship Committee:

As at March 31, 2024, the Stakeholders Relationship Committee consists of the following members:

Sr No.	Name	Designation	Position in Committee
1.	Mr. Gulu Mirchandani	Managing Director, Chairman	Member
2.	Ms. Mohita Arora	Non-Executive Independent Director	Chairperson
3.	Ms. Nandini Mansinghka	Non-Executive Independent Director	Member
4.	Mr. Vijay Mansukhani	Managing Director	Member

Mr. Prasad Oak, Head – Legal, Corporate Affairs and Company Secretary acts as the Compliance Officer of the Company. The Company Secretary of the Company acts as the Secretary of the Stakeholders Relationship Committee.

Role of Stakeholders Relationship Committee

The role of the Stakeholders Relationship Committee includes the following:

1. Resolving the grievances of the security holders 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.;
2. Review of measures taken for effective exercise of voting rights by shareholders;
3. Review of adherence to the service standards adopted in respect of various services being rendered by the Registrar & Share Transfer Agent;
4. Review of the various measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders.

Corporate Social Responsibility (CSR) Committee

The statutory provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 with respect to spending in CSR activities are not applicable to the Company as on March 31, 2024. The Company has already constituted a Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Companies Act, 2013.

Sr No.	Name	Designation	Position in Committee
1.	Mr. Gulu Mirchandani	Managing Director, Chairman	Chairman
2.	Ms. Nandini Mansinghka	Non-Executive Independent Director	Member
3.	Mr. Vijay Mansukhani	Managing Director	Member

Risk Management Committee

The Company's Board of Directors has voluntarily formed a Risk Management Committee, primarily composed of Board members, to define its role and responsibilities. The Committee has developed a risk management policy for assessing and minimizing risks.

Sr No.	Name	Designation	Position in Committee
1.	Mr. Gulu Mirchandani	Managing Director, Chairman	Chairman
2.	Mr. Vijay Mansukhani	Managing Director	Member
3.	Mr. Shirish Suvagia	Whole-time Director	Member

During the year under review, the Risk Management Committee was tasked with assisting the Board in overseeing and approving the Company's enterprise-wide risk management framework. The Committee is also responsible for ensuring that all risks, including strategic, financial, credit, market, liquidity, security, property, IT, legal, regulatory, reputational, and others, are identified, assessed, and managed with adequate infrastructure in place. The Risk Management Policy was reviewed and approved by the Committee, which was formed by the Board of Directors. The Committee actively manages, monitors, and reports on principal risks and uncertainties that could impact the Company's ability to achieve its strategic objectives. Additionally, the Company has implemented improvements to integrate Enterprise Risk Management, Internal Controls Management, and Assurance Frameworks, fostering a unified approach to risk mitigation and efficient management of internal control activities.

Right Issue Committee

The Company's Board of Directors has voluntarily formed a Right Issue Committee, primarily composed of Board members, to define its role and responsibilities on September 2, 2024.

Sr No.	Name	Designation	Position in Committee
1.	Mr. Gulu Mirchandani	Managing Director, Chairman	Chairman
2.	Mr. Vijay Mansukhani	Managing Director	Member
3.	Mr. Kaval Mirchandani	President & Whole Time Director	Member
4.	Mr. Shirish Suvagia	Whole-time Director	Member

Our Key Managerial Personnel ("KMP")
In addition to our directors, whose details have been described above. Set forth below are the details of our Key Managerial Personnel as on the date of filing of this Draft Letter of Offer.

(1) Gulu Lalchand Mirchandani
Gulu Lalchand Mirchandani, aged 81 years is the Promoter, Chairman & Managing Director of our Company. He has an undergraduate degree in BE (Mechanical) from Birla Institute of Technology & Science (BITS Pilani).
For detailed information refer section named "Our Promoters" on page no. 89 of this Draft Letter of Offer.

(2) Vijay Jaikrishin Mansukhani
Vijay Jaikrishin Mansukhani, aged 75 years is the Promoter and Managing Director of our company. He is Brother-in-law of Mr. Gulu Mirchandani and Uncle of Mr. Kaval Mirchandani.
For detailed information refer section named "Our Promoters" on page no. 89of this Draft Letter of Offer.

(3) Kaval Mirchandani
Kaval Mirchandani, aged 49 years is the Promoter and Whole-time director of our company. He is son of Mr. Gulu Mirchandani and Nephew of Mr. Vijay Mansukhani.
For detailed information refer section named "Our Promoters" on page no. 89 of this Draft Letter of Offer.

(4) Shirish Suvagia
Shirish Suvagia, aged 44 years is the Whole-time director & Chief Financial Officer of our company. He is a Chartered Accountant with a Post Graduate Diploma in Management, for senior executives from IIM Indore, and holds M. Com and B. Com degrees from Mumbai University. He has extensive expertise in finance, accounting, strategic planning, risk management, and business transformation. His career spans roles in notable organizations like NSEIT, Rentokil PCI, and Datamatics Global Services, with over 22 years of experience in finance and related domains.

(5) Prasad Arun Oak
Prasad Arun Oak, aged 46 years is Company Secretary and Head of Legal, Corporate Affairs. He is Company Secretary, a fellow member of ICSI and holds a degree in Law (LLB) and Bachelors of Commerce (BCOM). At MIRC Electronics Limited, he has been an active part of corporate management since his appointment in December 2021. He has worked across various industries in his previous roles in organizations including Veritas (India) Limited, Rama Cylinders Private Limited, Aries Agro Limited and others showcasing his extensive experience in handling high-level responsibilities in Legal and Company Secretarial work. He is a highly experienced professional in corporate governance and law with around 22 years of experience.

Relationship Among Senior Management Personnel

Following Table Outlines the Relationship Among Senior Management Personnel:

Sr.no	Director	Relation with the Company	Inter–se Relation
1	Mr. Gulu Mirchandani	Promoter [CMD]	Brother-in-law of Mr. Vijay Mansukhani and father of Mr. Kaval Mirchandani
2	Mr. Vijay Mansukhani	Promoter [MD]	Brother-in-Law of Mr. Gulu Mirchandani
3	Mr. Kaval Mirchandani	Promoter Group [WTD]	Son of Mr. Gulu Mirchandani
4	Mr. Shirish Suvagia	Non-Promoter [WTD]	N.A.
5	Mr. Arvind Sharma	Independent & Non-Executive Director	N.A.

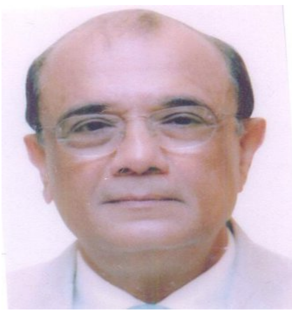
6	Ms. Mohita Arora	Independent & Non-Executive Director	N.A.
7	Ms. Nandini Mansinghka	Independent & Non-Executive Director	N.A.
8	Mrs. Marissa Mansukhani	Promoter Group	Wife of Mr. Vijay Mansukhani
9	Mrs. Gita Mirchandani	Promoter Group	Wife of Mr. Gulu Mirchandani
10	Mr. Sasha Mirchandani	Promoter Group	Son of Mr. Gulu Mirchandani

OUR PROMOTERS

Brief Description of Promoters:

<table>
<tr><th colspan="2">Mr. Gulu L. Mirchandani</th></tr>
<tr><td rowspan="5"></td><td>Mr. Gulu Mirchandani is the Co-Founder Chairman of the Onida Group. The flagship company of the Onida Group is MIRC Electronics Ltd.

Mr. Mirchandani was the Chairman & a Member of the Board of Directors of Fractal Analytics which is a renowned Company in Artificial Intelligence, Big Data, Analytics & Machine learning.

He was on the Board of KEC International Ltd. KEC International Ltd. is renowned manufacturer of electric power Transmission towers and one of the prominent Power Transmission, Engineering, Procurement and Construction Companies in the world. He also served on the Boards of many other Companies guiding them on their entrepreneurial journey. He is an alumnus of BITS Pilani and holds a degree in BE (Mechanical).</td></tr>
<tr><td>Date of Birth: June 12, 1943</td></tr>
<tr><td>Address: 131, Tahnee Heights, D Block, 13th Floor, Nepeansea Road, Near Bank of India, Malabar Hill, Mumbai 400 006</td></tr>
<tr><td>PAN: AACPM1610N</td></tr>
<tr><td>Nationality: Indian</td></tr>
<tr><th colspan="2">Mr. Vijay J. Mansukhani</th></tr>
<tr><td rowspan="5"></td><td>Mr. Vijay J. Mansukhani, aged 75 years is the Promoter and Managing Director of our Company. He holds a degree in Engineering from the College of Marine Engineering, Mumbai. He has been instrumental in steering the company towards innovation and growth. His strategic vision and technical proficiency have played a vital role in maintaining ONIDA's reputation for quality and reliability in the consumer electronics industry.</td></tr>
<tr><td>Date of Birth: June 21, 1949</td></tr>
<tr><td>Address: Flat No.C-11, Seaface Park,50 Warden Road, Opp Benzer Breach Candy, Mumbai 400026</td></tr>
<tr><td>PAN: AACPM1611P</td></tr>
<tr><td>Nationality: Indian</td></tr>
</table>

Promoters Group:

In addition to our Promoter, the following individuals, companies, partnerships and HUFs, etc. form part of our Promoter Group in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations:

A. ***Natural Persons who are Part of the Promoter Group:***

<table>
<tr><th colspan="2">Mr. Kaval G. Mirchandani</th></tr>
<tr><td></td><td>Kaval Mirchandani, is President and Executive Director at MIRC Electronics Limited. The company manufactures and markets Flat Panel Displays (LEDs) and white goods under the ONIDA brand.

He currently looks after People, Strategy, and Innovation at MIRC Electronics. He is also instrumental in the incorporation of MIRCTECH, which provides ODM and</td></tr>
</table>

	EMS solutions for customers in the consumer electronics and appliances space He has been a past President of Entrepreneur Organization (EO) Mumbai and an active member of YPO Bombay chapter. He is also on the board of MSL Driveline Systems Ltd and Gulita Securities Limited. He completed his MBA in International Management from Thunderbird, The American Graduate School of Management, Arizona, USA in 2003
	Date of Birth: June 11, 1975
	Address: 163, Tahnee Heights, D Block, 16th Floor, Nepeansea Road, Near Bank of India, Malabar Hill, Mumbai 400 006
	PAN: AACPM1609H
	Nationality: Indian
Mrs. Gita G. Mirchandani	
	Mrs. Gita G. Mirchandani, aged 77 years, is a Promoter of our Company. Mrs. Gita Mirchandani worked at the Onida Factory at Wada and at the IWAI Speaker Factory at Vasai. She started 2 convalescent homes for cancer patients with a group of Lionesses. She was also the Chairman of NSRCF for 21 years and has done a lot of good work for the poor and underprivileged in her Ward. She was a Mentor/Trainer for YPO and WPO Forums. She completed her graduation from the University of Bombay.
	Date of Birth: December 6, 1947
	Address: 131, Tahnee Heights, D Block, 13th Floor, Nepeansea Road, Near Bank of India, Malabar Hill, Mumbai 400 006
	PAN: AACPM1607K
	Nationality: Indian
Mrs. Marrissa Vijay Mansukhani	
	Mrs. Marissa Mansukhani is, aged 72 years, is promoter of our company. She has had a distinguished career, having worked at both the Onida Factory in Wada and at Adino Tele Services Limited. As an investor, she is actively involved in startups, as well as equity and capital markets. Additionally, she leads the Mansukhani Family Office. Beyond her professional achievements, Mrs. Mansukhani is deeply committed to philanthropy, having made significant contributions to the welfare of the poor and underprivileged in her local community. She holds a Bachelor of Arts degree from the University of Bombay.
	Date of Birth: August 11, 1952
	Address: C-11 Sea face Park, 50 Wardhan Road, Mumbai, 400026.
	PAN: AAHPM0784E
	Nationality: Indian
Mr. Sasha G. Mirchandani	
	Sasha Mirchandani is Founder & Managing Partner at Kae Capital and Co-founder of Mumbai Angels. Previously, he was at BlueRun Ventures as Managing Director for India. Before joining BlueRun Ventures he was CEO and Founder of Imercius Technologies. Prior to

<table>
<tr><td rowspan="5"></td><td>that he was at MIRC Electronics (Onida) where he was Head of Corporate Affairs and new business. Sasha sits on the Boards of Nazara Technologies Limited, Fractal Analytics, Healthkart, YPO Gold Mumbai Chapter among others. He is a Charter Member at TiE Mumbai and was inducted into their 2019 Hall of Fame as an Outstanding Angel Investor. He is also a past President of Entrepreneurs Organisation (EO) Mumbai. His investments include Zetwerk, Porter, Fractal Analytics, InMobi, Myntra, Tata 1Mg, Healthkart etc. Previously he served on the Boards of Zee Entertainment, Hathway Cable and Datacom Limited, Myntra, Tata 1Mg, Ador Welding Limited among others. He completed his Business Administration from Strayer University and did his MMDP at IIM Ahmedabad.</td></tr>
<tr><td>Date of Birth: February 26, 1972</td></tr>
<tr><td>Address:162 Tahnee Heights, D Block, 16th Floor, Nepeansea Road, Near Bank of India, Malabar Hill, Mumbai 400 006</td></tr>
<tr><td>PAN: AACPM1608G</td></tr>
<tr><td>Nationality: Indian</td></tr>
</table>

B. Trust/Companies / Corporate Entities Forming Part of the Promoter Group

Sr. No.	Name
1.	Gulita Securities Limited
2.	IIFL Investment Adviser & Trustee Services Ltd in the capacity of Trustee of 'Tamarind Family Private Trust'
3.	Adino Electronics Ltd
4.	Gulu Lalchand Mirchandani in the capacity of Trustee of 'GLM Family Trust'

Confirmations:

(1) None of our Promoter has been declared as wilful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past or are currently pending against them.

(2) Our Promoter has not been declared as a Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.

(3) None of our Promoter or Promoter Group entities have been debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority. Our Promoter and members of the Promoter Group are not and have never been promoters, directors or person in control of any other company, which is debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

(4) Except as disclosed in the chapter titled "**Outstanding Litigation and Material Developments**", there are no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last 5 (five) years preceding the date of the Issue against our Promoter.

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act.

Our Company does not have formal dividend policy. The quantum of dividend, if any, and our ability to pay dividend will depend on a number of factors, including but not limited to the capital expenditure requirements, profit earned during the financial year and profit available for distribution, working capital requirements, business expansion and growth, cost of borrowing, economic environment, capital markets, and other factors considered by our Board. Our Company may also, from time to time, pay interim dividends. We may retain all our future earnings, if any, for use in the operations and expansion of our business.

In addition, our ability to pay dividends may be impacted by a number of other factors, including restrictive covenants under our current or future loan or financing documents. Our Company may pay dividend by cheque, or electronic clearance service, as will be approved by our Board in the future. Our Board may also declare interim dividend from time to time.

SECTION VI – FINANCIAL INFORMATION

FINANCIAL STATEMENTS

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ONIDA
OWNER'S PRIDE

30th October, 2024

Ref. No. 49/2024-2025

To, The Manager - Corporate Compliance BSE Limited 25th Floor, P.J. Towers, Dalal Street, Mumbai-400 001	To, The Manager - Corporate Compliance National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai- 400 051

Ref. Scrip Code: BSE - 500279, NSE – MIRCELECTR

Sub: Outcome of Board Meeting of MIRC Electronics Limited (the "Company") held on 30th October, 2024.

Pursuant to provisions of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Unaudited financial results of the Company for the second quarter and half year ended 30th September, 2024 along with Unaudited statement of assets and liabilities as at 30th September, 2024 as reviewed by the Audit Committee and approved by the Board of Directors on their meetings held on 30th October, 2024. The Statutory Auditors have issued 'Limited Review' of the Financial Results and their report is enclosed.

The meeting of the Board of Directors commenced at 3.10 p.m. and concluded at 6.15 p.m.

You are requested to kindly take the same on record and oblige.

Thanking You.
for MIRC Electronics Limited

Prasad

Prasad Oak
Head – Legal, Corporate Affairs
& Company Secretary

Encl: - As above

Lotus Corporate Park
G-1801, CTS No.185/A
Graham Firth Compound
Western Express Highway
Goregaon (East)
Mumbai 400 063 INDIA
T +91 22 4921 4000

Independent Auditor's Review Report on the unaudited financial results of MIRC Electronics Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

Review report
To the Board of Directors
MIRC Electronics Limited

1. We have reviewed the accompanying statement of unaudited financial results of MIRC Electronics Limited ("the Company") for the Half Year ended September 30, 2024 ("the Statement"), attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

2. The statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ("Ind AS 34") prescribed under Section 133 of the Companies Act, 2013 ("the Act"), as amended, read with relevant rules issued thereunder, the Listing Regulations and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

ASA

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the recognition and measurement principles laid down in the aforesaid Ind AS 34 prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, read with the Notes thereto has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For ASA & Associates LLP
Chartered Accountants
Firm Registration No: 009571N/N500006

K NITHYANANDA KAMATH
Digitally signed by K NITHYANANDA KAMATH
Date: 2024.10.30 18:03:44 +05'30'

ASA & Associates LLP
Chartered Accountants

K Nithyananda Kamath
Partner
Membership No. 027972
UDIN: 24027972BKCRQM5965
Place: Ernakulam
Date: October 30, 2024

MIRC ELECTRONICS LIMITED

Regd. Office : Onida House, G-1, MIDC, Mahakali Caves Road, Andheri (East), Mumbai - 400093

CIN No. : L32300MH1981PLC023637. Website : www.onida.com

Unaudited Financial Results for the Quarter and Half year ended 30th September, 2024

Rs. In Lakhs

Sr. No.	Particulars	Quarter ended			Six month ended		Year ended
		30.09.2024	30.06.2024	30.09.2023	30.09.2024	30.09.2023	31.03.2024
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	Income						
1	Revenue from operations	15,137	22,779	19,323	37,916	37,670	96,804
2	Other Income (refer note 3)	124	306	281	430	530	649
3	**Total Income (1+2)**	**15,261**	**23,085**	**19,604**	**38,346**	**38,200**	**97,453**
	Expenses						
	a. Cost of raw materials and components consumed	6,763	3,886	10,297	10,669	18,698	46,219
	b. Purchases of traded goods	3,447	8,774	7,941	12,221	14,309	45,488
	c. (Increase) / decrease in inventories of finished goods, work-in-progress and traded goods	1,259	6,232	(1,858)	7,491	(979)	(3,248)
	d. Employee benefits expense	1,528	1,470	1,612	2,998	3,165	6,192
	e. Finance cost	388	329	405	717	736	1,505
	f. Depreciation and amortisation expense	167	181	204	348	421	798
	g. Other expenses	1,554	1,946	1,646	3,500	3,115	6,720
4	**Total Expenses**	**15,126**	**22,818**	**20,247**	**37,944**	**39,465**	**1,03,674**
5	**Profit / (Loss) before tax (3-4)**	**135**	**267**	**(643)**	**402**	**(1,265)**	**(6,221)**
6	Exceptional items (Refer note 4)	-	(223)	-	(223)	-	-
7	**Profit / (Loss) after exceptional item and before tax (5+6)**	**135**	**44**	**(643)**	**179**	**(1,265)**	**(6,221)**
8	Tax Expense						
	i. Current tax	-	-	-	-	-	-
	ii. Deferred tax	-	-	-	-	-	-
	Total tax expenses	-	-	-	-	-	-
9	**Profit / (Loss) after tax (7-8)**	**135**	**44**	**(643)**	**179**	**(1,265)**	**(6,221)**
10	Other Comprehensive (Loss) / Income (net of tax)						
	Items that will not be reclassified to Profit or Loss						
	Remeasurement of the defined benefit plans	(5)	(5)	1	(10)	3	(19)
11	**Total Comprehensive Profit / (Loss) (9+10)**	**130**	**39**	**(642)**	**169**	**(1,262)**	**(6,240)**
12	Paid Up Equity Share Capital (face value of Re.1/- each)	2,311	2,311	2,311	2,311	2,311	2,311
13	Other equity					-	10,533
14	Basic and diluted earnings per share (of Re.1/- each)*	0.06	0.02	(0.28)	0.08	(0.55)	(2.69)

* Not annualised for the quarter and half year ended.

ASA & Associates LLP Chartered Accountants

MIRC ELECTRONICS LIMITED
Statement of Assets and Liabilities as at 30th September, 2024

Rs. In Lakhs

Sr. No.	Particulars	As at 30th September, 2024	As at 31st March, 2024
		Unaudited	Audited
	Assets		
	Non-current assets		
1.	Property, plant and equipment	7,372	7,662
2.	Capital work-in-progress	21	13
3.	Right of use assets	52	130
4.	Other intangible assets	7	10
5.	Financial assets		
	a. Investments	158	152
	b. Others	106	943
6.	Income tax assets (net)	437	400
7.	Deferred tax assets (net)	-	-
8.	Other non-current Assets	3,175	4,047
	Total non-current assets	**11,328**	**13,357**
	Current assets		
9.	Inventories	20,246	23,750
10.	Financial assets		
	a. Trade receivables	21,320	16,199
	b. Cash and cash equivalents	365	511
	c. Bank balances (other than 10.b)	789	1,088
	d. Others	287	246
11.	Other current assets	967	1,834
	Total current assets	43,974	43,628
	Total assets	**55,302**	**56,985**
	Equity and liabilities		
	Equity		
12.	Equity share capital	2,311	2,311
13.	Other equity	10,746	10,533
	Total equity	**13,057**	**12,844**
	Liabilities		
	Non-current liabilities		
14.	Financial liabilities		
	a. Borrowings	2,427	1,557
	b. Lease liabilities	-	6
15.	Provisions	815	784
	Total non current liabilities	**3,242**	**2,347**
	Current liabilities		
16.	Financial liabilities		
	a. Borrowings	8,909	8,715
	b. Trade payables		
	- Total outstanding dues of micro enterprises and small enterprises	955	270
	- Total outstanding dues of creditors other than micro enterprises and small enterprises	25,507	29,628
	c. Lease liabilities	59	114
	d. Other financial liabilities	1,723	1,482
17.	Other current liabilities	1,347	1,122
18.	Provisions	503	463
	Total current liabilities	39,003	41,794
	Total equity and liabilities	**55,302**	**56,985**

ASA & Associates LLP
Chartered Accountants

MIRC ELECTRONICS LIMITED
Statement of Cash Flow for the period ended 30th September, 2024

Rs. in lakhs

Particulars	For the half year ended 30th September, 2024 Unaudited	For the half year ended 30th September, 2023 Unaudited
Cash flow from Operating Activities		
Loss before tax	179	(1,265)
Adjustments for :		
Depreciation of property, plant and equipment	268	326
Depreciation of right of use assets	77	92
Amortisation of intangible assets	3	3
Gain on disposal of property, plant and equipment	(3)	(307)
Loss on disposal of property, plant and equipment	10	
Provision creation/(reversal) on Inventory	(276)	-
Net unrealised foreign exchange difference	(22)	8
Provision for doubtful debts	67	50
Amortisation of security deposits	744	(38)
Liabilities written back	-	(154)
Finance expenses	717	736
Interest income	(66)	(52)
Dividend Income	(5)	(5)
Working capital adjustments :		
Increase/(decrease) in trade payables	(3,417)	11,169
Increase/(decrease) in current provision	40	(1)
Increase/(decrease) in current financial liabilities	176	(237)
Decrease in lease liability	(55)	-
Increase/(decrease) in other current liabilities	225	(384)
Increase in Non Current financial Liabilities		
Increase/(decrease) in current financial liabilities	21	25
(Increase)/Decrease in trade receivables	(5,178)	(7,444)
(Increase)/decrease in inventories	3,780	(4,166)
(Increase)/Decrease in current financial assets	(53)	235
(Increase)/decrease in non current financial assets	837	(39)
(Increase)/ Decrease in other current assets	866	(282)
(Increase/ Decrease in other non current assets	872	265
	(193)	(1,464)
Income tax paid (Net)	(36)	(41)
Net cash generated from/(used in) operating activities (A)	(229)	(1,506)
Investing activities		
Purchase of property, plant and equipment	(17)	(72)
Sale of property plant and equipment and intangible assets	43	143
Fixed deposit with original maturity more than 3 months but less than 12 months encashed/matured	(305)	(954)
Fixed deposits with original maturity of more than three months placed	604	1,265
Interest received	67	54
Dividend received on Mutual Funds	5	5
Purchase of Mutual Funds	-	-
Net cash generated from investing activities (B)	397	441
Financing activities		
Proceeds from long term borrowings	1,083	
Repayment of long term borrowings	(343)	(544)
Repayment of short term borrowings (net)	324	2,345
Repayment of lease liability	(759)	(45)
Interest paid	(619)	(703)
Net cash used in financing activities (C)	(314)	1,053
Net decrease in cash and cash equivalents (A + B + C)	(146)	(12)
Cash and cash equivalents at the beginning of the year	511	387
Cash and cash equivalents at year end	365	375
Components of cash and cash equivalents (refer note 10)		
Cash in hand	7	3
Balances with banks	33	32
Cheques in hand	325	340
Cash and cash equivalents	365	375

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Notes :-

1. The above results as reviewed by the Audit Committee, have been taken on record at the meeting of the Board of Directors held on 30th October, 2024. These financial results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (as amended)(Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extend applicable.

2. The Statutory auditors of the Company have conducted a limited review of these unaudited financial results of the Company for the quarter and six months ended 30th September, 2024 in accordance with Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulation 2015, as amended and have expressed an unmodified review conclusion of these unaudited results.

3. Other income for quarter ended 30th September, 2024 includes Rs.66 lakhs interest on custom duty paid under protest and quarter ended 30th June, 2024 includes reimbursement of Rs.240 lakhs of expenses, in the nature of bank charges and freight incurred on behalf of a customer as per their requirement.

4. As per the E-waste Management Rules 2022, as amended, the Company has an obligation to complete the Extended Producer Responsibility (EPR) targets by online purchase of EPR certificates at rates notified by the Central Pollution Control Board (CPCB). In the quarter ended 30th June, 2024, Rs.223 lakhs pertaining to prior year obligations has been provided for and the same had been disclosed as an exceptional item. For the quarter ended 30th September, 2024, the Company has received renewed registration certificate from the department for its e-waste compliance requirements with extended validity period. Accordingly, the Company has provided for e-waste compliance obligation based on renewed registration certificate and at the rates agreed between the Company and its vendors basis contractual agreements. The Company has provided for the liability based on the Contract entered into with a certified PRO and accordingly provided for Rs.318 lakhs for the six months ended 30th September, 2024. The Company along with others in the Industry have made representations to the authorities for reconsideration of the rates for purchase of EPR certificates and the same is under active consideration. The expense recognised by the company at contracted rates is lower by Rs.1460 lakhs when compared with rates notified by the CPCB. Accordingly, based on Industry practice and its past experience, the management is of the opinion that the e-waste compliance obligation for the six months ended 30th September, 2024 is fully provided for in its financial.

5. The MIRC Electronics Employee Stock Option Plan 2023 ("ESOP 2023") of 83,76,520 (3.63%) Equity Shares (ESOP Pool) has been approved by the Board of Directors on 2nd November, 2023 and by the Shareholders of the Company pursuant to the special resolution passed through postal ballot on 17th January, 2024. The Company has received In-principal approval for ESOP 2023 from BSE Limited and National Stock Exchange of India Limited on 12th April, 2024. After receipt of necessary approvals, the Compensation Committee of the Board of Directors in their meeting held on 16th April, 2024, had approved to grant 38,00,846 (1.65%) Options to 23 employees of the Company.

6. The Company is engaged in the business of consumer durables. Based on the similarity of activities/products, risk and reward structure, organisation reporting structure and internal reporting systems, the Company has structured its operations into one operating segment viz. "Consumer Durables" and as such there is no separate reportable segment as defined by Ind AS 108 "Operating segments."

7. The Company does not have any subsidiary, associate or joint venture company(ies).

8. Previous quarters, half years and previous year ended figures have been regrouped and rearranged wherever necessary to confirm to the current year classifications.

Mirc Electronics Limited MUMBAI 93

For MIRC ELECTRONICS LIMITED

G. L. Mirchandani
Chairman & Managing Director
DIN : 00026664

Place : Mumbai
Date : 30th October, 2024

ASA & Associates LLP Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

To the Members of MIRC Electronics Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **MIRC Electronics Limited** ("the Company"), which comprise the balance sheet as at March 31, 2024, statement of profit and loss (including other comprehensive income), the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material 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 financial statements give the information required by the Companies Act, 2013, as amended (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 March 31, 2024, and its loss and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

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Sr No	Key Audit Matter	How our audit addressed the key audit matter
1	**Identification and value adjustments to slow-moving and non-moving inventories: --** As at March 31, 2024 the carrying value of inventories amounted to ₹ 23,750 lakhs after considering the obsolence of Rs.4,705 Lakhs The inventories are valued at lower of cost or net realizable value. The Company carries out an inventory review on a periodic basis and considers the ageing and expected production and sales forecast of inventory items for the purpose of identification of slow moving and non-moving items, against which it makes adjustments based on its estimated realizable value. Given the significant judgement exercised by the management in the estimation and considering the amount involved, we have considered the identification and value adjustments to slow moving and non-moving inventories as a key audit matter.	Our procedures included the following: • We have obtained an understanding of how the management identifies the slow moving and non-moving inventories and estimates the net realizable value of slow moving and nonmoving inventories. • We also assessed the reasonableness of the allowance policy which is based on historical sales performance and future production and sales plan of inventories. • We obtained the list of slow moving and non- moving inventories from the Company and verified the ageing on sample basis and inquired with the management for the realizability plan of such items of inventories, on a test check basis. • We have obtained the working of net realizable value for slow moving and non-moving inventories and tested the same on a sample basis by comparing it with the past sales transactions. • We have verified whether the value adjustments made to slow-moving and non-moving inventories are in line with the Company's provisioning policy.
2	**Tax Litigation** As at the balance sheet date, the Company has certain tax litigations which are pending with various levels of judicial authorities. The total tax exposure amounts as at March 31, 2024 is ₹ 6,287.07 lakhs. The Company has tax balances recoverable of ₹ 3,604 lakhs related to these tax balances is dependent on the outcome of these tax litigations. The accounting for these tax positions comprises significant	Our procedures included the following: • We obtained the list of tax litigations from the Company. • We have obtained and read the Company's submission to tax authorities and the tax opinions of management's experts on these litigation matters, wherever considered necessary. • We also obtained independent confirmation from consultants to confirm the management's assessment

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	judgment by the management mainly in the area whether to recognize these uncertain positions as a contingent liability or as a provision and also the recoverability of outstanding tax receivable. Given the high level of management judgement, tax laws interpretations and significant amount of litigations involved, we considered this area to be a key audit matter.	for material litigation matters based on past precedence and applicable compliance with tax laws. • We have assessed the accounting and disclosures related to these litigations in the financial statements.

Other Matters

The comparative financial information of the Company for the year ended March 31, 2023 included in this Statement are prepared in accordance with Ind AS and have been audited by the predecessor auditor. The reports of the predecessor auditor on these comparative financial statements dated May 26, 2023 is an unmodified opinion. Our conclusion on the Statement is not modified in respect of above matter.

Other Information

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

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

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

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and

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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.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with 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 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 with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of the management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in

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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 misstatement in the financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 misstatement in the 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 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, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matter stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

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(c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

(e) On the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph2A(b) above on reporting under Section 143(3)(b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014

(g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements;

(h) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act, in our opinion, according to the information and explanation given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V of the Act; and

(i) 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:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No. 37 to the financial statements.

ii. The Company has made provisions, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 48(e) to the financial statement, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate

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Beneficiaries") by or on behalf of the Company, or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 48(f) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

v. The Company has neither declared nor paid any dividend during the year.

vi. Based on our examination which included test checks, except for the instances mentioned below and as explained in note 49 of financial statements the Company has used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software:

(a) In case of accounting software used for processing payroll, the audit trail facility for data changes performed by users having privileged access is not enabled.
(b) The feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for the accounting software used for maintaining the books of accounts.
Further, for the periods where audit trail (edit log) facility was enabled and operated for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with.

For ASA & Associates LLP
Chartered Accountants
Firm Registration No: 009571N/N500006

ASA & Associates LLP Chartered Accountants

K Nithyananda Kamath
Partner
Membership No. 027972
UDIN: 24027972BKCRIM4068

Place: Ernakulam
Date: May 14, 2024

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Annexure A to the Independent Auditors' Report

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date

(i) a) A) According to the information and explanations given to us and audit procedures performed by us, the Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets

B) According to the information and explanations given to us and audit procedures performed by us, the Company has maintained proper records showing full particulars of intangible assets.

b) The property, plant and equipment were physically verified during the year by the management in accordance with a regular program of verification which, in our opinion, provides for physical verification of all the property, plant and equipment and right-of-use of assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were identified on such verification.

c) According to information and explanations given to us and audit procedures performed by us, the title deeds of all of the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee) disclosed in the financial statements are held in the name of the Company

d) According to information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) a) The inventory, except goods-in-transit and stock lying with third parties, has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. According to information and explanations given to us and audit procedures performed by us, no discrepancies were noticed on verification between the physical stocks and book records that were more than 10% in the aggregate of each class of inventory..

b) The Company has been sanctioned working capital limits (i.e. Cash Credit /Overdraft facility) in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets (i.e. loan assets). Based on the information and explanations provided to us, the quarterly returns or statements submitted by the Company to banks or financial institutions are in agreement with the unaudited financial records of the Company.

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(iii) a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, and Limited Liability partnerships or any other parties. Accordingly, reporting under clause 3(iii)(a) to 3(iii)(f) of the Order are not applicable.

(iv) According to information and explanations given to us and on the basis of our examination of the records of the Company, in respect of investments made and loans, guarantee and security given by the Company, the provisions of Section 185 and 186 of the Companies Act, 2013 have been complied with.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, reporting under clause 3(v) of the Order is not applicable.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, in respect of its manufactured goods and/ or services provided by it and are of the opinion, that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

(vii) a) According to the information provided and explanations given to us and based on our examination of the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, income tax, and other material statutory dues applicable to it, to the appropriate authorities, though there has been slight delay in a few cases. There were no material outstanding statutory dues existing as on the last day of the financial year, which is outstanding for more than six months from the day these become payable except following cases –

Name of statue	Nature of dues	Amount (Rs. in lakhs)	Period to which amount relates	Due Date	Date of Payment
Employees' Provident Fund and miscellaneous provisions act, 1952	Provident fund	6.15	2019-2020 2021-2022 2022-2023 2023-2024	15th of next month	Not Paid
Professional Tax Act	Professional tax	1.17	2017-2018 2018-2019 2019-2020 2020-2021 2021-2022 2022-2023 2023-2024	Last day of next month	Not Paid

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b) According to the information provided and explanations given to us, statutory dues relating to goods and services tax, provident fund, income-tax, value added tax, cess or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute are mentioned in Annexure – A1 of this report.

(viii) According to the information provided and explanations given to us, and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessment under the Income Tax Act, 1961 as income during the year and accordingly reporting under clause 3(viii) of the Order is not applicable.

(ix) a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowings or in the payment of interest thereon to the lenders during the year.

b) According to the information and explanations given to us, the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.

c) According to the information and explanations given to us and audit procedures performed by us, term loans were applied for the purposes for which they were obtained.

d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

e) The Company does not hold any investment in any subsidiary, associate or joint venture as defined under the Companies Act, 2013 during the year. Accordingly, reporting under clause 3(ix)(e) of the Order is not applicable.

f) The Company does not hold any investment in any subsidiary, associate or joint venture as defined under the Companies Act, 2013 during the year. Accordingly, reporting under clause 3(ix)(f) of the Order is not applicable.

(x) a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable.

b) According to the information provided and explanations given to us, and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable.

(xi) a) According to the information and explanations given by the management and based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements, we report that no fraud by the Company or any fraud on the Company has been noticed or reported during the year.

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b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, report under section 143(12) of the Act, in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company.

c) As represented to us by the management, there have been no whistle blower complaints received by the Company during the year.

(xii) According to the information and explanation given to us, the Company is not a Nidhi Company. Accordingly, reporting under clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions entered with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and details have been disclosed in the financial statements as required by the applicable Indian accounting standards.

(xiv) a) According to the information and explanations given to us and audit procedures performed by us, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

b) We have considered the internal audit reports of the Company issued till date, for the period under audit.

(xv) According to the information and explanations given to us, in our opinion the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) a) The provisions of section 45-IA of Reserve Bank of India Act, 1934 are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of Order is not applicable to the Company.

b) The Company is not engaged in any Non- Banking Financial or Housing Finance activities, Accordingly the requirement to report on clause (xvi)(b) of Order is not applicable to the Company.

c) The Company is not Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under clause 3(xvi)(c) of the Order are not applicable.

d) Company is not Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under clause 3(xvi)(d) of the Order are not applicable.

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(xvii) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has incurred cash losses in the financial year amounting to Rs. 5,407 Lakhs. No cash losses were incurred in the immediately preceding financial year

(xviii) There has been no resignation of the statutory auditors during the year and accordingly reporting under clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In our opinion and according to the information and explanation given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, reporting under clause 3(xx)(a) and (b) of the Order are not applicable.

For ASA & Associates LLP
Chartered Accountants
Firm Registration No: 009571N/N500006

ASA & Associates LLP Chartered Accountants

K Nithyananda Kamath
Partner
Membership No. 027972
UDIN: 24027972BKCRIM4068

Place: Ernakulam
Date: May 14, 2024

Annexure – A1 Details of disputed statutory dues

(Amount in Lakhs)

Name of the statute	Nature of Dues	Period to which the amount relates	Appellate Authority /Appeals / Tribunal	Assessing Officer/ Commissioners	CESTAT	High Count/ Supreme Court	Grand Total
The Central Excise Act, 1944	Excise Duty	FY 1997-2000, FY 2007-09, March 2010 - February 2012, April 2011 to March 2016	2.02	-	126.33	10.00	138.35
The Customs Act, 1962	Customs duty	2012-14 2015-16 2022-23	3.34	297.80	23.80	1,406.94	1,731.88
The Finance Act, 1994	Service Tax	FY 2005 -11 FY 2015 -17	92.55	-	5,827.19	129.31	6,049.05
The Income-tax Act, 1961	Income Tax	2001-2002, 2005-2006, 2010-2011 2015-16	92.78	-	-	111.85	204.63
The Sales Tax Act (Centre and state)	Sales Tax	1997-2001 2002-05 2006-09 2009-11 2012-18	4,529.88	466.74	-	914.42	5,911.04
Grand Total			**4,720.57**	**764.54**	**5,977.33**	**2,572.51**	**14,034.95**

ASA & Associates LLP Chartered Accountants

Annexure - B to the Independent 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 **MIRC Electronics Limited** (the "Company") as of March 31, 2024 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

ASA & Associates LLP Chartered Accountants

Meaning of Internal Financial Controls with reference to the Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to the Financial Statements

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

Opinion

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

For **ASA & Associates LLP**
Chartered Accountants
Firm Registration No: 009571N/N500006

ASA & Associates LLP
Chartered Accountants

K Nithyananda Kamath
Partner
Membership No. 027972
UDIN: 24027972BKCRIM4068

Place: Ernakulam
Date: May 14, 2024

MIRC ELECTRONICS LIMITED
CIN No.L32300MH1981PLC023637
Balance Sheet as at 31st March, 2024

	Notes	As at 31st March, 2024 Rs. in lakhs	As at 31st March, 2023 Rs. in lakhs
I. Assets			
Non-current assets			
(a) Property, Plant and Equipment	2	7,661.86	8,365.89
(b) Capital work-in-progress	2A	13.07	45.95
(c) Right of use Assets	2B	129.51	312.66
(d) Other Intangible Assets	3	9.65	14.76
(e) Financial Assets			
(i) Investments	4	152.51	142.75
(ii) Others	5	942.76	847.72
(f) Income Tax Assets (Net)	6	400.24	305.80
(g) Deferred tax assets (Net)	18	-	-
(h) Other non-current assets	7	4,046.50	4,171.81
Total non-current assets		**13,356.10**	**14,207.34**
Current assets			
(a) Inventories	8	23,750.15	27,258.40
(b) Financial Assets			
(i) Trade receivables	9	16,199.34	8,957.17
(ii) Cash and cash equivalents	10	511.33	386.71
(iii) Bank balances (other than note (ii)	11	1,088.06	672.84
(iv) Others	12	245.94	186.44
(c) Other current assets	13	1,833.61	1,263.48
Total current assets		**43,628.43**	**38,725.04**
Total Assets Total		**56,984.53**	**52,932.38**
II. Equity and Liabilities			
Equity			
(a) Equity Share capital	14	2,311.39	2,311.39
(b) Other Equity	15	10,533.13	16,773.31
Total equity		**12,844.52**	**19,084.70**
Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	1,556.42	1,166.17
(ii) Lease liabilities	17	5.93	119.15
(b) Provisions	19	784.41	752.03
Total Non current liabilities		**2,346.76**	**2,037.35**
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	8,714.81	6,769.40
(ii) Trade payables	21		
Total outstanding dues of micro enterprises and small enterprises		270.16	282.30
Total outstanding dues of creditors other than micro enterprises and small enterprises		29,627.85	21,158.85
(iii) Lease liabilities	17	113.71	119.00
(iv) Other financial liabilities	22	1,481.50	1,952.51
(b) Other current liabilities	23	1,121.82	1,074.16
(c) Provisions	24	463.40	454.11
Total current liabilities		**41,793.25**	**31,810.33**
Total Equity and Liabilities		**56,984.53**	**52,932.38**
Summary of material accounting policies	1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For ASA & Associates LLP
Chartered Accountants
Firm Registration Number 009571N/N500006

K. Nithyananda Kamath
Partner
Membership No.027972

ASA & Associates LLP Chartered Accountants

Place : Ernakulam
Date : 14th May, 2024

For and on behalf of the Board of Directors of
MIRC Electronics Limited

G.L. Mirchandani
Chairman and Managing Director
DIN : 00026664

V.J.Mansukhani
Managing Director
DIN : 01041809

Kaval Mirchandani
Whole-time Director
DIN : 01179978

Shirish Suvagia
Whole-time Director and
Chief Financial Officer
DIN : 10095690

Prasad Oak
Head - Legal, Corporate Affairs
and Company Secretary

Place : Mumbai
Date : 14th May, 2024

MIRC ELECTRONICS LIMITED
CIN No.L32300MH1981PLC023637
Statement of Profit and Loss for the year ended 31st March, 2024

	Notes	For the year ended 31st March, 2024 Rs. in lakhs	For the year ended 31st March, 2023 Rs. in lakhs
Income			
Revenue from operations	25	96,803.65	1,11,022.50
Other Income	26	648.72	244.04
Total Income		**97,452.37**	**1,11,266.54**
Expenses			
Cost of raw materials and components consumed	27	46,219.30	64,613.00
Purchases of Traded Goods	28	45,487.64	24,203.44
Changes in inventories of Finished Goods, Work-in-progress and Stock in Trade	29	(3,248.07)	7,151.45
Employee benefits expense	30	6,192.16	6,604.19
Finance Cost	31	1,505.15	1,089.65
Depreciation and amortisation expenses	32	797.79	903.56
Other Expenses	33	6,719.23	7,948.04
Total Expenses		**1,03,673.20**	**1,12,513.33**
Loss before exceptional items and tax		(6,220.83)	(1,246.79)
Exceptional items		-	-
Loss before tax		**(6,220.83)**	**(1,246.79)**
Tax Expense			
Current Tax		-	-
Deferred Tax	18	-	-
Total tax expense		-	-
Loss for the year after tax		**(6,220.83)**	**(1,246.79)**
Other Comprehensive Income (net of tax)			
Items that will not be reclassified to Profit or Loss			
Remeasurement of the defined benefit plans		(19.35)	6.62
Total Other Comprehensive Income / (Loss) (net of tax)		**(19.35)**	**6.62**
Total Comprehensive Loss for the year (net of tax)		**(6,240.18)**	**(1,240.17)**
Earnings per Equity Share [Face Value of share Re. 1 each (31 March, 2023: Re. 1 each)]	35		
- Basic (Rs.)		(2.69)	(0.54)
- Diluted (Rs.)		(2.69)	(0.54)
Summary of material accounting policies	1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For ASA & Associates LLP
Chartered Accountants
Firm Registration Number 009571N/N500006

ASA & Associates LLP Chartered Accountants

K. Nithyananda Kamath
Partner
Membership No.027972

For and on behalf of the Board of Directors of
MIRC Electronics Limited

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Kaval Mirchandani
Whole-time Director
DIN : 01179978

Shirish Suvagia
Whole-time Director and
Chief Financial Officer
DIN : 10095690

Prasad Oak
Head - Legal, Corporate Affairs
and Company Secretary

Place : Ernakulam
Date : 14th May, 2024

Place : Mumbai
Date : 14th May, 2024

MIRC ELECTRONICS LIMITED
Statement of Cash Flow for the year ended 31st March, 2024

Rs. in lakhs

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Cash flow from Operating Activities		
Loss before tax	(6,220.83)	(1,246.79)
Adjustments for :		
Depreciation of property, plant and equipment	609.53	712.59
Depreciation of right of use assets	183.15	185.86
Amortisation of intangible assets	5.11	5.11
Gain on disposal of property, plant and equipment	(312.94)	(85.83)
Provision creation/(reversal) on Inventory	1,095.00	(249.10)
Net unrealised foreign exchange difference	(16.07)	(13.59)
Provision for doubtful debts	122.97	287.13
Amortisation of security deposits	(73.54)	32.07
Moulds Written Back	(153.67)	-
Liabilities written back	(5.86)	(48.78)
Finance expenses	1,505.15	1,089.65
Interest income	(111.23)	(126.48)
Dividend Income	(9.75)	(9.29)
Working capital adjustments :		
Increase/(decrease) in trade payables	8,477.79	(16,841.00)
Increase/(decrease) in current provision	9.29	(57.95)
Increase/(decrease) in current financial liabilities	(486.14)	85.23
(Decrease) in non-current financial liabilities	-	(47.76)
Increase/(decrease) in other current liabilities	47.66	(688.86)
Increase/(decrease) in current financial liabilities	13.03	24.48
(Increase)/Decrease in trade receivables	(7,365.14)	977.83
(Increase)/decrease in inventories	2,413.25	15,418.73
(Increase)/Decrease in current financial assets	452.46	66.27
(Increase)/decrease in non current financial assets	(94.44)	87.15
(Increase)/ Decrease in other current assets	(570.13)	1,105.57
(Increase/ Decrease in other non current assets	125.31	(1,508.76)
	(360.04)	(847.38)
Income tax paid (Net)	(94.44)	(28.93)
Net cash generated from/(used in) operating activities (A)	(454.48)	(876.31)
Investing activities		
Purchase of property, plant and equipment	(241.90)	(47.63)
Sale of property plant and equipment and intangible assets	327.00	110.15
Fixed deposit with original maturity more than 3 months but less than 12 months encashed/matured	(48.00)	(671.80)
Fixed deposits with original maturity of more than three months placed	(367.22)	1,213.48
Interest received	109.16	144.57
Dividend received on Mutual Funds	(0.25)	9.29
Purchase of Mutual Funds	0.24	(2,559.29)
Sale of Mutual Funds	-	2,551.70
Net cash generated from investing activities (B)	(220.97)	750.47
Financing activities		
Proceeds from long term borrowings	816.00	2,335.97
Repayment of long term borrowings	(858.73)	(903.03)
Repayment of short term borrowings (net)	2,377.79	(267.56)
Repayment of lease liability	(76.80)	(139.01)
Interest paid	(1,458.19)	(1,078.22)
Net cash used in financing activities (C)	800.07	(51.84)
Net decrease in cash and cash equivalents (A + B + C)	124.62	(177.68)
Cash and cash equivalents at the beginning of the year	386.71	564.39
Cash and cash equivalents at year end	511.33	386.71
Components of cash and cash equivalents (refer note 10)		
Cash in hand	2.98	1.65
Balances with banks	32.88	31.37
Cheques in hand	475.47	353.69
Cash and cash equivalents	511.33	386.71

MIRC ELECTRONICS LIMITED
CIN No.L32300MH1981PLC023637
Statement of Cash flow for the year ended 31st, March, 2024

Reconciliation of Liabilities from financing activities

Rs. In lakhs

	As at 31st March 2023	Cash Flows		Reclassifications / Non Cash Transactions	As at 31st March 2024
		Proceeds	Payment		
Long Term Borrowing (excluding current maturities of Long Term borrowings)	1,166.17	816.00	(858.73)	432.58	1,556.02
Short Term Borrowing	6,769.40	2,378.39	-	(432.58)	8,715.21
	7,935.57	**3,194.39**	**(858.73)**	-	**10,271.23**

Rs. In lakhs

	As at 31st March 2022	Cash Flows		Reclassifications / Non Cash Transactions	As at 31st March 2023
		Proceeds	Payment		
Long Term Borrowing (excluding current maturities of Long Term borrowings)	1,462.54	2,335.97	(903.03)	(1,729.31)	1,166.17
Short Term Borrowing	5,307.65	-	(267.56)	1,729.31	6,769.40
	6,770.19	**2,335.97**	**(1,170.59)**	-	**7,935.57**

The above Cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows".

The accompanying notes are an integral part of the Ind AS financial statements.

As per our report of even date
For ASA & Associates LLP
Chartered Accountants
Firm Registration Number 009571N/N500006

K. Nithyananda Kamath
Partner
Membership No.027972

Place : Ernakulam
Date : 14th May, 2024

For and on behalf of the Board of Directors of
MIRC Electronics Limited

G.L. Mirchandani
Chairman and Managing Director
DIN : 00026664

V.J.Mansukhani
Managing Director
DIN : 01041809

Kaval Mirchandani
Whole-time Director
DIN : 01179978

Shirish Suvagia
Whole-time Director and
Chief Financial Officer
DIN : 10095690

Place : Mumbai
Date : 14th May, 2024

Prasad Oak
Head - Legal, Corporate Affairs
and Company Secretary

MIRC ELECTRONICS LIMITED
Statement of Changes in Equity for the year ended 31st March, 2024

EQUITY SHARE CAPITAL (Refer Note 14)

Equity Shares of Re. 1 each issued, subscribed and fully paid-up	No. In lakhs	Rs. In lakhs
At 1st April, 2023	2,312.01	2,311.39
Changes in Equity Share capital due to prior period error	-	-
Restated balance as at 1st April, 2023	**2,312.01**	**2,311.39**
Issue of share capital	-	-
At 31st March, 2024	**2,312.01**	**2,311.39**

Equity Shares of Re. 1 each issued, subscribed and fully paid-up	No. In lakhs	Rs. In lakhs
At 1st April, 2022	2,312.01	2,311.39
Changes in Equity Share capital due to prior period error	-	-
Restated balance as at 1st April, 2022	**2,312.01**	**2,311.39**
Issue of share capital	-	-
At 31st March, 2023	**2,312.01**	**2,311.39**

OTHER EQUITY (Refer Note 15)

For the year ended 31st March, 2024 — **Rs. In lakhs**

	Reserves & Surplus						Total Other Equity
	Capital Reserve	Capital Redemption Reserve	Securities Premium Account	General Reserve	Retained earnings	Other Comprehensive Income/(Loss)	
Balance as at 1st April, 2023	2,016.06	1,990.74	11,748.64	7,092.91	(5,927.69)	(147.35)	16,773.31
Loss for the year	-	-	-	-	(6,220.83)	-	(6,220.83)
Other Comprehensive Income for the year	-	-	-	-	-	(19.35)	(19.35)
Total Comprehensive Income/(Loss)	2,016.06	1,990.74	11,748.64	7,092.91	(12,148.52)	(166.70)	10,533.13
Balance as at 31st March, 2024	**2,016.06**	**1,990.74**	**11,748.64**	**7,092.91**	**(12,148.52)**	**(166.70)**	**10,533.13**

For the year ended 31st March, 2023 — **Rs. In lakhs**

	Reserves & Surplus						Total Other Equity
	Capital Reserve	Capital Redemption Reserve	Securities Premium Account	General Reserve	Retained earnings	Other Comprehensive Income/(Loss)	
Balance as at 1st April, 2022	2,016.06	1,990.74	11,748.64	7,092.91	(4,680.90)	(153.97)	18,013.48
Loss for the year	-	-	-	-	(1,246.79)	-	(1,246.79)
Other Comprehensive Loss for the year	-	-	-	-	-	6.62	6.62
Total Comprehensive Income/(Loss)	2,016.06	1,990.74	11,748.64	7,092.91	(5,927.69)	(147.35)	16,773.31
Balance as at 31st March, 2023	**2,016.06**	**1,990.74**	**11,748.64**	**7,092.91**	**(5,927.69)**	**(147.35)**	**16,773.31**

The accompanying notes are an integral part of the Ind AS financial statements.

As per our report of even date
For ASA & Associates LLP
Chartered Accountants
Firm Registration Number 009571N/N500006

ASA & Associates LLP Chartered Accountants

K. Nithyananda Kamath
Partner
Membership No.027972

For and on behalf of the Board of Directors of
MIRC Electronics Limited

G.L. Mirchandani
Chairman and Managing Director
DIN : 00026664

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DIN : 01041809

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Whole-time Director
DIN : 01179978

Shirish Suvagia
Whole-time Director and
Chief Financial Officer
DIN : 10095690

Prasad

Prasad Oak
Head - Legal, Corporate Affairs
and Company Secretary

Place : Ernakulam
Date : 14th May, 2024

Place : Mumbai
Date : 14th May, 2024

Corporate information

MIRC Electronics Limited ("the Company") is a listed entity incorporated in India. The address of registered office and principal place of business is Onida House, G-1, MIDC, Mahakali Caves Road, Andheri(East), Mumbai 400093. The Company is principally engaged in manufacturing and trading of electronic items.

The Ordinary (Equity) shares of the Company are listed on the National Stock Exchange ("NSE") and the Bombay Stock Exchange ("BSE").
The standalone financial statements were approved for issue in accordance with a resolution of the Directors on 14th May, 2024

1 Material accounting policies

a Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, (as amended) and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (Ind AS compliant Schedule III), as applicable. These financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at carrying value which approximates the amortized cost at each balance sheet date, as explained in the accounting policies below.

The financial statements are presented in Indian Rupees ('Rs'), which is also the Company's functional currency and all values are rounded to the nearest Lakhs upto two decimals except when otherwise 0.00 amount indicates less than Rs. 1000. All amounts are in Rs. Lakhs, unless otherwise stated.

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

b Fair value measurement

The Company measures financial instruments 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:
- In the principal market for the asset or liability, or
- 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 fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company determines the policies and procedures for both recurring fair value measurement, such as unquoted financial assets measured at fair value.

c Property, Plant and Equipment

Property, Plant and Equipment including Capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Capital work in progress includes cost of property , plant and equipment under installation / under development as at the balance sheet date.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

ASA & Associates LLP
Chartered Accountants

Depreciation is provided on Straight Line basis for Property, Plant and Equipment's i.e. the cost less estimated residual value over its estimated useful lives which is same as useful life specified in Schedule II of the Companies Act 2013. The estimated useful lives and residual values are reviewed regularly and the effect of any changes in estimates is accounted on prospective basis.

Leasehold Land is amortised on a straight line basis over the period of lease.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is de-recognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year and adjusted prospectively, if appropriate.

The Company has elected to measure items of property plant and equipment at its carrying value at the date of transition.

d Impairment of Non- Financial Assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

e Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

Intangible assets (Computer Software) is amortised on a straight line basis over the useful life estimated to be 6 years.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of Profit and Loss when the asset is de-recognised.

The Company has elected to measure intangible assets at its carrying value at the date of transition.

f Leases

The Company assesses at contract inception whether a contract is or contains a lease. That is, of the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Where the Company is the lessee:

The Company applies a single recognition and measurement approach for all leases, except for short term leases and leases of low value assets. The Company recognises lease liabilities to make lease payments and right of use assets representing the right to use the underlying assets.

Right of use assets :

The Company recognises right of use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right of use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right of use assets includes the amount of lease liabilities recognised, initial direct cost incurred, and lease payments made at or before the commencement date less any lease incentives received. Right of use assets are depreciated on a straight line basis over the shorter of the lease term and the estimated useful lives of the assets as follows :

Premises	3 years

The right of use assets are also subject to impairment.

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Lease liabilities :

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value.

Where the Company is the Lessor:

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an assets are classified as operating leases. Rental income arising is accounted for on a straight line basis over the lease terms. Initial direct costs incurred in negotiating and arranging on operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

g Provisions

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

Warranty provisions
Provisions for warranty-related costs are recognized when the product is sold or service provided. Provision is based on historical experience. The initial estimate of such warranty-related costs is revised annually.

h Foreign Currency Transactions and Translation
These financial statements are presented in Indian rupees, which is the functional currency of the Company.

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 the transaction.

Conversion
At the end of each reporting period, Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the 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 on monetary items are recognised in profit or loss in the period in which they arise except for exchange differences on transactions entered into in order to hedge certain foreign currency risks.

i Revenue from contract with customer

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 towards satisfaction of a performance obligation

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is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as a part of the contract.

Sale of Goods

Revenue from the sale of goods is recognised when the control of the goods have passed to the buyer, usually on delivery of the goods. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as a part of the contract.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e. , only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (n) Financial instruments - initial recognition and subsequent measurement.

Interest

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Interest income is accrued on a time basis by reference to the principal outstanding and at the effective interest applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividends

Revenue is recognised when the Company's right to receive the payment is established.

j Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company operates a defined benefit gratuity plan, which requires contributions to be made to a separately administered fund.

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees upto the reporting date.

k Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which

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applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

Deferred tax

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

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

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 utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised 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 realised 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 relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised 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 and the deferred taxes relate to the same taxable entity and the same taxation authority.

l Borrowing costs

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 capitalised as part of the cost of the asset. Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. The borrowing costs are expensed in the period in which they occur.

m Inventories

Inventories comprise all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition.

Raw materials, components, stores and spares are valued at lower of cost and net realizable value. However, raw materials held for production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components and stores and spares is determined on a weighted average basis.

Obsolete and slow moving items are valued at cost or estimated net realisable value, whichever is lower.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on a weighted average basis.

Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Goods in transit is measured at cost to date as at Balance Sheet date.

n 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.

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Financial assets

Initial recognition and measurement
With the exception of trade receivables that do not contain a significant financing component, company initially measures all financial assets 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. Trade Receivables that do not contain a significant financing component are measured at transaction price as disclosed in section (i) Revenue from contract with customers. 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 recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:
° Financial assets at amortised cost
° Financial assets including derivatives at fair value through profit or loss (FVTPL)
- Financial assets at fair value through other comprehensive income (FVTOCI)

Financial asset at amortised cost

A 'financial asset' is measured at the amortised cost if both the following conditions are met:
a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) 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 amortised cost using the effective interest rate (EIR)method. Amortised 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 amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables, loans and other financial assets.

Financial Assets at FVTOCI

A 'financial asset' is classified as at the FVTOCI if both of the following criteria are met:
a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

Financial asset 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 P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Financial asset at FVTPL

FVTPL is a residual category for financial asset. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Financial asset included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

The Company does not hold any equity investments.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when:

- The rights to receive cash flows from the asset have expired, or

- 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.

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When 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. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

On derecognition of a financial asset in its entirety, the differences between the carrying amounts measured at the date of derecognition and the consideration received is recognised in the statement of profit and loss.

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, debt securities, deposits, trade receivables and bank balance.

b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS115.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.
The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL 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, twelve 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 recognising impairment loss allowance based on twelve month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The twelve month ECL is a portion of the lifetime ECL which results from default events that are possible within twelve 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. net of all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on 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 analysed.

ECL impairment loss allowance (or reversal) recognised during the year is recorded in the statement of profit and loss. The amount is reflected under the head 'Other expenses / income' in the statement of profit and loss.

The Company does not have any purchased or originated credit - impaired financial assets, i.e.. Financial assets which are credit impaired on purchase / origination.

Financial liabilities

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 recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.
The Company's financial liabilities trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

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Subsequent measurement

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. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. 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 recognised 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 AS109 are satisfied. The Company does not have any financial liabilities which are held for trading. Nor it has designated any financial liability as FVTPL.

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised 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 amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings, trade payables and other financial liabilities.

Derecognition

A financial liability is derecognised 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 recognised in the statement of profit or loss.

Offsetting of financial instruments

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

o **Earnings per Share**

Basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the year, by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

p **Current versus non-current classification** : The Company presents assets and liabilities in the balance sheet based on current and non-current classification.

An asset is treated as current when it is

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- 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:

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

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MIRC Electronics Limited
Notes forming part of the Financial statements for the year ended 31st March, 2024

NOTE 2
PROPERTY, PLANT AND EQUIPMENT

Rs. In lakhs

	Leasehold land	Freehold land	Buildings	Plant and Machinery and Electrical Fittings	Furniture and Fixtures	Office Equipment	Motor Vehicles	R & D - Building	R & D - Plant and Machinery and Electrical Fittings	R & D - Furniture and Fixture	R & D - Office Equipment	TOTAL
Cost												
As at 1st April, 2022	440.53	1,248.50	10,537.39	20,119.14	651.31	534.89	262.16	157.08	657.46	86.86	44.17	34,739.49
Additions	-	-	46.38	87.41	3.15	13.67	-	-	0.00	-	-	150.61
Disposals	-	-	11.57	123.71	10.00	21.72	51.41	-	8.74	0.48	4.71	232.34
As at 31st March, 2023	**440.53**	**1,248.50**	**10,572.20**	**20,082.84**	**644.46**	**526.84**	**210.75**	**157.08**	**648.72**	**86.38**	**39.46**	**34,657.76**
Additions	-	-	43.00	97.98	0.60	3.53	-	-	-	-	-	145.11
Disposals	-	-	38.80	315.69	5.78	5.19	-	-	2.02	9.24	2.19	378.91
As at 31st March, 2024	**440.53**	**1,248.50**	**10,576.40**	**19,865.13**	**639.28**	**525.18**	**210.75**	**157.08**	**646.70**	**77.14**	**37.27**	**34,423.96**
Accumulated Depreciation												
As at 1st April, 2022	141.85	-	6,252.47	17,269.27	601.89	457.87	214.19	111.19	613.28	83.07	42.20	25,787.28
Charge for the year	5.48	-	309.60	351.94	5.79	21.65	9.89	2.48	5.76	-	-	712.59
Disposals	-	-	10.92	118.06	9.82	20.63	35.23		8.38	0.48	4.48	208.00
As at 31st March, 2023	**147.33**	-	**6,551.15**	**17,503.15**	**597.86**	**458.89**	**188.85**	**113.67**	**610.66**	**82.59**	**37.72**	**26,291.87**
Charge for the year	5.48	-	306.49	265.27	3.73	18.63	3.80	2.48	3.65	-	-	609.53
Disposals	-	-	30.01	85.98	5.53	4.94	-		1.90	8.85	2.09	139.30
As at 31st March, 2024	**152.81**	-	**6,827.63**	**17,682.44**	**596.06**	**472.58**	**192.65**	**116.15**	**612.41**	**73.74**	**35.63**	**26,762.10**
Net Block												
As at 31st March, 2023	**293.20**	**1,248.50**	**4,021.05**	**2,579.69**	**46.60**	**67.95**	**21.90**	**43.41**	**38.06**	**3.79**	**1.74**	**8,365.89**
As at 31st March, 2024	**287.72**	**1,248.50**	**3,748.77**	**2,182.69**	**43.22**	**52.60**	**18.10**	**40.93**	**34.29**	**3.40**	**1.64**	**7,661.86**

Notes :

i. Refer Note 16 and 21 for details of assets given as mortgage against borrowings.

ii. The Company has not revalued any of its Property, Plant and Equipments during the year.

iii. The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

NOTE 2A
CAPITAL WORK IN PROGRESS

Rs. in lakhs

	TOTAL
As at 1st April, 2022	40.59
Additions	22.89
Capitalised during the year	17.53
As at 31st March, 2023	**45.95**
Additions	74.09
Capitalised during the year	106.97
As at 31st March, 2024	**13.07**

150.47

Rs. in lakhs

	Amount in CWIP for a period of				TOTAL
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	17.98	27.97	-	-	45.95
Projects temporarily suspended	-	-	-	-	-
As at 31st March, 2023	**17.98**	**27.97**	-	-	**45.95**
Projects in Progress	2.07	11.00	-	-	13.07
Projects temporarily suspended	-	-	-	-	-
As at 31st March, 2024	**2.07**	**11.00**	-	-	**13.07**

Notes :

i. Work in progress as at 31st March, 2024 mainly comprises of new Roorkee Washing machine line. Work in progress as at 31st March, 2023 mainly comprises of amount for AC gas charging line and expansion of LED line-2 project

ii. For Capital work-in-progress no project has exceeded its cost. Further, completion is not overdue as compared to its original plan for any of the projects.

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NOTE 2B
RIGHT OF USE ASSETS

Rs. in lakhs

	Premises	TOTAL
Cost		
As at 1st April, 2023	310.13	310.13
Additions	285.57	285.57
Disposals	28.26	28.26
As at 31st March, 2023	**567.44**	**567.44**
Additions		
Adjustments during the year (Refer note below)		
As at 31st March, 2024	**567.44**	**567.44**
Accumulated Amortisation		
As at 1st April, 2022	68.92	68.92
Charge for the year	185.86	185.86
Disposals	-	-
As at 31st March, 2023	**254.78**	**254.78**
Charge for the year	183.15	183.15
Disposals		
As at 31st March, 2024	**437.93**	**437.93**
Net Block		
As at 31st March, 2023	**312.66**	**312.66**
As at 31st March, 2024	**129.51**	**129.51**

Notes :
The adjustment is on account of changes in terms and conditions of lease contract entered into with the landlord.

NOTE 3
INTANGIBLE ASSETS

Rs. in lakhs

	R&D Software	Other Software	TOTAL
Cost			
As at 1st April, 2022	66.92	31.70	98.62
Additions	-	-	-
Disposals	-	-	-
As at 31st March, 2023	**66.92**	**31.70**	**98.62**
Additions	-	-	-
Disposals	-	-	-
As at 31st March, 2024	**66.92**	**31.70**	**98.62**
Accumulated Amortisation			
As at 1st April, 2022	63.95	14.80	78.75
Charge for the year	-	5.11	5.11
Disposals	-	-	-
As at 31st March, 2023	**63.95**	**19.91**	**83.86**
Charge for the year	-	5.11	5.11
Disposals	-		-
As at 31st March, 2024	**63.95**	**25.02**	**88.97**
Net Block			
As at 31st March, 2023	**2.97**	**11.79**	**14.76**
As at 31st March, 2024	**2.97**	**6.68**	**9.65**

Notes :
i. Intangible assets comprises of software used in research and development.
ii. The Company has not revalued any of its intangible assets during the year.

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NOTE 4
NON-CURRENT INVESTMENTS

	31st March, 2024		31st March, 2023	
	Nos.	Rs. in lakhs	Nos.	Rs. in lakhs
Unquoted Investment carried at amortised cost				
Adonis Electronics Private Limited (Refer note 37)	-	-	2,648	334.69
(0.01% Cumulative redeemable preference shares of Rs 10 each, fully paid up)				
Less : Impairment provision		-		(334.69)
		-		-
Unquoted Investment carried at fair value through Profit and Loss (under lien)				
Aditya Birla Sun Life Savings Fund - Daily ICDW - Regular plan	1,19,793.82	120.73	1,12,594.64	112.60
Aditya Birla Sun Life Savings Fund - Growth - Regular plan	6,498	31.78	6,498	30.15
		152.51		**142.75**

	31st March, 2024	31st March, 2023
Investment carried at amortised cost	-	-
Market Value of unquoted Investments	152.51	142.75
Aggregate book Value (NAV) of unquoted Investments	90.17	90.17

NOTE 5
OTHER NON CURRENT - FINANCIAL ASSETS

	31st March, 2024 Rs. in lakhs		31st March, 2023 Rs. in lakhs	
Security deposits carried at amortised costs				
Considered good	942.76		847.72	
Credit impaired	9.67		9.67	
	952.43		857.39	
Less : Allowance for expected loss	9.67		9.67	
		942.76		847.72
		942.76		**847.72**

NOTE 6
INCOME TAX ASSETS (NET)

	31st March, 2024 Rs. in lakhs	31st March, 2023 Rs. in lakhs
Advance Income-tax [Net of Provisions of Rs.76.05 Lakhs (as at 31st March, 2023 : Rs.76.05 lakhs)]	400.24	305.80
	400.24	**305.80**

NOTE 7
OTHER NON-CURRENT ASSETS

	31st March, 2024 Rs. in lakhs	31st March, 2023 Rs. in lakhs
Unsecured, considered good		
Deferred rent expenses	0.47	0.09
Other Advances		
Balance with Government Authorities (paid under protest)	3,604.00	3,519.64
Prepaid Expenses	55.10	23.42
Advance to suppliers	386.93	628.66
	4,046.50	**4,171.81**

NOTE 8
INVENTORIES

	31st March, 2024 Rs. in lakhs	31st March, 2023 Rs. in lakhs
(Valued at lower of cost or net realisable value unless otherwise stated)		
Raw materials and components [includes Goods in transit Rs.694.75 lakhs (as at 31st March, 2023 : Rs.481.43 lakhs)]	7,976.12	14,710.58
Stores and Spares	258.58	280.44
Work-in-Progress	1,397.80	1,803.00
Finished Goods	6,207.41	5,048.17
Traded Goods	7,910.24	5,416.21
	23,750.15	**27,258.40**

The Company has availed working capital facilities and other non fund based facilities viz. bank guarantees, and letter of credits, which are secured by hypothecation of inventories (Refer Note 16 and 21)
During the year ended 31 March 2024, Rs.1,106 Lakhs (31 March 2023 : Rs. 439.42 Lakhs) was recognised as an expense for inventories carried at net realisable value.

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NOTE 9
TRADE RECEIVABLES

	31st March, 2024 Rs. in lakhs	31st March, 2023 Rs. in lakhs
Valued at amortised cost		
Trade Receivable	17,984.28	10,654.43
Less : Impairment allowance	1,784.94	1,697.26
Trade receivable (net)	16,199.34	8,957.17
Breakup of security details		
Unsecured, considered good	16,199.34	8,957.17
Trade Receivable - credit impaired	1,784.94	1,697.26
	17,984.28	10,654.43
Less : Impairment allowance	1,784.94	1,697.26
	16,199.34	8,957.17

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows:

Movement in the expected credit loss allowance

	31st March, 2024 Rs. in lakhs	31st March, 2023 Rs. in lakhs
Balance at the beginning of the year	1,697.26	1,578.69
Less : Written off during the year	(35.29)	(168.55)
Add : Allowance during the year	122.97	287.12
Balance at the end of the year	1,784.94	1,697.26

No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person nor any trade receivable are due from firms or private companies respectively in which any director is a partner and a director or a member. Trade receivables are non interest bearing and are generally on terms of 28 - 60 days of credit period. For credit risk relating to trade receivables, refer note 42.

	31st March, 2024 Rs. in lakhs	31st March, 2023 Rs. in lakhs
Trade receivables	16,199.34	8,957.17
Receivables from related parties	-	-
	16,199.34	8,957.17

Breakup for security details

	31st March, 2024 Rs. in lakhs	31st March, 2023 Rs. in lakhs
Secured, considered good	-	-
Unsecured, considered good	16,199.34	8,957.17
Trade receivable which have significant increase in credit risk	-	-
Trade receivable - credit impaired	1,784.94	1,697.26
Total (A)	17,984.28	10,654.43

Impairment Allowance (allowance for bad and doubtful debts)

	31st March, 2024 Rs. in lakhs	31st March, 2023 Rs. in lakhs
Unsecured, considered good	-	-
Trade receivable which have significant increase in credit risk	-	-
Trade receivable - credit impaired	1,784.94	1,697.26
Total (B)	1,784.94	1,697.26
Net Trade receivables (C) = (A) - (B)	**16,199.34**	**8,957.17**

TRADE RECEIVABLES AGEING

Rs. in lakhs

	Outstanding for following periods from due date of receipt 31st March, 2024						
	Current but not due	Less than 6 months	6 months - 1 Years	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables - considered good	5,343.14	10,782.56	23.52	35.67	14.43	0.02	16,199.34
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	7.07	4.02	101.31	158.73	151.92	898.75	1,321.80
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	463.14	463.14
Total	5,350.21	10,786.58	124.83	194.40	166.35	1,361.91	17,984.28
Less : Allowance for trade receivable which have significant increase in credit risk / credit impaired							1,784.94
							16,199.34

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Rs. in lakhs

	Outstanding for following periods from due date of receipt 31st March, 2023						
	Current but not due	Less than 6 months	6 months - 1 Years	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables - considered good	3,717.25	4,784.99	376.19	68.11	10.63	-	8,957.17
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	24.66	109.31	153.07	81.44	827.57	1,196.05
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	501.21	501.21
Total	3,717.25	4,809.65	485.50	221.18	92.07	1,328.78	10,654.43
Less : Allowance for trade receivable which have significant increase in credit risk / credit impaired							1,697.26
							8,957.17

Note :
There are no unbilled dues for the reporting periods.

NOTE 10
CASH AND CASH EQUIVALENTS

	31st March, 2024 Rs. in lakhs	31st March, 2023 Rs. in lakhs
Balance with Banks		
- On Current Account	32.88	31.37
Cash in hand	2.98	1.65
Cheques on hand	475.47	353.69
	511.33	386.71

NOTE 11
OTHER BANK BALANCES

	31st March, 2024 Rs. in lakhs	31st March, 2023 Rs. in lakhs
Fixed Deposits with Banks given as margin money	1,088.06	672.84
	1,088.06	672.84

Margin money deposit is held againts letter of credit and bank gurantee

NOTE 12
OTHER CURRENT FINANCIAL ASSETS - At amortised cost, unless otherwise stated

	31st March, 2024 Rs. in lakhs		31st March, 2023 Rs. in lakhs	
Credit impaired				
Insurance claims receivable	-		20.00	
Less : Provision for doubtful claim			20.00	
		-		-
Unsecured, considered good				
Interest accrued		10.90		7.83
Other Receivables	248.46		192.03	
Less : Provision for doubtful receivables	13.42		13.42	
		235.04		178.61
		245.94		186.44

NOTE 13
OTHER CURRENT ASSETS

	31st March, 2024 Rs. in lakhs	31st March, 2023 Rs. in lakhs
Unsecured, considered good		
Balance with Government authorities	500.24	332.57
Prepaid expenses	231.81	228.29
Advance to suppliers	1,100.62	702.03
Other	0.94	0.59
	1,833.61	1,263.48

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NOTE 14
EQUITY SHARE CAPITAL

	31st March, 2024 Rs. in lakhs		31st March, 2023 Rs. in lakhs	
Authorised :				
57,80,20,000 Equity Shares of Re.1 each (31st March, 2023 : 57,80,20,000 Equity Shares of Re.1 each)		5,780.20		5,780.20
10,000 8% Cumulative Redeemable Preference Shares of Rs.100 each (31st March, 2023 : 10,000 8% Cumulative Redeemable Preference Shares of Rs.100 each)		10.00		10.00
10,00,000 11% Non-Cumulative Redeemable Preference Shares of Rs.100 each (31st March, 2023 : 10,00,000 11% Non-Cumulative Redeemable Preference Shares of Rs.100 each)		1,000.00		1,000.00
Issued, Subscribed and Paid Up :				
23,09,52,619 Equity Shares of Re.1 each fully paid up (31st March, 2023 : 23,09,52,619 Equity Shares of Re.1 each fully paid up)	2,309.53		2,309.53	
Add : 2,48,000 Forfeited Equity Shares of Re.1 each partly paid up) (31st March, 2023 : 2,48,000 Forfeited Equity Shares of Re.1 each partly paid up)	1.86	2,311.39	1.86	2,311.39
		2,311.39		**2,311.39**

(a) Reconciliation of Equity Shares outstanding at the beginning and at the end of the reporting year

	31st March, 2024		31st March, 2023	
	No. in lakhs	Rs. in lakhs	No. in lakhs	Rs. in lakhs
Fully paid up shares				
At the beginning of the year	2,309.53	2,309.53	2,309.53	2,309.53
At the end of the year	2,309.53	2,309.53	2,309.53	2,309.53
Forfeited Equity shares				
At the beginning of the year	2.48	1.86	2.48	1.86
At the end of the year	2.48	1.86	2.48	1.86
	2,312.01	**2,311.39**	**2,312.01**	**2,311.39**

(b) Terms and rights attached to Equity Shares

The Company has only one class of equity shares having par value of Re.1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend, if any on the equity shares is recommended by the Board and approved by the shareholders at the Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) The Company has not issued any equity shares as bonus or for consideration other than cash and has not bought back any shares during the period of five years immediately preceding 31st March, 2024.

(d) Details of Shareholders holding more than 5 % shares in the Company:

Name of the Shareholder	31st March, 2024		31st March, 2023	
	No. in lakhs	% holding in the class	No. in lakhs	% holding in the class
Mr. Gulu L. Mirchandani	-	-	470.96	20.39
GLM Family Trust (Gulu Lalchand Mirchandani in the capacity of Trustee)	536.84	23.24	-	-
Gulita Securities Limited	272.27	11.79	272.27	11.79
Mr. V.J. Mansukhani	-		263.36	11.40
Mrs.Marissa Mansukhani	259.86	11.25	-	-
IIFL Investment Adviser & Trustee Services Limited (Formerly IIFL Trustee Services Limited) (Beneficial owner Mr.Vijay J. Mansukhani)	141.75	6.14	141.75	6.14

As per records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(e) Promoter/ Promoter group Shareholding

Name of the Promoter	31st March, 2024			31st March, 2023		
	No. in lakhs	% holding in the class	% Change during the year	No. in lakhs	% holding in the class	% Change during the year
Mr. Gulu L. Mirchandani	1.00	0.04%	(0.20)	470.96	20.39%	-
GLM Family Trust (Gulu Lalchand Mirchandani in the capacity of Trustee)	536.84	23.24%	0.23	-	0.00%	-
Mr. V.J. Mansukhani	3.50	0.15%	(0.11)	263.36	11.40%	-
Mrs. Gita G. Mirchandani	12.34	0.53%	(0.03)	78.80	3.41%	-
Mrs.Marissa Mansukhani	259.86	11.25%	0.11	-	0.00%	-
Mr.Kaval G. Mirchandani	0.06	0.00%	(0.00)	0.49	0.02%	-
Mr. Sasha G. Mirchandani	0.06	0.00%	-	0.06	0.00%	-
Gulita Securities Limited	272.27	11.79%	-	272.27	11.79%	-
Iifl Investment Adviser & Trustee Services Ltd	141.75	6.14%	-	141.75	6.14%	-
Adino Electronics Ltd	4.73	0.20%	-	4.73	0.20%	-

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NOTE 15
OTHER EQUITY

	31st March, 2024 Rs. in lakhs		31st March, 2023 Rs. in lakhs	
Capital Reserve		2,016.06		2,016.06
Capital Redemption Reserve		1,990.74		1,990.74
Securities Premium Account		11,748.64		11,748.64
General Reserve		7,092.91		7,092.91
Retained earnings				
Balance as per last Balance Sheet	(6,075.04)		(4,834.87)	
Add : Profit/(Loss) for the year	(6,220.83)		(1,246.79)	
Add : Other comprehensive loss (net of tax)	(19.35)		6.62	
		(12,315.22)		(6,075.04)
		10,533.13		16,773.31

Nature and purpose of Reserves

Capital Reserve : The amount is largely on account of forfeiture of money received against share warrants and reduction in share capital.

Capital Redemption Reserve : The capital redemption reserve was created for buyback / redemption of shares.

Securities Premium Account : Securities Premium Reserve is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Companies Act, 2013.

General Reserve : The general reserves comprises of transfer of profits from retained earnings for appropriation purposes. The reserves can be distributed / utilised by the Company in accordance with the provision of Companies Act, 2013.

NOTE 16
NON CURRENT BORROWINGS - At amortised cost

	Effective Interest rate %	Maturity	31st March, 2024 Rs. in lakhs	31st March, 2023 Rs. in lakhs
Secured				
Term Loan - Rs.2,000 lakhs from Aditya Birla Finance Limited	12.10 %	15th September, 2023	-	264.76
Term Loan - Rs. 2,333 lakhs from Aditya Birla Finance Limited	11.35-11.85%	1st July, 2028	1,951.58	2,224.80
GECL Loan - Rs.500 lakhs from Canara Bank	8.25% - 9.30%	24th August, 2026	302.08	427.08
GECL Loan - Rs.420 lakhs from Canara Bank 2.0	9.20%	23rd March, 2028	420.00	420.00
GECL Loan - Rs.112 lakhs from IDBI Bank	9.25%	28th February, 2026	53.15	81.40
GECL Loan - Rs.670 lakhs from SBI Bank	9.24% - 9.25%	31st July, 2026	390.83	558.33
Less : Current maturities of long term debt (refer note 21)			(2,377.22)	(2,810.20)
Unsecured loans from Directors (refer note no.40)	8%		816.00	-
			1,556.42	1,166.17

Security and rate of Interest	Repayment terms
Term loan from Aditya Birla Finance Limited is secured by registered mortgage of company's immovable property situated at Andheri East named as Mukund Mahal and subservient charge on all current assets of the Company. Long Term Reference Rate of ABFL (LTRR) +/- spread. Rate of Interest as on 31st March, 2023 is 12.10%.	Quarterly in equal instalments of Rs.50 lakhs upto 15.9.2020 and there after in quarterly equal instalment of Rs.133.33 lakhs upto 15.9.2023. Last instalment is due on 15th September, 2023.
Term loan from Aditya Birla Finance Limited is secured by registered mortgage of company's immovable property situated at Andheri East named as Mukund Mahal and subservient charge on all current assets of the Company. Long Term Reference Rate of ABFL (LTRR) +/- spread. Rate of Interest as on 31st March, 2024 is 12.05%.	Monthly in equal instalments of Rs.10.10 lakhs upto 1st October, 2022 and there after in monthly equal instalment of Rs.12.92 lakhs upto 1st December, 2022 and thereafter in monthly equal instalment of Rs 13.01 lakhs upto 1st July, 2023 and thereafter in monthly equal instalment of Rs 26.02 lakhs upto 1st July, 2025 and thereafter in monthly equal instalment of Rs 39.03 lakhs upto 1st July, 2027. Last instalment is due on 1st July, 2028 of Rs.52.04 lakhs.
GECL loan from Canara Bank is covid special loan taken at reduced interest rate of 9.30% p.a. and secured by second pari passu charge in favour of the bankers by mortgage / hypothecation of Company's immovable and movable properties at Wada, Roorkee and immovable properties at Vasai.	GECL loan from Canara Bank is payable in 48 instalments of Rs.10.42 lakhs per month starting from September 2022.
GECL loan from Canara Bank 2.0 is covid special loan taken at reduced interest rate of 9.25% p.a. and secured by second pari passu charge in favour of the bankers by mortgage / hypothecation of Company's immovable and movable properties at Wada Roorkee and immovable properties at Vasai.	GECL loan 2.0 from Canara Bank is payable in 48 instalments of Rs.8.75 lakhs per month starting from April 2024.

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GECL loan from IDBI Bank is covid special loan taken at reduced interest rate of 9.25% p.a. and secured by second pari passu charge in favour of the bankers by mortgage / hypothecation of Company's immovable and movable properties at Roorkee and immovable properties at Vasai.	GECL loan from IDBI bank is payable in 47 instalments of Rs. 2.35 lakhs per month and last instalment of Rs.1.35 lakhs.
GECL loan from SBI is covid special loan taken at reduced interest rate of 9.25% p.a. and secured by second pari passu charge in favour of the bankers by mortgage / hypothecation of Company's immovable and movable properties at Wada, Onida House and Chiplun and immovable properties at Vasai.	GECL loan from SBI is payable in 48 instalments of Rs.13.95 lakhs per month starting from August 2022.

The quarterly returns and documents which have been submitted to bank are in agreement with books of accounts.

NOTE 17
LEASE LIABILITIES

	31st March, 2024 Rs. in lakhs	31st March, 2023 Rs. in lakhs
Opening Balance	238.15	63.07
Additions during the year	-	289.39
Finance cost	16.23	24.70
Payment of Lease Liabilities	(134.74)	(139.01)
Closing Balance	**119.64**	**238.15**
Non Current	**5.93**	**119.15**
Current	**113.71**	**119.00**

The following are the amounts recognised in profit or loss:

	31st March, 2024 Rs. in lakhs		31st March, 2023 Rs. in lakhs	
Depreciation expense of right-of-use assets		183.15		185.86
Interest expense on lease liabilities		16.23		24.70
Rent expenses				
- Expense relating to short-term leases (included in other expenses)	46.93		64.12	
- Expense relating to leases of low-value assets (included in other expenses)	115.60		95.37	
- Variable lease payments (included in other expenses)	-	162.53	-	159.49
		361.91		**370.05**

Set out below are the future minimum lease rentals payments in respect of lease for offices, store premises and warehouses are as follows :

	31st March, 2024 Rs. in lakhs	31st March, 2023 Rs. in lakhs
Within one year	102.83	135.23
After one year but not more than five years	-	124.91
More than five years	-	-

NOTE 18
DEFERRED TAX ASSETS (NET)

	31st March, 2024 Rs. in lakhs	31st March, 2023 Rs. in lakhs
Deferred tax liability	2,107.79	2,177.07
Deferred tax Assets (restricted to the extent of deferred tax liability)	(2,107.79)	(2,177.07)
Deferred Tax Assets (Net)	-	-

The following is the analysis of deferred tax liabilities/(assets) presented in the Balance sheet

FY 2023-24				Rs. In Lakhs
Deferred Tax Liability / (asset) in relation to	**Opening Balance**	**Charge for the year**		**Closing Balance**
		Profit and Loss	**Other Comprehensive Income**	
Deferred Tax Liability				
Fixed Assets:- Impact of difference between tax Depreciation and Depreciation / amortisation charged for the financial year	2,177.07	(69.28)	-	2,107.79
	2,177.07	**(69.28)**	-	**2,107.79**
Deferred Tax Assets				
Impact of expenditure charged to the statement of Profit and loss but allowed for tax purposes on payment basis	(423.35)	19.76	-	(403.59)
Allowance on trade receivables	(593.02)	(30.73)	-	(623.75)
Provision for inventory	(567.84)	185.25	-	(382.59)
Accumulated losses (restricted to the extent of deferred tax liability)	(592.85)	(105.00)	-	(697.85)
	(2,177.07)	**69.28**	-	**(2,107.79)**
Deferred Tax Assets (Net)				**(0.00)**

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FY 2022-23				Rs. In Lakhs
Deferred Tax Liability / (asset) in relation to	Opening Balance	Charge for the year		Closing Balance
		Profit and Loss	Other Comprehensive Income	
Deferred Tax Liability				
Fixed Assets:- Impact of difference between tax Depreciation and Depreciation / amortisation charged for the financial year	2,262.95	(85.88)	-	2,177.07
	2,262.95	(85.88)	-	2,177.07
Deferred Tax Assets				
Impact of expenditure charged to the statement of Profit and loss but allowed for tax purposes on payment basis	(131.87)	(291.48)	-	(423.35)
Allowance on trade receivables	(551.59)	(41.43)	-	(593.02)
Provision for inventory	(654.88)	87.04	-	(567.84)
Accumulated losses (restricted to the extent of deferred tax liability)	(924.61)	331.76	-	(592.85)
	(2,262.95)	85.89	-	(2,177.07)
Deferred Tax Assets (Net)				

Since the Company has been incurring losses in recent past periods in addition to the carried forward losses, the Company has not recognized Deferred Tax Asset as it is not probable that sufficient future taxable profit will be available against which unused tax losses can be utilised.

Deferred tax assets are recognised only to the extent it is probable that either future taxable profits or reversal of deferred tax liabilities will be available, against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The Company also has tax losses and unabsorbed depreciation of Rs 11,598.71 lakhs on which deferred tax asset is not recognised. Out of these losses, Rs. 6,015.42 lakhs does not have any expiry and Rs. 5,583.28 lakhs will expire over a period of next 8 years.

	31st March, 2024 Rs. In lakhs	31st March, 2023 Rs. in lakhs
Profit/(Loss) for the year	(6,220.83)	(1,246.79)
Indian statutory tax rate	34.94%	34.94%
Effect of unused tax losses	(1,430.12)	(1,188.59)
Effect of Difference in Depreciation as per books and as per Income Tax	903.56	478.11
Provision for Doubtful Debt not allowed as deduction	122.97	287.13
Expenses Disallowed (net off) u/s 43B of the Income Tax Act, 1961	403.59	423.35
Disallowances under section 40A(3) and under section 40(a)(ia) of the Income Tax Act, 1961	-	-
	-	(0.00)

NOTE 19
NON CURRENT PROVISIONS

	31st March, 2024 Rs. In lakhs	31st March, 2023 Rs. In lakhs
Provision for employee benefits		
Provision for gratuity (Refer note 38)	784.41	752.03
	784.41	752.03

NOTE 20
CURRENT BORROWINGS - At amortised cost

	Effective Interest rate %	Repayment Schedule	31st March, 2024 Rs. in lakhs	31st March, 2023 Rs. In lakhs
Cash Credit Facility from banks	10.65% - 13%	On demand	6,337.59	3,959.20
Current maturities of Long-term borrowings (Refer note 16)			2,377.22	2,810.20
			8,714.81	6,769.40

Details around Security
Cash Credit Facility, from banks is secured by pari passu charge in favour of the bankers by mortgage / hypothecation of Company's immovable and movable properties at Wada, Onida House and Roorkee and immovable properties at Vasai and Chiplun. Loan from NBFC is secured by Registered mortgage of Mahal Industrial Estate property of Company.

In respect of the non-current borrowings, the Company has to comply with certain debt covenants as per the terms of issue of one of the term loans. As at the end of the reporting year, the Company has not met the debt covenants as required by the sanctioned letter. Hence the Company has classified an amount of Rs.1,639.34 lakhs (31st March, 2023 - Rs.1,964.60 lakhs) of non-current borrowings as a part of current borrowings as at 31st March 2024.

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NOTE 21
TRADE PAYABLES

	31st March, 2024 Rs. In lakhs	31st March, 2023 Rs. In lakhs
Acceptances	2,059.83	2,067.43
Trade payables		
Total outstanding dues of micro enterprises and small enterprises (refer note 44)	270.16	282.30
Total outstanding dues of creditors other than micro enterprises and small enterprises	27,568.02	19,091.42
	29,898.01	21,441.15

	31st March, 2024 Rs. In lakhs	31st March, 2023 Rs. In lakhs
Trade payables	29,898.01	21,441.15
Trade payables to related parties	-	-
	29,898.01	21,441.15

TRADE PAYABLES AGEING

Rs. In Lakhs

	Outstanding for following periods from due date of payment 31st March, 2024					
	Not due	Less Than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues - MSME	270.16	-	-		-	270.16
Undisputed dues - Others	9,131.15	15,747.69	4,628.12	53.49	62.53	29,622.98
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	4.87	4.87
	9,401.31	15,747.69	4,628.12	53.49	67.40	29,898.01

Rs. In Lakhs

	Outstanding for following periods from due date of payment 31st March, 2023					
	Not due	Less Than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues - MSME	80.76	201.16	0.38		-	282.30
Undisputed dues - Others	4,065.90	14,837.32	2,177.35	28.60	44.81	21,153.98
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	4.87	4.87
	4,146.66	15,038.48	2,177.73	28.60	49.68	21,441.15

Trade payables includes acceptances which represents amount payable to banks on due date as per usance period of letter of credit (LC's) issued to material vendors under non fund based working capital facility approved by banks for the Company. The arrangements are interest bearing with a maturity ranging from 0 to 90 days. All other trade payables are non interest bearing and are normally settled on 30 days terms. For liquidity risk related to trade payables refer note 42.

NOTE 22
OTHER CURRENT FINANCIAL LIABILITIES

	31st March, 2024 Rs. In lakhs		31st March, 2023 Rs. In lakhs	
Interest accrued and not due on borrowings		26.99		11.86
Others payables				
Dealer Deposits	428.08		410.11	
Employee Benefits	879.50		874.58	
Capital creditors	146.93		655.82	
Others	-		0.14	
		1,454.51		1,940.65
		1,481.50		1,952.51

NOTE 23
OTHER CURRENT LIABILITIES

	31st March, 2024 Rs. In lakhs	31st March, 2023 Rs. In lakhs
Advances from Customers	425.20	398.92
Statutory Dues	686.66	667.79
Others	9.96	7.45
	1,121.82	1,074.16

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NOTE 24
CURRENT PROVISIONS

	31st March, 2024 Rs. in lakhs	31st March, 2023 Rs. in lakhs
Provision for employee benefits		
Gratuity (refer note 38)	143.50	140.32
Leave encashment	245.70	229.45
Provision for warranty	74.20	84.34
	463.40	**454.11**

Provision for warranty		
Opening balance	84.34	111.95
Add : Additions during the year	74.20	84.34
Less : Utilised during the year	84.34	111.95
Closing balance	74.20	84.34

The Company recognises provision for warranties in respect of the products that it sells. These are reviewed at each balance sheet date and adjusted to reflect the current estimates. A provision is recognised for expected warranty claims on products sold during the year, based on past experience of the level of repairs. It is expected that most of these costs will be incurred in the next financial year. Assumptions used to calculate the provision for warranties are based on current sales levels and past trend of the warranty expenses.

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NOTE 25
REVENUE FROM OPERATIONS

	31st March, 2024 Rs. In lakhs	31st March, 2023 Rs. In lakhs
Sale of Products (net of discounts and rebates)		
Finished Goods	37,330.69	83,888.91
Traded Goods	59,324.95	26,798.47
	96,655.64	1,10,687.38
Other operating revenue		
Sale of Scrap	30.27	71.27
Service Income	83.29	101.36
Liabilities written back	5.86	48.78
Job work	-	69.10
Others	28.59	44.61
	148.01	335.12
	96,803.65	1,11,022.50

NOTE 26
OTHER INCOME

	31st March, 2024 Rs. In lakhs	31st March, 2023 Rs. In lakhs
Interest Income on :		
Financial Assets held at Amortised cost		
Interest income on financial assets	69.29	79.38
Financial Assets carried at fair value through Profit & Loss		
Interest income on Deposits	41.94	47.10
Rental Income	50.64	18.00
Dividend from Mutual Funds	9.75	9.29
Sales tax refund	-	4.44
Liability written back on account of PPE settlement	153.67	-
Reversal of impairment on non current investment (Refer note 36)	10.49	-
Profit on sale of property, plant and equipment	312.94	85.83
	648.72	244.04

NOTE 27
COST OF RAW MATERIALS AND COMPONENTS CONSUMED

	31st March, 2024 Rs. In lakhs	31st March, 2023 Rs. In lakhs
Inventory at the beginning of the year	14,710.58	22,743.71
Add : Purchases during the year	39,484.84	56,579.87
	54,195.42	79,323.58
Less : Inventory at the end of the year	7,976.12	14,710.58
	46,219.30	64,613.00

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NOTE 28
PURCHASES OF TRADED GOODS

	31st March, 2024 Rs. In lakhs	31st March, 2023 Rs. In lakhs
Display Devices	21,571.89	375.37
Washing Machines	4,087.68	3,529.82
Refrigerators	657.13	1,266.46
Air Conditioners	18,822.50	18,306.81
Cooler	269.06	519.00
Microwave Ovens	1.47	34.93
Others	77.91	171.05
	45,487.64	24,203.44

NOTE 29
CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK IN TRADE

	31st March, 2024 Rs. In lakhs		31st March, 2023 Rs. In lakhs	
Inventory at the beginning of the year				
Finished Goods	5,048.17		11,186.65	
Work in Progress	1,803.00		4,785.48	
Traded Goods	5,416.21		3,446.70	
		12,267.38		19,418.83
Less : Inventory at the end of the year				
Finished Goods	6,207.41		5,048.17	
Work in Progress	1,397.80		1,803.00	
Traded Goods	7,910.24		5,416.21	
		15,515.45		12,267.38
		(3,248.07)		7,151.45

NOTE 30
EMPLOYEE BENEFITS EXPENSE

	31st March, 2024 Rs. In lakhs	31st March, 2023 Rs. In lakhs
Salaries, Wages and Bonus	5,558.82	5,946.93
Contribution to Provident Fund and Other Funds (Refer note 38)	240.82	238.33
Gratuity expense (Refer note 38)	112.53	100.47
Staff Welfare Expenses	279.99	318.46
	6,192.16	6,604.19

NOTE 31
FINANCE COST

	31st March, 2024 Rs. In lakhs	31st March, 2023 Rs. In lakhs
Interest Expense	1,190.33	828.84
Discounting charges	180.27	87.94
Other Borrowing costs	134.55	172.87
	1,505.15	1,089.65

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MIRC Electronics Limited
Notes forming part of the Financial statements for the year ended 31st March, 2024
NOTE 32
DEPRECIATION AND AMORTISATION EXPENSES

	31st March, 2024 Rs. In lakhs	31st March, 2023 Rs. In lakhs
Depreciation of tangible assets	609.53	712.59
Amortisation of right to use assets	183.15	185.86
Amortisation of intangible assets	5.11	5.11
	797.79	903.56

NOTE 33
OTHER EXPENSES

	31st March, 2024 Rs. in lakhs		31st March, 2023 Rs. in lakhs	
Power and Fuel		355.28		488.10
Rent		162.53		159.49
Rates and Taxes		114.16		127.33
Repairs to				
Plant and Machinery	50.79		77.23	
Building	11.04		32.29	
Others	323.95		412.31	
		385.78		521.83
Insurance Charges		64.61		92.74
Freight and Forwarding Charges		2,364.00		2,472.42
Advertisement		531.64		608.30
Service Charges		575.29		702.92
Travelling and Conveyance		334.18		311.66
Provision for / write off - Doubtful Debts and advances	158.26		455.68	
Less : Provision for Doubtful Debts provided earlier, now written off	35.29		168.55	
		122.97		287.13
Exchange loss (Net)		41.14		187.97
Payment to auditor (Refer note 34)		26.00		41.00
Retainer fees		423.41		407.37
Professional fees		422.14		536.40
Miscellaneous Expenses		796.10		1,003.38
		6,719.23		7,948.04

NOTE 34

Payment to auditor	31st March, 2024 Rs. in lakhs	31st March, 2023 Rs. in lakhs
As auditor (excluding Goods and Service Tax)		
Audit fees	15.00	24.50
Tax audit fees	2.50	4.00
Limited reviews	7.50	9.00
In other capacity		
Reimbursement of expenses	1.00	3.50
	26.00	41.00

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35 **Earnings per share**

	31st March, 2024 Rs. in lakhs	31st March, 2023 Rs. in lakhs
Loss attributable to equity shareholders	(6,220.83)	(1,246.79)
Number of equity shares for Basic EPS	23,09,52,619	23,09,52,619
Basic earnings per equity share (in Rupees)	(2.69)	(0.54)
Diluted earnings per equity share (in Rupees)	(2.69)	(0.54)
Face value per share (in Rupees)	1.00	1.00

36 **Investments**

The Company had an investment in Adonis Electronics Pvt. Ltd. (AEPL) Comprising of 2650, 0.01% Cumulative Redeemable Preference shares of Rs.10 each. AEPL has received an order from the National Company Law Tribunal, Mumbai (NCLT) dated 1st February,2024 to reduce its Preference share capital of Rs.0.26 lacs (Comprising of 2650 units of Rs.10 each) to Rs.Nil by paying the Company Rs.10.50 lakhs againsts settlement of the Preference Shares held by the Company.

37 **Contingent Liabilities and Commitments**

	31st March 2024 Rs. in lakhs	31st March 2023 Rs. in lakhs
Contingent Liabilities		
a) Guarantees given by Bank against which Rs.242.90 lakhs (31st March, 2023 Rs. 126.49 lakhs) has been deposited as margin money.	1,551.69	387.49
b) Income tax demands in respect of which appeals have been filed	159.09	159.09
c) Excise Duty, Service Tax, VAT and Custom Duty in respect of which appeals have been filed	6,127.98	6,627.78
d) Claims made against the Company not acknowledged as debts	838.07	854.61
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	3.58	-

In relation to above contingent liabilities, the Company has been advised by its legal counsel that it is possible, but not probable, that the action will succeed and accordingly no provision for liability has been recognised in the financial statements.

Future cash flows in respect of above matters are determinable only on receipt of judgements/decisions pending at various forums/authorities.

Further to the above, GST audit for the period FY 2017-2018 to FY 2021-2022 was completed and deposition letter for an amount of Rs.1,720 lakhs (including interest of Rs.697 lakhs) on various grounds was raised by the GST authorities on the Company. The Company has paid pre-deposit for an amount of Rs.173 lakhs in this regard.

The Company received notices for the FY 2017-18 and FY 2018-19 for various grounds amounting to Rs.1,243 lakhs (including interest of Rs.546 lakhs) also submitted the responses against the same. The Company have received closure orders for FY 2017-18 and FY 2018-19 and have no outstanding demand against the same.

Further the company has filed Application for Appeal for refund against the order for FY 2017-18 for Pre-deposit made amounting to Rs.39.72 lakhs. The Company is also in the process for filing Application for Appeal for refund of Pre-Deposit made amounting to Rs.64.79 lakhs for FY 2018-19.

The Notices for FY 2019-20 to FY 2021-22 are awaited amounting to Rs. 477 lakhs, the company shall file its responses once notices are received against the same and are hoping to get favourable order basis the Order received for FY 2017-18 and FY 2018-19.

38 **Employee Benefits**

a) **Defined contribution plans**

The Company has recognised an expense of Rs.222.81 lakhs (31st March, 2023 : Rs.217.79 lakhs) towards defined contribution plans, in respect of Provident Fund.

b) **Defined benefit plans**

Gratuity

The Company has a defined benefit gratuity plan. The gratuity plan is primarily governed by the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The level of benefits provided depends on the member's length of service and salary at the retirement date. Company has covered its gratuity liability by a Group Gratuity Policy named 'Employee Group Gratuity Assurance Scheme' issued by LIC of India. Under the plan, employee at retirement is eligible for benefit which will be equal to 15 days' salary for each completed year of service.

The significant actuarial assumptions used for the purposes of the actuarial valuations were as follows:

	Valuation as at	
	31st March, 2024	31st March, 2023
Employee Attrition Rate	17% for service < / = 4 years 5% for service = / > 5 years	17% for service < / = 4 years 5% for service = / > 5 years
Discount rate(s)	7.19%	7.39%
Expected rate(s) of salary increase	4.00%	4.00%
Mortality table	Indian Assured Lives Mortality (2012-14) (Urban)	Indian Assured Lives Mortality (2012-14) (Urban)

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			Funded Plan Gratuity 31st March, 2024 Rs.in Lakhs	Funded Plan Gratuity 31st March, 2023 Rs.in Lakhs
I	1	Expense recognised in the Statement of Profit and Loss for the year ended		
		Service Cost		
		Current Service Cost	46.58	42.51
		Net interest expense	65.95	57.96
		Components of defined benefit costs recognized in profit or loss	**112.53**	**100.47**
		(Less) : Transferred to Research and Development expenses	-	-
		Add : Gratuity paid directly	-	-
		Net Gratuity expenses disclosed under employee benefits expense	**112.53**	**100.47**
	2	Included in other Comprehensive Income		
		Actuarial (Gain) / Loss recognized for the period	18.25	(11.26)
		Return on Plan Assets excluding net interest	1.10	4.64
		Actuarial (Gain) / Loss recognized in OCI	**19.35**	**(6.62)**
II		Net Asset/(Liability) recognised in the Balance Sheet as at		
	1	Present value of defined benefit obligation as at	(969.39)	(919.35)
	2	Fair value of plan assets as at	41.49	27.00
	3	**Surplus/(Deficit)**	**(927.90)**	**(892.35)**
	4	Current portion of the above	(143.50)	(140.32)
III		Change in the obligation during the year ended		
	1	Present value of defined benefit obligation at the beginning of the year	919.35	997.07
	2	Expenses Recognised in the statement of Profit and Loss		
		- Current Service Cost	46.58	42.51
		- Interest Expense / (Income)	67.94	66.80
	3	Recognised in Other Comprehensive Income		
		Remeasurement gains / (losses)		
		Actuarial Gain / (Loss)		
		i. Demographic Assumptions	-	(12.84)
		ii. Financial Assumptions	8.98	(80.33)
		iii. Experience Adjustments	9.27	81.92
	4	Benefit payments	(82.73)	(175.78)
	5	**Present value of defined benefit obligation at the end of the year**	**969.39**	**919.35**
IV		Change in fair value of assets during the year ended		
	1	Fair value of plan assets at the beginning of the year	27.00	131.99
	2	Interest Income	2.00	8.84
	3	Return on Plan Assets, excluding Interest Income	(1.10)	(4.64)
	4	Contributions by employer (including benefit payments recoverable)	96.32	66.59
	5	Benefit payments	(82.73)	(175.78)
	6	**Fair value of plan assets at the end of the year**	**41.49**	**27.00**

Composition of the plan assets is as follows:
Plan asset is maintained with Life Insurance Corporation of India. In the absence of detailed information regarding plan assets which is funded with Insurance Companies, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is

Rs. In lakhs

		Changes in assumption	Impact on defined benefit obligation: Increase in assumptions	Impact on defined benefit obligation: Decrease in assumptions
Discount Rate	31st March, 2024	1.00%	(43.35)	47.47
	31st March, 2023	1.00%	(41.48)	45.50
Salary growth Rate	31st March, 2024	1.00%	48.50	(45.04)
	31st March, 2023	1.00%	46.58	(43.17)
Withdrawal Rate	31st March, 2024	1.00%	7.47	(8.08)
	31st March, 2023	1.00%	8.02	(8.67)

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.
The sensitivity analysis presented above may not be representative of the actual change in the Defined Benefit Obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the Defined Benefit Obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the Defined Benefit Obligation as recognised in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Maturity profile of projected benefit obligations

Rs. In lakhs

	As at 31st March, 2024	As at 31st March,2023
1st Following Year	121.65	136.16
2nd Following Year	108.98	83.37
3rd Following Year	101.79	120.67
4th Following Year	120.25	95.87
5th Following Year	179.82	103.73
Sum of years 6 to 10	434.01	461.79
Sum of years 11 and above	378.64	394.95
	1,445.14	1,396.54

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The weighted average duration of the projected benefit obligation is approximately 6 years (31st March, 2023 : 6 years). The expected contribution to be made by the Company during the financial year 2024-25 is Rs.143.50 lakhs (31st, March, 2023 : Rs 140.32 lakhs).

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance Company and a default will wipe out all the assets. Although probability of this is very low as insurance companies have to follow Para 139 (c) Characteristics of defined benefit plans.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk

39 **Fair Value measurements**

Financial Assets and Financial Liabilities

The carrying value and fair value of financial instruments by categories as at 31st March, 2024 is as follows: Rs. In lakhs

	Fair Value through P&L	Fair Value through OCI	Amortised cost	Total carrying value	Total fair value
Financial Assets					
Non current					
Investments	152.51	-	-	152.51	152.51
Security Deposits	-	-	942.76	942.76	942.76
Current					
Trade receivables	-	-	16,199.34	16,199.34	16,199.34
Cash and cash equivalents	-	-	511.33	511.33	511.33
Bank balances	-	-	1,088.06	1,088.06	1,088.06
Other financial asset	-	-	245.94	245.94	245.94
Total	**152.51**	-	**18,987.43**	**19,139.94**	**19,139.94**
Financial liabilities					
Non current					
Borrowings (including current maturities)	-	-	3,933.64	3,933.64	3,933.64
Lease Liability	-	-	5.93	5.93	5.93
Current					
Borrowings	-	-	6,337.59	6,337.59	6,337.59
Trade payables	-	-	29,898.01	29,898.01	29,898.01
Lease Liability	-	-	113.71	113.71	113.71
Other financial liability	-	-	1,481.50	1,481.50	1,481.50
Total	-	-	**41,770.38**	**41,770.38**	**41,770.38**

The carrying value and fair value of financial instruments by categories as at 31st March, 2023 is as follows:

Rs. In lakhs

	Fair Value through P&L	Fair Value through OCI	Amortised cost	Total carrying value	Total fair value
Financial Assets					
Non current					
Investments	142.75	-	-	142.75	142.75
Security Deposits	-	-	847.72	847.72	847.72
Current					
Trade receivables	-	-	8,957.17	8,957.17	8,957.17
Cash and cash equivalents	-	-	386.71	386.71	386.71
Bank balances	-	-	672.84	672.84	672.84
Other financial asset	-	-	186.44	186.44	186.44
Total	**142.75**	-	**11,050.88**	**11,193.63**	**11,193.63**
Financial liabilities					
Non current					
Borrowings (including current maturities)	-	-	3,976.37	3,976.37	3,976.37
Lease Liability	-	-	119.15	119.15	119.15
Other financial liability	-	-			-
Current					
Borrowings	-	-	3,959.20	3,959.20	3,959.20
Trade payables	-	-	21,441.15	21,441.15	21,441.15
Lease Liability	-	-	119.00	119.00	119.00
Other financial liability	-	-	1,952.51	1,952.51	1,952.51
Total	-	-	**31,567.38**	**31,567.38**	**31,567.38**

Fair Value hierarchy

The Company uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

Level 1: Fair value measurement are those derived from quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: Fair value measurements are those derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3: Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data

There were no transfers between Level 1 and Level 2 during the year

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The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosures are required) :

Rs. In lakhs

	Fair value hierarchy as at 31st March, 2024			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Non current				
Investments	-	152.51	-	152.51
Total	-	152.51	-	152.51

Rs. In lakhs

	Fair value hierarchy as at 31st March, 2023			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Non current				
Investments	-	142.75	-	142.75
Total	-	142.75	-	142.75

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40. Related Party Disclosure

Names of related parties with whom transactions have taken place & description of relationship :	
1. Key Management Personnel	Mr. G.L. Mirchandani - Chairman and Managing Director Mr. V.J. Mansukhani - Managing Director Mr. Kaval Mirchandani - Executive Director Mr. Lokesh Sikka - Whole - time Director (upto 3rd April, 2023) Mr. Rafique Malik - Independent Director (upto 2nd November, 2023) Mr. Carlton Pereira - Independent Director Mr. Arvind Sharma - Independent Director Ms. Mohita Arora - Independent Director Mrs. Nandini Mansinghka - Independent Director (from 2nd November, 2023) Mr. G. Sundar - Chief Executive Officer (upto 30th September, 2022) Mr.Vikram Surendran - Chief Executive Officer (from 10th April, 2023 upto 11th October, 2023) Mr. Prasad Oak - Head Corporate Affairs, Legal and Company Secretary Mr. Deepak Sarawagi - Chief Financial Officer (from 1st December, 2021 upto 25th May, 2022) Mr.Shailesh Kedawat - Chief Financial Officer (from 26th May, 2022 upto 9th September, 2022) Mr.Shirish Suvagia - Chief Financial Officer (from 11th November, 2022)
2. Relatives of Key Management Personnel	Mrs. Gita Mirchandani (Wife of Mr.G.L. Mirchandani) Mr. Akshay Mansukhani (Son of Mr.V.J. Mansukhani) Ms. Ayesha Mansukhani (Daughter of Mr.V.J. Mansukhani)
3. Enterprise over which any person described in 1 & 2 is having significant influence	Iwai Electronics Pvt. Ltd. Adino Telecom Ltd. Gulita Wealth Advisors Pvt. Ltd. Adino Electronics Ltd.

Rs. in lakhs

Nature of transactions	For the Year ended	Key management Personnel (1)	Relatives of key management personnel (2)	Enterprise over which any person described in (1) & (2) is having significant influence (3)
Purchase / (purchase return) of goods, services, intangible assets and spares				
Iwai Electronics Pvt.Limited	2024	-	-	163.63
	2023	-	-	76.85
Sale of goods, spares and services				
Iwai Electronics Pvt. Limited	2024	-	-	0.34
	2023	-	-	0.34
Rent paid				
Gulita Wealth Advisors Private Limited	2024	-	-	30.00
	2023	-	-	30.00
Refund of rent deposit				
Gulita Wealth Advisors Private Limited	2024	-	-	-
	2023	-	-	200.00
Loan Received				
Kaval Mirchandani	2024	200.00	-	-
	2023	-	-	-
G.L. Mirchandani	2024	466.00	-	-
	2023	-	-	-
V.J.Mansukhani	2024	150.00	-	-
	2023	-	-	-
Interest paid on loans				
Kaval Mirchandani	2024	7.80	-	-
	2023	-	-	-
G.L. Mirchandani	2024	0.64	-	-
	2023	-	-	-

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Rs. in lakhs

Nature of transactions	For the Year ended	Key management Personnel (1)	Relatives of key management personnel (2)	Enterprise over which any person described in (1) & (2) is having significant influence (3)
V.J.Mansukhani				
	2024	0.36	-	-
	2023		-	-
Remuneration of key management personnel				
G.L. Mirchandani				
Remuneration	2024	146.11	-	-
Remuneration	2023	121.63	-	-
V.J.Mansukhani				
Remuneration	2024	146.11	-	-
Remuneration	2023	121.63	-	-
Kaval Mirchandani				
Remuneration	2024	35.29	-	-
Remuneration	2023	39.63	-	-
G. Sundar				
Remuneration	2024	-	-	-
Remuneration	2023	128.44	-	-
Lokesh Sikka				
Remuneration	2024	0.61	-	-
Remuneration	2023	49.03	-	-
Deepak Sarawagi				
Remuneration	2024	-	-	-
Remuneration	2023	4.91	-	-
Prasad Oak				
Remuneration	2024	35.04	-	-
Remuneration	2023	31.69	-	-
Mr.Shailesh Kedawat				
Remuneration	2024	-	-	-
Remuneration	2023	42.73	-	-
Mr.Shirish Suvagia				
Remuneration	2024	85.51	-	-
Remuneration	2023	32.31	-	-
Mr.Vikram Surendran				
Remuneration	2024	81.22	-	-
Remuneration	2023	-	-	-
Sitting Fees				
Mr. Rafique Malik	2024	1.76	-	-
	2023	2.48	-	-
Mr. Carlton Pereira	2024	2.58	-	-
	2023	2.27	-	-
Mr. Arvind Sharma	2024	2.05	-	-
	2023	1.85	-	-
Ms.Mohita Arora	2024	2.18	-	-
	2023	1.86	-	-
Mrs. Nandini Mansinghka				
	2024	1.45	-	-
	2023	-	-	-

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Related party balances **Rs. in lakhs**

Nature of Balances	Balance as on	Key management Personnel (1)	Relatives of key management personnel (2)	Enterprise over which any person described in (1) & (2) is having significant influence (3)
Rent Payable Gulita Wealth Advisors Private Limited	2024	-	-	2.50
	2023	-	-	2.50
Interest payable Kaval Mirchandani	2024	7.80	-	-
	2023	-	-	-
G.L. Mirchandani	2024	0.64	-	-
	2023	-	-	-
V.J.Mansukhani	2024	0.36	-	-
	2023		-	-
Loan payable Kaval Mirchandani	2024	200.00	-	-
	2023	-	-	-
G.L. Mirchandani	2024	466.00	-	-
	2023	-	-	-
V.J.Mansukhani	2024	150.00	-	-
	2023		-	-

Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31st March, 2024, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Loans to Related party

There is no loan outstanding with any related party.

41. Corporate Social Responsibility

The statutory provisions of Section 135(5) of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 with respect to spending in CSR activities are not applicable to the Company for the year ended 31st March, 2024.

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42. **Financial risk management objectives and policies**

The Company's principal financial liabilities comprises of loans and borrowings, trade and other payables, and lease liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables and cash and cash equivalents that are derived directly from its operations.

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company is exposed to market risk, credit risk and liquidity risk.

The Company's senior management oversees the management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance framework for the Company are accountable to the Board of Directors and Audit Committee. This process provides assurance to Company's senior management that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with Company policies and Company risk objective.

The Board of Directors reviews and agrees policies for managing each of these risks which are summarized as below:

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprises two types of risk: currency rate risk and interest rate risk. Financial instruments affected by market risks include loans and borrowings, deposits and foreign currency receivables and payables. The sensitivity analysis in the following sections relate to the position as at 31st March, 2024 and 31st March, 2023. The analysis exclude the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities.

(i) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Companies operating activities that is buying of Raw Material and Finished Goods from international buyers. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies. The Company manages its foreign currency risk by hedging transactions that are expected to occur within a maximum 12 month period for hedges of purchases. The Company hedges its exposure to fluctuations on the translation into INR of its imports operations. This foreign currency risk is hedged by using foreign currency forward contracts.

Following table analyses foreign currency assets and liabilities as on balance sheet date

	31st March, 2024		31st March, 2023	
	Foreign currency in lakhs	Rs. in lakhs	Foreign currency in lakhs	Rs. in lakhs
Foreign currency liabilities				
In USD	12.61	1,051.40	4.68	383.20
In RMB	-		126.35	1,511.75
In JPY	0.86	0.48	-	-
Foreign currency Assets				
In USD	-	-	-	-

Foreign currency risk sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the Company profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company exposure to foreign currency as on 31st March, 2023 is tabulated below.

		Effect on profit before tax	Effect on pre tax equity
31st March, 2024	Rupee depreciates by Re.1 against USD	(12.61)	(12.61)
	Rupee appreciates by Re.1 against USD	12.61	12.61
	Rupee depreciates by Re.1 against RMB	-	-
	Rupee appreciates by Re.1 against RMB	-	-
	Rupee depreciates by Re.1 against JPY	(0.86)	(0.86)
	Rupee appreciates by Re.1 against JPY	0.86	0.86
31st March, 2023	Rupee depreciates by Re.1 against USD	(4.68)	(4.68)
	Rupee appreciates by Re.1 against USD	4.68	4.68
	Rupee depreciates by Re.1 against RMB	(126.35)	(126.35)
	Rupee appreciates by Re.1 against RMB	126.35	126.35
			-

Notes :

1. +/- Gain / Loss
2. The impact of depreciation / appreciation on foreign currency other than USD on profit before tax of the Company is not material.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's borrowings are from commercial banks to meet the working capital requirements for operation of the business. The banks generally charge the card rate to the Company based on annual appraisal by internal and external ratings. There is no major fluctuation on those interest rates charged by the bank during the period under audit.

If the interest rates had been 50 basic points higher or lower and all the other variables were held constant, the effect of interest expense for the respective financial years and consequent effect on company's profit in that financial year would have been as below

Rs.in Lakhs

	31st March, 2024		31st March, 2023	
	50 bps increase	50 bps decrease	50 bps increase	50 bps decrease
Interest expense on loan	1,156.53	1,058.32	703.69	629.69
Effect on profit before tax	(49.10)	49.10	(37.00)	37.00

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(b) Credit risk management

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities including foreign exchange transactions. The Company generally deals with parties which has worthiness based on Company's internal assessment.

Rs in Lakhs

	31st March, 2024	31st March, 2023
Trade receivable	16,199.34	8,957.17
Other financial assets	1,188.70	1,034.16

Refer Note 9 for credit risk and other information in respect of trade receivables. Other receivables as stated above are due from the parties under normal course of the business and the Company has made provision as per ECL model. The Company has not acquired any credit impaired asset. There was no modification in any 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 objective is to at all times maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. Processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. The Company assessed the concentration of risk with respect to its debt and concluded it to be low.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Maturity Profile of Companies Financial Liabilities based on contractual undiscounted payments

Rs. In lakhs

	0 to 1 year	1 to 5 years	> 5 years	Total
Year Ended March 2024				
Borrowings	8,714.81	1,556.42	-	10,271.23
Lease Liabilities	113.71	5.93	-	119.64
Trade payables	29,898.01	-	-	29,898.01
Other financial liabilities	1,481.50	-	-	1,481.50
	40,208.03	**1,562.35**	**-**	**41,770.38**
Year Ended March 2023				
Borrowings	4,819.93	2,961.51	154.13	7,935.57
Lease Liabilities	135.23	124.91	-	260.14
Trade payables	21,441.15	-	-	21,441.15
Other financial liabilities	1,952.51	-	-	1,952.51
	28,348.82	**3,086.42**	**154.13**	**31,589.37**

43 **Segment information**

The Company considers entire business under one segment i.e. Consumer Durable products. Further, there is no separately identifiable geographical segment and hence no reporting is made for segment. During the year, revenue from three customers (31st March, 2023: two) is more than 25% of total revenue. Revenue from one customer of the Company represents Rs.21599.58 lacs for the year ended 31st March, 2024 which is 22.35% of the total revenue.

The Company's exposure to customers is diversified and 12 number of customers contribute more than 77 % of oustanding receivables

44 **Details of dues to Micro, Small and Medium enterprises as defined under the Micro Small and Medium enterprises development (MSMED) Act, 2006**

Micro and Small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined based on the information available with the Company and the required disclosures are given below:

	31st March, 2024 Rs. In lakhs	31st March, 2023 Rs. In lakhs
a) Principal amount remaining unpaid as	270.16	282.30
b) Interest due thereon as on	-	-
c) The amount of Interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
d) The amount of Interest due	-	-
e) The amount of Interest accrued	-	-
f) The amount of further interest due and payable even in the succeeding years, until such date when the interest dues as above are actually paid	-	-

Dues to Micro and Small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

Amounts unpaid to Micro and Small enterprises vendors on account of retention money have not been considered for the purpose of interest calculation.

45 The Employee Stock Option Plan 2023 ("ESOP 2023") of 83,76,520 (3.63%) Equity Shares (ESOP Pool) was approved by the Board of Directors on 2nd November, 2023 and by the Shareholders of the Company pursuant to the special resolution passed through postal ballot on 17th January, 2024. The Company received In-principal approval for ESOP 2023 from BSE Limited and National Stock Exchange of India Limited on 12th April, 2024. After receipt of necessary approvals, the Compensation Committee of the Board of Directors in their meeting held on 16th April, 2024, approved to grant 38,00,846 (1.65%) Options to 23 employees of the Company.

46 **Subsequent events**

The Company has evaluated subsequent events from the balance sheet date upto 14th May 2024, the date at which the financial statements were available to be issued, and determined that there are no material items to disclose other than those disclosed above.

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For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. From time to time, the Company reviews its policy related to dividend payment to shareholders, return capital to shareholders or fresh issue of shares. The Company monitors capital using gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio below 30%. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents as detailed in the notes below.

The Company's capital management is intended to create value for shareholders by facilitating the meeting of its long-term and short-term goals. Its Capital structure consists of net debt (borrowings as detailed in notes below) and total equity.

Gearing ratio:
The gearing ratio at the end of the reporting period was as follows:

Debt-to-equity ratio are as follows: Rs. In lakhs

	31st March, 2024	31st March, 2023
Debt (i)	10298.22	7947.43
Less: Cash and Bank balances	1599.39	1059.55
Net debt	8,698.83	6887.88
Total Capital (ii)	12,844.52	19084.70
Capital and net debt	**21543.35**	**25972.58**
Net debt to Total Capital plus net debt ratio (%)	**40%**	**27%**

Notes :

(i) Debt is defined as long-term borrowings (including current maturities), short-term borrowings (excluding contingent considerations) and interest accrued.

(ii) Equity is defined as equity share capital and other equity including reserves and surplus.

52 Previous years' figures have been regrouped / reclassified wherever necessary, to conform to current year's classification.

As per our Report of even date
For ASA & Associates LLP
Chartered Accountants
Firm Registration Number 009571N/N500006

K. Nithyananda Kamath
Partner
Membership No.027972

ASA & Associates LLP Chartered Accountants

For and on behalf of the Board of Directors of
MIRC Electronics Limited

G.L. Mirchandani
Chairman and Managing Director
DIN : 00026664

V.J.Mansukhani
Managing Director
DIN : 01041809

Kaval Mirchandani
Whole-time Director
DIN : 01179978

Shirish Suvagia
Whole-time Director and
Chief Financial Officer
DIN : 10095690

Prasad Oak
Head - Legal, Corporate Affairs
and Company Secretary

Place : Ernakulam
Date : 14th May, 2024

Place : Mumbai
Date : 14th May, 2024

STATEMENT OF ACCOUNTING RATIOS

(Rs in INR)

Particulars	Unaudited For the period ended September 30, 2024	As at and for the year ended March 31,2024	As at and for the year ended March 31,2023
Net Worth	1,30,57,00,000	1,28,44,52,000	1,90,84,70,000
Profit attributable to the owners of the equity	1,69,11,000	(62,20,83,000)	(12,46,79,000)
Number of the shares outstanding at the end of the year	23,09,52,619	23,09,52,619	23,09,52,619
Basic earnings per share (₹)	0.08	(2.69)	(0.54)
Diluted earnings per share (₹)	0.08	(2.69)	(0.54)
Return on Net Worth (%)	0.012	(48.43)	(6.53)
Net Asset Value per Equity Share (₹)	5.65	5.56	8.26
EBITDA	14,66,69,000	(39,17,89,000)	7,46,42,000

The formula used in the computation of the above ratios is as follows:

Basic earnings per share	Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders before and after exceptional item, as applicable / Weighted Average number of Equity Shares.
Diluted earnings per share	Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders before or after exceptional item, as applicable/ Weighted Average number of Equity Shares (including convertible securities).
Return on net worth (in %)	Profit for the Period/Year as per Statement of Profit and Loss attributable to Equity Shareholders (prior to other comprehensive income)/ Net worth at the end of the year.
Net asset value per Equity Share	Net Worth divided by the number of Equity Shares outstanding for the period/year.
EBITDA	Profit for the year before finance costs, tax, depreciation, amortisation, exceptional items as presented in the statement of profit and loss in the Financial Statements.

STOCK MARKET DATA FOR EQUITY SHARES OF OUR COMPANY

Our Companies Equity Shares are listed on NSE Limited & BSE Limited And are actively trading since February 15, 2007. For further details, please refer to the section titled 'Terms of the Issue' on page 188 of this Draft Letter of Offer.

For the purpose of this section, unless otherwise specified:

1. Year is a Financial Year;
2. Average price is the average of the daily closing prices of the Equity Shares for the year, or the month, as the case maybe;
3. High price is the maximum of the daily high prices and low price is the minimum of the daily low prices of the Equity Shares, as the case may be, for the year, or the month, as the case may be; and
4. In case of two days with the same high / low / closing price, the date with higher volume has been considered.

Stock Market Data of the Equity Shares

The high, low, and average market closing prices recorded on the Stock Exchanges during the last three years and the number of Equity Shares traded on these days are stated below:

Stock Market Data of the Equity Shares

The high, low, and average market closing prices recorded on the Stock Exchanges during the last three years and the number of Equity Shares traded on these days are stated below:

BSE:

Financial Year	High (₹) *	Date of High	No. of Shares traded on date of High	Total volume traded on date of High (in ₹)	Low (₹) *	Date of Low	No. of Shares traded on date of Low	Total volume traded on date of Low (in ₹)	Average price for the year**
2023-2024	30.68	07-Feb-24	7,71,060	2,23,19,284	11.72	03-Apr-23	46,934	5,93,294	18.7529
2022-2023	22.7	07-Apr-22	1,16,864	25,71,293	11.1	28-Mar-23	89,024	10,10,905	16.0249
2021-2022	34.9	18-Jan-22	4,43,457	1,47,82,726	11.16	22-Apr-21	2,42,429	27,70,171	21.0656

(Source: www.bseindia.com)

* High and low prices are based on the high and low of the daily prices.

** Average of the daily closing prices.

NSE:

Financial Year	High (₹) *	Date of High	No. of Shares traded on date of High	Total volume traded on date of High (in ₹)	Low (₹) *	Date of Low	No. of Shares traded on date of Low	Total volume traded on date of Low (in ₹)	Average price for the year**
2023-2024	30.45	07-Feb-24	49,29,473	14,32,13,878.70	11.45	06-Jun-23	6,25,137	80,25,448.50	22.5741
2022 2023	22.9	07-Apr-22	8,08,911	1,77,34,586.10	11	27-Mar-23	6,08,879	72,89,635.35	16.0209
2021 2022	34.9	18-Jan-22	17,12,712	5,71,89,444.20	12.75	30-Apr-21	4,06,457	55,31,306.00	18.4141

(Source: www.nseindia.com)

*High and low prices are based on the high and low of the daily prices.

**Average of the daily closing prices.

Market Prices for the last six calendar months

The total number of days trading during the past six months, from June, 2024 to December, 2024 was 129 days.

BSE:

Month	Date of High	High (₹) *	Volume (No. Of Shares)	Total Volume Traded on Date of High (In ₹)	Date of Low	Low (₹) *	Volume (No. Of Shares)	Total Volume Traded on Date of Low (In ₹)	Average Price for The Month**
December	06-Dec-24	22.78	90,522	19,79,382	03-Dec-24	20.3	59,612	12,39,842	22.78
November	06-Nov-24	24.24	1,85,896	43,88,050	21-Nov-24	19	50,058	9,68,052	21.14
October	01-Oct-24	24.59	57,338	13,92,730	25-Oct-24	19.77	1,32,109	26,35,303	22.07
September	02-Sep-24	30.12	2,02,734	59,50,577	30-Sep-24	23.27	1,04,590	25,43,499	26.24
August	26-Aug-24	33	5,19,626	1,63,14,178	07-Aug-24	19.91	1,32,447	27,76,922	24.83
July	29-Jul-24	24.46	2,63,735	62,93,151	03-Jul-24	20	76,428	15,44,286	21.45
June	13-Jun-24	23.22	5,13,230	1,15,12,865	05-Jun-24	19	1,07,026	21,35,692	22.67

(Source: www.bseindia.com)

*High and low prices are based on the high and low of the daily prices.

**Average of the daily closing prices.

NSE:

Month	Date Of High	High (₹) *	Volume (No. Of Shares)	Total Volume Traded on Date of High (In ₹)	Date Of Low	Low (₹) *	Volume (No. Of Shares)	Total Volume Traded on Date of Low (In ₹)	Average Price for The Month**
December	06-Dec-24	22.8	8,84,324	1,93,48,394.67	03-Dec-24	20.1	3,64,070	75,21,683.70	20.97
August	26-Aug-24	32.99	48,02,634	15,05,17,439.81	07-Aug-24	19.96	9,91,628	2,07,16,194.21	24.27
July	29-Jul-24	24.43	12,43,437	2,97,23,515.47	03-Jul-24	19.81	5,87,047	1,18,36,731.20	21.48
June	13-Jun-24	23.15	19,20,325	4,31,55,456.09	05-Jun-24	18.95	15,02,479	2,99,31,832.60	21.10

(Source: www.nseindia.com)

*High and low prices are based on the high and low of the daily prices.

**Average of the daily closing prices.

Note: The Market Price Information from September to November is not available on NSE.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our audited financial statements as of and for the Fiscal ended March 31, 2024 and March 31, 2023, March 31, 2022 and Unaudited financial results for Six months period ended September 30, 2024 included in this Draft Letter of Offer, all prepared in accordance with Indian Accounting Standards ("Ind AS"). Unless otherwise stated, the financial information used in this chapter is derived from the Audited Financial Statements of our Company.
Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year are to the twelve-month period ended March 31 of that year.

In this section, unless the context otherwise requires, any reference to "we", "us" or "our" refers to MIRC Electronics Limited, our Company. Unless otherwise indicated, financial information included herein are based on our "Financial Statements" for the period ended on Financial Years 2024, 2023 and 2022 is included in this Draft letter of offer beginning on page 93 *of this Draft Letter of Offer.*

Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations, or prediction may be "Forward Looking Statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in Government Regulations, Tax Laws and other Statutes and incidental factors.

BUSINESS OVERVIEW
Our Company is a leading Indian Company specializing in the manufacturing and distribution of consumer electronics and home appliances. Our flagship brand, *Onida*, offers a wide range of products including televisions, air conditioners, washing machines, refrigerators, and microwaves. With a strong presence in both domestic and international markets, we operate through an extensive distribution network. At MIRC Electronics, we are committed to innovation, quality, and customer satisfaction, ensuring that we remain a key player in the competitive consumer electronics industry in India.

For further details, please refer to the chapter titled *'Our Business'* beginning on page 52 of this Draft Letter of Offer.

FACTORS AFFECTING OUR RESULTS OF OPERATIONS
Our business is subject to various risks and uncertainties, including those discussed in the section titled *"Risk Factors"* on page 19 beginning of this Draft Letter of Offer.

Our Company's future results of operations could be affected potentially by the following factors:

- Uncertainty regarding the Government Infrastructure Projects, raw material prices, economic conditions, and other factors beyond our control;
- Inability to identify or effectively respond to customer needs, expectations, or trends in a timely manner;
- Our ability to successfully implement our growth strategy and expansion plans, and to successfully launch and implement various projects;
- Volatility of loan interest rates and inflation;
- Our failure to keep pace with rapid changes in technology;
- Our ability to attract and retain qualified personnel;
- Changes in laws and regulations relating to the sectors/areas in which we operate;
- Failure to successfully upgrade our product portfolio, from time to time.
- The occurrence of natural disasters or calamities; and
- Changes in government policies and regulatory actions that apply to or affect our business;
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;

SIGNIFICANT ACCOUNTING POLICIES

Except as mentioned in section titled “Financial Statements” beginning on page 93 of this Draft Letter of Offer, there has been no change in accounting policies during the Fiscal years 2024, 2023 and 2022.

CHANGES IN ACCOUNTING POLICIES

Except as mentioned in section titled “Financial Statements” beginning on page 93 of this Draft Letter of Offer, there has been no change in accounting policies during the Fiscal years 2024, 2023 and 2022.

COMPONENTS OF INCOME AND EXPENDITURE

Total Revenue

Our Total revenue consists of revenue from operations and other income.

Other Income

Other income includes interest income on financial assets, rental income, dividend on Mutual funds etc.

Total Expenses

Expenses consists of cost of material consumed, changes in inventories, employee benefit expenses, financial costs, depreciation and amortisation expense and other expenses.

Change in Inventories

Consists of changes in work-in-progress and finished products, if any.

Employee benefit expenses

Employee benefit expenses comprises of salaries, gratuity, contribution to and provident and other funds.

Finance cost

Finance cost comprises of interest on borrowings and other cost**.**

Other Expenses

Other expenses include advertisement expenses, service charges courier and freight charges, electricity expenses, repairs and maintenance, power and fuel, Professional fees, packing and testing charges, travelling and conveyance charges, rent etc.

Taxation

The current taxation is computed in accordance with relevant tax regulation. Deferred tax is recognized on timing differences between the accounting and the taxable income for the year and quantified using the tax rates and laws enacted or subsequently enacted as on balance sheet date. Deferred tax assets are recognized and carried forward to the extent that there is a virtual certainly that sufficient future taxable income will be available against which such deferred tax assets can be realized in future.\

RESULTS OF OPERATIONS

The following discussion on results of operations should be read in conjunction with the Standalone Audited Financial Statements as of and for the year ended March 31, 2024, March 31, 2023 and March 31, 2022 is as follows:

(Amount in Lakhs)

Sr. No	Particulars	For the Year ended March 31,2024		For the Year ended March 31,2023		For the Year ended March 31,2022	
		Amount	% of Total Revenue	Amount	% of Total Revenue	Amount	% of Total Revenue
I	Revenue from Operations	96,803.65	99.33	1,11,022.50	99.78	1,19,217.20	99.55
II	Other Income	648.72	0.67	244.04	0.22	533.30	0.45
III	Total Revenue (I+II)	97,452.37		1,11,266.54		1,19,750.50	
IV	Expenses						
a	Cost of raw materials and components consumed	46,219.30	47.43	64,613.00	58.07	86,325.38	72.09
b	Purchases of Traded Goods	45,487.64	46.68	24,203.44	21.75	19,912.65	16.63
c	Changes in inventories of FGs, WIP and Stock-in trade	(3,248.07)	(3.33)	7,151.45	6.43	(1,880.53)	(1.57)
d	Employee benefits expenses	6,192.16	6.35	6,604.19	5.94	6,068.25	5.07
e	Finance Cost	1,505.15	1.54	1,089.65	0.98	1,408.44	1.18
f	Depreciation and amortization expenses	797.79	0.82	903.56	0.81	776.87	0.65
g	Other Expenses	6,719.23	6.89	7,948.04	7.14	7,434.97	6.21
	Total expenses	1,03,673.20	106.38	1,12,513.33	101.12	1,20,046.03	100.25
V	Profit/ (Loss)before Exceptional Items & Tax (III-IV)	(6,220.83)	(6.38)	(1,246.79)	(1.12)	(295.53)	(0.25)
VI	Exceptional Items	-		-		(1,711.61)	(1.43)
VIII	Profit/ (Loss) before Tax (V-VI)	(6,220.83)	-6.38	(1,246.79)	(1.12)	(2007.14)	1.68
	Tax Expenses						
a	Current Tax	-	-	-	-	-	-
b	Deferred Tax	-	-	-	-	-	-
	Total Tax expenses	-	-	-	-	-	-
	Profit/(Loss) for the Year after tax	(6,220.83)	(6.38)	(1,246.79)	(1.12)	(2007.14)	1.68
IX	Other Comprehensive Income						
a	Items that will not be reclassified to Profit or Loss	-	-	-	-	-	-
b	Remeasurement of the defined benefit plans	(19.35)	(0.02)	6.62	0.01	(18.50)	(0.02)
	Total Other Comprehensive income/ (Loss)	(19.35)	(0.02)	6.62	0.01	(18.50)	-0.02
	Profit/(loss) for the period	(6,240.18)	(6.40)	(1,240.17)	(1.11)	(2025.64)	1.69

ON STANDALONE BASIS COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2024 WITH FINANCIAL YEAR ENDED MARCH 31, 2023

Total Revenue

Our total revenue, which comprised of revenue from operations and other income, for the financial year ended March 31, 2024, was ₹ 97,452.37 lakhs as compared to ₹ 1,11,266.54 lakhs for the financial year ended March 31, 2023, representing decrease of 12.42%.

Revenue from Operations

Our revenue from operations for the year ended March 31, 2024 was ₹ 96,803.65 lakhs as compared to ₹ 1,11,022.50 lakhs for the Year ended March 31, 2023, representing a decrease of 12.81%.

Other Income

Our other income for the year ended March 31, 2024 was ₹ 648.72 lakhs as compared to ₹ 244.04 lakhs for the Year ended March 31, 2023, representing increase of 165.83%.

Expenditure

Our total expenditure was ₹ 1,03,673.20 lakhs for the year ended March 31, 2024 as compared to ₹ 1,12,513.33 lakhs for the Year ended March 31, 2023, representing decrease of 7.86%

Cost of Material Consumed

Cost of material consumed/purchase of stock in trade for the year ended March 31, 2024 was ₹ 46,219.30 lakhs as compared to ₹ 64,613.00 lakhs for the Year ended March 31, 2022, representing decrease of 28.47%.

Change in Inventory of Stock in Trade

Change in inventory of Stock in Trade for the year ended March 31, 2024 was ₹ (3,248.07) lakhs as compared to ₹ 7,151.45 lakhs for the Year ended March 31, 2023, representing decrease of 320%.

Employee Benefit Expenses

Employee Benefit expenses for the Year ended for the year ended March 31, 2024 was ₹ 6,192.16 lakhs as compared to ₹ 6,604.19 lakhs for the Year ended March 31, 2023, representing a decrease of 6.24%.

Finance Costs

Finance costs for the Year ended for the year ended March 31, 2024 was ₹ 1,505.15 lakhs as compared to ₹ 1,089.65 lakhs for the Year ended March 31, 2023, representing an increase of 38.13 %.

Depreciation and amortization expenses

Depreciation and amortization expenses for the year ended March 31, 2024 was ₹ 797.79 lakhs as compared to ₹ 903.56 lakhs for the Year ended March 31, 2023, representing decrease of 11.71%.

Other expenses

Other expenses for the year ended March 31, 2024 was ₹ 6,719.23 lakhs as compared to ₹ 7,948.04 lakhs for the Year ended March 31, 2023, representing decrease of 15.46%.

Profit/ (loss) before Tax

Loss before Tax for year ended March 31, 2024 was ₹ (6,220.83) lakhs as compared to ₹ (1,246.79) lakhs for the Year ended March 31, 2023, representing an increase of 398.95%.

Profit/ (loss) after Tax

Loss after Tax for year ended March 31, 2024 was ₹ (6,220.83) lakhs as compared to ₹ (1,246.79) lakhs the Year ended March 31, 2023, representing an increase of 398.95 %.

ON STANDALONE BASIS COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2023 WITH FINANCIAL YEAR ENDED MARCH 31, 2022

Total Revenue

Our total revenue, which comprised of revenue from operations and other income, for the financial year ended March 31, 2023, was ₹1,11,266.54 lakhs as compared to ₹1,19,750.50 lakhs for the financial year ended March 31, 2022, representing decrease of 7.08%.

Revenue from Operations

Our revenue from operations for the year ended March 31, 2023 was ₹ 1,11,022.50 lakhs as compared to ₹ 1,19,217.20 lakhs for the Year ended March 31, 2022, representing a decrease of 6.87 %.

Other Income

Our other income for the year ended March 31, 2023 was ₹ 244.04 lakhs as compared to ₹ 533.30 lakhs for the Year ended March 31, 2022, representing decrease of 54.23 %.

Expenditure
Our total expenditure was ₹ 1,12,513.33 lakhs for the year ended March 31, 2023 as compared to ₹ 1,20,046.03 lakhs for the Year ended March 31, 2022, representing decrease of 6.27%

Cost of Material Consumed
Cost of material consumed/purchase of stock in trade for the year ended March 31, 2023 was ₹ 64,613.00 lakhs as compared to ₹ 86,325.38 lakhs for the Year ended March 31, 2023, representing decrease of 25.15 %.

Change in Inventory of Stock in Trade
Change in inventory of Stock in Trade for the year ended March 31, 2023 was ₹ 7,151.45 lakhs as compared to ₹ (1,880.53) lakhs for the Year ended March 31, 2022, representing an increase of 480.28%

Employee Benefit Expenses
Employee Benefit expenses for the Year ended for the year ended March 31, 2023 was ₹ 6,604.19 lakhs as compared to ₹ 6,068.25 lakhs for the Year ended March 31, 2022, representing an increase of 8.83%.

Finance Costs
Finance costs for the Year ended for the year ended March 31, 2023 was ₹ 1,089.65 lakhs as compared to ₹ 1,408.44 lakhs for the Year ended March 31, 2022, representing an increase of 22.63 %.

Depreciation and amortization expenses
Depreciation and amortization expenses for the year ended March 31, 2023 was ₹ 903.56 lakhs as compared to ₹ 776.87 lakhs for the Year ended March 31, 2022, representing an increase of 16.31%.

Other expenses
Other expenses for the year ended March 31, 2023 was ₹ 7,948.04 lakhs as compared to ₹ 7,434.97 lakhs for the Year ended March 31, 2022, representing an increase of 6.90%.

Profit/ (loss) before Tax
Loss before Tax for year ended March 31, 2023 was ₹ (1,246.79) lakhs as compared to ₹ (2,007.14) lakhs for the Year ended March 31, 2022, representing loss decreased by 37.88%.

Profit/ (loss) after Tax

Loss after Tax for year ended March 31, 2023 was ₹ (1,246.79) lakhs as compared to ₹ (2007.14) lakhs the Year ended March 31, 2022, representing loss decreased by 37.88%.

The following discussion on results of operations should be read in conjunction with the Un-Audited Financial Results as of and for the Six- month period ended September 31, 2024 and September 31, 2023 is as follows:

(Amount in Lakhs)

Sr. No	Particulars	For the Six months ended September 31,2024		For the Six months ended September 31,2023	
		Amount	% of Total Revenue	Amount	% of Total Revenue
I	Revenue from Operations	37,915.73	98.88	37,669.67	98.61
II	Other Income	429.89	1.12	529.84	1.39
III	Total Revenue (I+II)	38,345.62		38,199.51	
IV	Expenses				
a	Cost of raw materials and components consumed	10,668.79	27.82	18,697.61	48.95

b	Purchases of Traded Goods	12,220.98	31.87	14,309.55	37.46
c	Changes in inventories of FGs, WIP and Stock-in trade	7,491.17	19.54	(978.86	(2.56)
d	Employee benefits expenses	2,998.38	7.82	3,164.69	8.29
e	Finance Cost	716.79	1.87	736.44	1.93
f	Depreciation and amortization expenses	347.96	0.91	420.52	1.10
g	Other Expenses	3,499.61	9.13	3,114.84	8.15
	Total expenses	37,943.68	98.95	39,464.79	103.31
V	Profit /(Loss)before exceptional items and Tax (V-VI)	401.94	1.05	(1,265.28)	(3.31)
VI	Exceptional Items	(223.15	(0.58)	-	
	Profit /(Loss)before Tax (V-VI)	178.79	0.47	(1,265.28)	(3.31)
	Tax Expenses				
a	Current Tax	-	-	-	-
b	Deferred Tax	-	-	-	-
	Total Tax expenses	-	-	-	-
	Profit/(Loss) for the Year after tax	178.79		(1,265.28)	
IX	Other Comprehensive Income				
a	Items that will not be reclassified to Profit or Loss	-	-		
b	Remeasurement of the defined benefit plans	-	-	3.31	0.01
	Total Other Comprehensive income/ (Loss)	(9.68)	(0.03)	3.31	0.01
	Profit/(loss) for the period	169.11		(1,261.97)	

SIX MONTHS PERIOD ENDED SEPTEMBER 30, 2024 COMPARED TO SIX MONTHS PERIOD ENDED SEPTEMBER 30, 2023

Total Revenue

Our total revenue, which comprised of revenue from operations and other income, for the Six months ended September 30, 2024, was ₹ 38,345.62 lakhs as compared to ₹ 38,199.51 lakhs for the Six months ended September 30, 2023, representing increase of 0.38%.

Revenue from Operations

Our revenue from operations for the Six months ended September 30, 2024 was ₹ 37,915.73 lakhs as compared to ₹ 37,669.67 lakhs for the Six months ended September 30, 2023, representing an increase of 0.65%.

Other Income

Our other income for the Six months ended September 30, 2024 was ₹ 429.89 lakhs as compared to ₹ 529.84 lakhs for the Six months ended September 30, 2023, representing a decrease of 18.86%.

Expenditure

Our total expenditure was ₹ 37,943.68 lakhs for the Six months ended September 30, 2024 as compared to ₹ 39,464.79 lakhs for the Six months ended September 30, 2023, representing decrease of 3.85%.

Cost of Material Consumed

Cost of material consumed/purchase of stock in trade for the Six months ended September 30, 2024 was ₹ 10,668.79 lakhs as compared to ₹ 18,697.61 lakhs for the Six months ended September 30, 2023, representing a decrease of 42.94 %.

Change in Inventory of Stock in Trade

Change in inventory of Stock in Trade for the Six months ended September 30, 2024 was ₹ 7,491.17 lakhs as compared to ₹ (978.86) lakhs for the Six months ended September 30, 2023, representing an increase of 865.16%.

Employee Benefit Expenses

Employee Benefit expenses for the Year ended for the Six months ended September 30, 2024 was ₹ 2,998.38 lakhs as compared to ₹ 3,164.69 lakhs for the Six months ended September 30, 2023, representing decrease of 5.26%.

Finance Costs

Finance costs for the Year ended for the Six months ended September 30, 2024 was ₹ 716.79 lakhs as compared to ₹ 736.44 lakhs for the Six months ended September 30, 2023, representing decrease of 2.67%.

Depreciation and amortization expenses

Depreciation and amortization expenses for the Six months ended September 30, 2024 was ₹ 347.96 lakhs as compared to ₹ 420.52 lakhs for the Six months ended September 30, 2023, representing decrease of 17.25%.

Other expenses

Other expenses for the Six months ended September 30, 2024 was ₹ 3,499.61 lakhs as compared to ₹ 3,114.84 lakhs for the Six months ended September 30, 2024, representing an increase of 12.35%.

Profit before Tax

Profit before Tax for the Six months ended September 30, 2024 was ₹178.79 lakhs as compared to ₹ (1,265.28) lakhs for the Six months ended September 30, 2023, representing an increase of 114.15%.

Profit after Tax

Profit after Tax for the Six months ended September 30, 2024 was ₹ 178.79 lakhs as compared to ₹ (1,265.28) lakhs the Six months ended September 30, 2023, representing an increase of 114.15%.

List of Top 10 Creditors for 3 years

Top Ten Creditors for FY ended March 31, 2024

Sr. No.	Name of Creditor	Amount Outstanding (Rs. in lakh)	% of total purchase	Relationship, if any with Promoters or Directors
1	Supertron Electronics Private	6,499.30	6.28	Nil
2	PG Technoplast Private Limited	6,486.30	6.26	Nil
3	Flash Solutions (P) Limited	4,087.63	3.95	Nil
4	TTE Technology India Pvt Ltd	1,917.56	1.85	Nil
5	Amber Enterprises India Limited	1,835.57	1.77	Nil
6	Reliance Retail Limited	1,787.15	1.73	Nil
7	TCL Moka International Limited	1,511.04	1.46	Nil
8	Amber Enterprises India Ltd.	348.34	0.34	Nil
9	Quantum Mobiservices Pvt Ltd	253.54	0.24	Nil
10	MMD Singapore PTE. Ltd.	206.73	0.20	Nil

Top Ten Creditors for FY ended March 31, 2023

Sr. No.	Name of Creditor	Amount Outstanding (Rs. in Lakh)	% of total purchase	Relationship, if any with Promoters or Directors
1	TTE Technology India Pvt Ltd	5,463.85	5.62	Nil
2	Reliance Retail Limited	5,353.42	5.50	Nil
3	Amber Enterprises India Limited	3,548.28	3.65	Nil
4	PG Technoplast Private Limited	809.57	0.83	Nil
5	Amber Enterprises India Ltd	600.92	0.62	Nil
6	Ningbo Handian Trading Co.,Ltd	596.63	0.61	Nil
7	Hong-Kong Konka Limited	427.20	0.44	Nil
8	TCL Moka International Limited	126.51	0.13	Nil
9	Guangdong Changhong Electronic	116.97	0.12	Nil
10	Creative Hitech Private Limited	107.20	0.11	Nil

Top Ten Creditors for FY ended March 31, 2022

Sr. No.	Name of Creditor	Amount Outstanding (Rs. in Lakh)	% of total purchase	Relationship, if any with Promoters or Directors
1	TTE Technology India Pvt Ltd	16,296.52	12.92	Nil
2	Reliance Retail Limited	14,083.20	11.17	Nil
3	Ningbo Handian Trading Co.,Ltd.	688.45	0.55	Nil
4	TCL Moka International Limited	365.21	0.29	Nil
5	PG Technoplast Private Limited	325.54	0.26	Nil
6	Amber Enterprises India Ltd	266.53	0.21	Nil
7	Veira Electronics Pvt. Ltd.	255.40	0.20	Nil
8	Hisense International Singapore	168.72	0.13	Nil
9	Guangdong Meizhi Compressor	132.85	0.11	Nil
10	Sun Home Appliances	117.28	0.09	Nil

List of Top Ten Debtors for last 3 years

Top Ten Debtors for FY ended March 31, 2024

Sr. No.	Name of Debtor	Amount Outstanding (Rs. in lakhs)	% of total sale	Relationship, if any with Promoters or Directors
1	The Managing Director APTST Hrushik	8,344.55	8.56	Nil
2	Khanna & Walia Assosiates	763.92	0.78	Nil
3	Vasanth & Co	443.44	0.46	Nil
4	Flipkart India Private Limited	369.26	0.38	Nil
5	Vardan Traders	298.19	0.31	Nil
6	Ramesh Corporation	293.37	0.30	Nil
7	Ajay TV Centre	291.23	0.30	Nil
8	Ajay Electroworld	277.11	0.28	Nil
9	Janta Watch and Electric Store	237.24	0.24	Nil

10	C. S. Agencies	192.20	0.20	Nil

Top Ten Debtors for FY ended March 31, 2023

Sr. No.	Name of Debtor	Amount Outstanding (Rs. In lakhs)	% of total sale	Relationship, if any with Promoters or Directors
1	TTE Technology India Pvt Ltd	4,315.40	3.88%	Nil
2	Khanna & Walia Assosiates	506.27	0.46%	Nil
3	Ajay TV Centre	358.64	0.32%	Nil
4	Vasanth & Co	315.49	0.28%	Nil
5	Flipkart India Private Limited	216.73	0.19%	Nil
6	Janta Watch And Electric Store	153.80	0.14%	Nil
7	Ajay Electroworld	132.85	0.12%	Nil
8	Mohan Electric Company	127.72	0.11%	Nil
9	Tulsi Marketing	126.48	0.11%	Nil
10	Kapstone Constructions Pvt Ltd.	120.98	0.11%	Nil

Top Ten Debtors for FY ended March 31, 2022

Sr. No.	Name of Debtor	Amount Outstanding (Rs. in Lakhs)	% of total sale	Relationship, if any with Promoters or Directors
1	TTE Technology India Pvt Ltd	5,733.98	4.79	Nil
2	Flipkart India Private Limited	354.09	0.30	Nil
3	Vasanth & Co	291.73	0.24	Nil
4	Khanna & Walia Assosiates	290.45	0.24	Nil
5	Reliance Retail Limited	252.74	0.21	Nil
6	Reliance Retail Limited	229.61	0.19	Nil
7	Dawntech Electronics Private Limite	170.85	0.15	Nil
8	Ramesh Corporation	155.09	0.13	Nil
9	Girias Investment Pvt Ltd.	105.69	0.09	Nil
10	Ajay TV Centre	103.25	0.09	Nil

CAPITALIZATION STATEMENT

Particulars Based on Audited Financial Statements		Pre-Issue as at 31 March, 2024	As adjusted for the issue (Post Issue)*
Borrowings			
Current Borrowings	**A**	8,714.81	**[●]**
Non-Current Borrowings	**B**	1,556.42	**[●]**
Total Borrowings	**C=A+B**	10,271.23	**[●]**
Shareholder's fund (Net worth)			**[●]**
Share Capital	**D**	2,311.39	**[●]**
Other Equity	**E**	10,533.13	**[●]**
Total shareholder's fund (Net worth)	**F=D+E**	12,844.52	**[●]**
Non-current borrowing's/shareholder's fund (Net worth) ratio	**B/F**	0.12	**[●]**
Total borrowings /shareholders' funds (Net worth) ratio	**C/F**	0.80	**[●]**

**Notes:*Not determinable at this stage due to pending completion of the issue and hence the same have not been provided in the above statement.*

Notes:
1. Non-current borrowings are considered as borrowings other than short term borrowing.
2. The amounts disclosed above are based on the Financial Information of the company MIRC Electronics

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated below, as on the date of this Draft Letter of Offer, there are no outstanding (i) criminal proceedings, (ii) actions taken by statutory or regulatory authorities, (iii) claims related to direct or indirect tax matters, and (iv) litigation proceedings that are otherwise material, in each case, involving our Company, our Promoter, our Subsidiaries and our Directors ("**Relevant Parties**").

For the purpose of identification of material litigation in (iv) above, our Board has considered and adopted the following policy on materiality with regard to outstanding litigation involving the Relevant Parties to be disclosed by our Company in this Draft Letter of Offer pursuant to resolution dated [●] of our Board ("**Materiality Policy**"). Accordingly, disclosures of the following types of litigation involving the Relevant Parties have been included:

Unless otherwise specified, the terms defined in the description of a particular litigation matter pertain to such matter only.

I. Litigation involving our Company

(a) Criminal proceedings against our Company

i. Amit Electronics, MIRC Electronics Ltd., filed a criminal complaint alleging cheating under IPC Sections 120B and 420, . The dispute also led to civil suits, where partial decree in favour of Amit Electronics ,final decree while both parties filed appeals in the Indore High Court regarding decree amounts, interest enhancements, and execution stays. The Interim orders passed by the High Court in appeals have been complied,+ and the matters remain pending for final adjudication.

ii. Rajesh Kumar IO has filed a prosecution against MIRC Electronics Ltd, Gulu Lalchand Mirchandani, and Mr. Vijay Mansukhani before the Metropolitan Magistrate Court in Patiala House, New Delhi, under Section 28 of the Bonus Act, 1965. This action was taken based on a complaint from Shashank Gupta, who sought interim relief to recover his ex gratia bonuses for the years 2005-2006 to 2008-2009 from the Company. However, the proceedings have been stayed following an order from the Sessions Court in Criminal Revision Petition No. 459/2022, titled Gulu Mirchandani & Mr. Vijay Mansukhani Vs State of Uttar Pradesh and Rajesh Kumar IO. The next hearing for this case is set for 30.01.2025.

iii. Ram Prakash Tiwari filed a complaint against Mr. Gulu Lalchand Mirchandani, Mr. Ashok Batra, and the Company, alleging that an advertisement featuring Goddess Durga holding television sets affected Hindu religious sentiments and cited offenses under various sections of the IPC, including 153, 295, and 120B. The Company clarified that the advertisement was not intended to cause any offense or disrupt public harmony and emphasized that it did not depict the Goddess in a disrespectful manner. The High Court of Jharkhand, while dismissing the Company's petition to quash the proceedings, directed further investigation without any coercive measures. The matter is currently under police investigation, and no additional notice has been issued to the Company

(b) Criminal proceedings by our Company

i. MIRC Electronics Ltd. has filed a complaint against M/s. National Radio Electronics and its partners for failing to make payment for goods supplied in 2022, despite multiple assurances. The accused falsely claimed defective stock and ignored repeated payment requests, leading to a legal dispute. The complainant alleges offenses under sections 403, 405, 406, 415, 420, 506, and 120-B of the Indian Penal Code, including cheating and breach of trust. Despite filing a complaint with the police, no action was taken, and the matter was referred as "civil in nature." The complainant now seeks the court's intervention to summon the accused and ensure a fair trial.

ii. MIRC Electronics Ltd. filed a revision petition (CRR / 605 / 2024) against Amit Electronics before the High Court, challenging the impugned order passed by the trial court. The case was initiated by Amit Electronics Ltd., and the trial court recorded the evidence before charge, concluded the arguments, and passed an order. The matter is currently pending adjudication

(c) Material civil litigation against our Company

i. Crystal Software Solutions Limited has filed a recovery suit against MIRC Electronics Ltd., seeking Rs. 6,90,50,524.98 for outstanding dues, wrongful debits for research and development expenses, wrongful debits towards vendor payment, etc along with 21% interest annually. MIRC Electronics denies the claims, citing agreed research and development expenses debits from the Plaintiff totaling Rs. 2,91,862.26 and additional amounts owed to group companies , vendors. It also alleges losses of Rs. 59,18,921.54 due to supply delays, seeking 18% interest. Witnesses from both sides have been presented, and the case is transferred from High Court , now with the City Civil Court, Mumbai, is pending, with the next hearing on 23.01.2025.

ii. Koninklijke Philips N.V filed a lawsuit against MIRC Electronics Ltd. in the Delhi High Court, alleging patent infringement for a decoding device in DVD players, seeking ₹2 crore in damages and other reliefs. Philips claimed MIRC imported and sold unlicensed DVD players under the "ONIDA" brand without verifying whether royalties were paid to Koninklijke Philips N.V Philips by the Seller. MIRC denied the allegations, arguing compliance through valid supplier agreements and Certificate, and contested the suit as barred by limitation. Philips calculated potential royalties owed to range from ₹14.6 crore to ₹64.9 crore. With cross-examinations complete, the case is at the argument stage. The next hearing is on 26.02.2025.

iii. Ashok Padhye and 34 others have filed case number WP/2575/2014 in the Bombay High Court against MIRC Electronics Ltd, Gulu Mirchandani, Vijay Mansukhani and others involving a labour dispute involving an amount ₹99.98 lakhs approx. The case challenges the termination and transfer of 34 peons and security guards . The Labour Court and Industrial Court dismissed their petitions, prompting the appeal to the High Court.

iv. Mohd. Avais Siddiqui and others (Petitioners) have filed Writ Petition No. 2102 of 2009 against MIRC Electronics Ltd. and the Deputy Commissioner of Labour before the High Court of Judicature at Bombay. The petitioners allege that the company revised the workers' salaries based on a new trade union, which was deemed discriminatory by those remaining with the old union. In the trial court the relief sought amongst others was reinstatement with continuity in service and full back wages from December 26, 2003, and challenge the Labour Court's award dismissing the references. The case is pending.

v. Shashank Gupta filed a Special Leave Petition (SLP) (C) No. 9853 of 2024 in the Supreme Court of India against MIRC Electronics Ltd., challenging the dismissal of reliefs in LPA 561/2023 by the High Court. The petitioner's case involves issues related to reinstatement, back wages, bonus, recovery of terminal dues, and allegations of illegal termination by the company. Additionally, MIRC Electronics Ltd. has received two notices from the Office of the Joint Labour Commissioner, South-East District, Kalkaji, concerning the non-implementation of awards. One notice pertains to LC 1780/2016, involving ₹532,490, and the other concerns LPA 561/2023, involving ₹196,461. These notices are being addressed by the company.

vi. Minakshi Jhamb and two others have filed a case against the Workmen Compensation Commissioner and MIRC Electronics Ltd before the High Court of Uttarakhand at Nainital (AO No. 36 of 2018). The issue in the case revolves around whether the Workmen Compensation Commissioner/Assistant Labour Commissioner erred in not adjudicating the case on merits and instead accepting the amount offered by the Company. The case was referred to the National Lok Adalat after notice was issued, with a hearing scheduled for 18th May 2018. The Company has informed that it has not received notice in this case.

vii. Krishnakumar N. Jadeja filed Special Civil Application No. 14533 of 2011 in the Gujarat High Court, challenging a Lower Court award dated April 25, 2011. The court recognized him as a "workman" but denied reinstatement, back wages, or unemployment allowance. The petitioner had resigned in January 1999, effective April 1999, but later revoked his resignation before the effective date. The company rejected the revocation, citing that his resignation was accepted prior to revocation. . The petitioner claims the resignation was forced, which the company denies, raising a preliminary objection regarding his status as a workman.

viii. G.R. Industries filed Special Civil Suit No. 582/14 in the Civil Court, S.D. Thane, against MIRC Electronics Ltd. The plaintiff, involved in the production of sheet metal press parts for washing machine sub-assemblies, seeks recovery of ₹61,14,326, which includes ₹30,26,707 as interest at 36% and

₹30,87,619 as principal. The notice dated August 17, 2012, claimed ₹39,00,779, consisting of ₹25,84,808 in principal, ₹13,15,971 in interest, and ₹823,781.69 outstanding as per the invoice. Additionally, the claim includes ₹53,075 for semi-processed material lying with Jay Industries and ₹17,07,951 for raw material stored in the plaintiff's factory.

ix. Uttarakhand Power Corporation Ltd. (UPCL) filed a case against MIRC Electronics Ltd. in the Nainital High Court (WP 1068 of 2013) after MIRC's factory in Roorkee, Uttarakhand, was destroyed in a fire in February 2012. MIRC Electronics Ltd. had deposited ₹49,95,383 under protest and filed a grievance with the Electricity Consumer Grievance Redressal Forum, seeking a refund or adjustment of the amount in future bills and requesting that no bills be raised until the plant was rebuilt. The forum ruled in MIRC's favour in December 2012, granting the requested reliefs. UPCL challenged this order in July 2013 before the Nainital High Court, which is still pending. Additionally, UPCL claims that MIRC Electronics Ltd. owes ₹1,34,49,853 for minimum consumption guarantee charges from July 2012 to June 2013. The next hearing date is not yet set.

x. Dharmarajya Kamgar Karmachari Mahasaangh filed Complaint ULP 284 of 2014 against Akasaka Electronics Ltd. . (merged into MIRC Electronics Ltd) in the Industrial Court at Thane, alleging unfair labor practices. The Union stated that after the settlement with Shramik Sena expired in 2013, the company was reluctant to engage in discussions about their demands and caused difficulties for the workers. The company was also accused of removing machinery and outsourcing production, while workers faced challenges with work and wage payments. MIRC Electronics Ltd. was added as a respondent later. The case is ongoing, with the next hearing scheduled for 29.01.2025.

xi. Bhartiya Kamghar Sena & Meenakshi Ghadi filed a complaint (ULP 38 of 2015) before the Fourth Labour Court in Thane against MIRC Electronics Ltd., alleging unfair labor practices. The complaint sought a restraint order to prevent the termination of the worker, which was based on a domestic enquiry. The court framed preliminary issues concerning the fairness of the domestic enquiry and whether evidence should be permitted on these issues. The complainants requested permission to lead evidence but the court found no exceptional circumstances to grant this request. The case will rely on the domestic enquiry records to assess its fairness. The matter is pending adjudication.

xii. Bhartiya Kamghar Sena & Bharati Mhatre filed a complaint (ULP 40 of 2015) before the Fourth Labour Court in Thane against MIRC Electronics Ltd., accusing the company of unfair labor practices. The complaint sought a restraint order to prevent the termination of the worker based on a domestic enquiry. During the proceedings, preliminary issues were raised regarding the fairness of the domestic enquiry and whether the complainants could present evidence on these issues. The complainants argued for permission to lead evidence but the court found no exceptional circumstances to justify this. The case will proceed based on the records of the domestic enquiry, and the matter is pending adjudication.

xiii. Bhartiya Kamghar Sena & Sandhya Parab filed a complaint (ULP 41 of 2015) before the Fourth Labour Court in Thane against MIRC Electronics Ltd., alleging unfair labor practices. The complaint sought a restraint order to prevent the termination of the worker based on a domestic enquiry. Preliminary issues regarding the fairness of the domestic enquiry were raised, with the complainants requesting permission to lead evidence on these issues. However, the court found no exceptional circumstances to allow this. The case will proceed based on the domestic enquiry records, and the matter is pending adjudication.

xiv. Bhartiya Kamghar Sena & Geeta Sawant filed a complaint (ULP 43 of 2015) before the Fourth Labour Court in Thane against MIRC Electronics Ltd., accusing the company of unfair labour practices. The complaint sought a restraint order to prevent the worker's termination based on a domestic enquiry. The court addressed preliminary issues regarding the fairness of the enquiry, but the complainants' request to present evidence on these issues was denied. The court found no exceptional circumstances to justify allowing additional evidence. The matter will proceed based on the domestic enquiry records, and the matter is pending adjudication/.

xv. Bhartiya Kamghar Sena & Suprita Vichare filed a complaint (ULP 43 of 2015) before the Fourth Labour Court in Thane against MIRC Electronics Ltd., alleging unfair labor practices. The complaint sought a restraint order to prevent the termination of the worker based on a domestic enquiry. The court addressed preliminary issues related to the fairness of the enquiry, but the complainants' request to present evidence was denied. The court found no exceptional circumstances to justify allowing additional evidence and decided that the case would proceed based on the domestic enquiry records. The matter is pending adjudication.

xvi. Bhartiya Kamghar Sena & Samrudhi Pitale filed a complaint (ULP 46/2015) before the Fourth Labour Court in Thane against MIRC Electronics Ltd., accusing the company of unfair labour practices. The complaint sought a restraint order to prevent the worker's termination based on a domestic enquiry. The court addressed preliminary issues related to the fairness of the enquiry, but the complainants' request to present evidence on these issues was denied. The court found no exceptional circumstances to justify allowing additional evidence and decided that the case would proceed based on the domestic enquiry records. The matter is pending adjudication.

xvii. Tahrim Mohsin Patel has filed case number 166/2023 in the Additional District Sessions Court, Bhiwandi, against MIRC Electronics and others. The appeal challenges the judgment and decree dated February 6, 2018, passed by the Civil Judge in RCS No. 28/2010.

xviii. Ms. Vantage Integrated Security Solution (P) Ltd. has filed case number 138/2017 against MS MIRC Electronics Ltd. in the Civil Judge Junior Division, seeking the recovery of ₹1,11,398 for security products supplied, along with interest at 24% per annum.

xix. Saj Flight Services Pvt. Ltd. filed a recovery case against MIRC Electronics Ltd. in 2010 in the Trivandrum Court. On September 5, 2018, the court ruled in favour of MIRC Electronics Ltd. on the issue of territorial jurisdiction, stating that the case should not be heard in Trivandrum since Saj Lucia's headquarters is in Chennai, and the purchase order was issued and processed in Mumbai. The court directed Saj Lucia to return the plaint. However, Saj Lucia has filed a First Appeal before the Kerala High Court, arguing that the Trivandrum Court failed to consider certain documents that indicated the purchase order was issued and payment made in Trivandrum. The appeal seeks to set aside the order passed by the Trivandrum Court.

xx. Yogendra Singh filed a case against Onida Savak Limited, alleging that his suspension on 25.07.2001 was illegal as it violated Section 6E of the U.P. Industrial Disputes Act, 1947, and that no subsistence allowance was paid during the suspension period. He also claimed that the company failed to provide various statutory benefits, including appointment letters, salary slips, leave cards, minimum wage, bonus, and provident fund slips. He seeks the suspension order to be declared illegal and demands reinstatement with full back wages. Onida Savak Limited disputes the case, stating that the complaint was filed after a 15-year delay and that all dues were paid during his employment. The matter is still pending adjudication, with the next hearing set for 28.01.2025.

xxi. Priti Kaushik filed a claim under GPA 104 of 2024 against MIRC Electronics Ltd. in the Labour Court, Noida, demanding gratuity payment for her alleged 14.5 years of service as a Senior Operator-1. She claims to have worked from 20.02.1987 until her termination on 19.07.2001 and is seeking ₹60,275, including filing expenses. MIRC Electronics Ltd. is contesting the claim, asserting that Priti Kaushik was not employed by the company. The matter is pending adjudication

xxii. Next Education India Private Limited filed a recovery suit (COS 132 of 2017) against MIRC Electronics Ltd. and Infocus Corporation in Hyderabad, claiming ₹8,00,71,861 for damages due to inadequate after-sales service for Infocus projectors. MIRC Electronics Ltd. argues that Infocus stopped supporting them and that the products were misused. Next Education India directly dealt with Infocus for service. The High Court has stayed the proceedings in the case, pending the outcome of CRP No. 405 of 2023, filed by Next Education India challenging the Commercial Court's decision to disallow additional documents.

xxiii. Dharmarajya Kamgar Karmachari Mahasangh filed a complaint Complaint ULP 280 of 2014 against Akasaka Electronics Ltd. (merged into MIRC Electronics Ltd) and others, alleging that the workers were not paid their wages. The company, however, argued that the workers were on an illegal strike and issued six notices, including one dated 11-08-2014, requesting the union to end the strike and resume production. Akasaka Electronics Ltd. asserted that since the workers were not on duty, they would not be paid wages, citing the principle of 'No Work, No Wages.' The union's witness confirmed the correspondences issued by the management. The matter is adjourned to 29.01.2025 for further proceedings.

xxiv. Vikas Sakpal filed a complaint along with 18 other workers against Akasaka Electronics Ltd. (now merged into MIRC Electronics Ltd.) alleging that, despite having worked for many years, they were not treated as permanent workers and denied the associated benefits. They claimed to have completed 240 days of work in a year and asserted that they could not be terminated without following due process, accusing the company of unfair labour practices. The company responded by arguing that the complainants were temporary fixed-term contract workers. Evidence from a PF officer supporting the complainants' claim of 240 days of work was presented.

xxv. B.B. Mobiles filed a summary suit against MIRC Electronics Ltd. for the recovery of Rs. 10,48,517/-. MIRC Electronics Ltd. contends that the demand is time-barred and that the pleadings in the complaint are not valid. The matter is currently pending.

xxvi. Surender Kaur filed an execution petition against Onida Savak Ltd. (now merged into MIRC Electronics Ltd.) for a decree amount of Rs. 19,346/- with 12% interest. The vendor had previously supplied raw materials to Onida Savak Ltd. around the year 2000 and filed a case, which was decided ex parte. However, no documents are available from Onida Savak, Ltd. and MIRC Electronics Ltd is advised to settle the amount, as challenging the order would cost more than the decretal amount. The next date for the matter is 04.05.2025.

xxvii. Anil Kumar Gupta filed a case against MIRC Electronics Ltd. and the Branch Manager in Kolkata (Case No. 322/2019) in the 16-Civil Judge Jr. Division, 2nd Court. The complainant seeks an injunction against the deposit of cheques, finalization, and rendition of accounts. The company had assisted the dealer in liquidating goods to another dealer, and the complainant had provided a letter to the dealer to make payments on his behalf to MIRC Electronics Ltd. Subsequently, the dealer credited the amount into the MIRC Electronics Ltd. 's account and the same is accounted in Anil Kumar Gupta Ledger account maintained in MIRC Electronics Ltd books. The case is currently pending.

xxviii. M/s Saraswati Electronics & Ors filed a case RSA 6095/2014 against MIRC Electronics Ltd. & Anr. in the High Court of Punjab and Haryana at Chandigarh. This case, initiated by a dealer, involves disputes concerning transactions with MIRC Electronics Ltd. The legal proceedings are ongoing, with the next hearing scheduled for 24.01.2025.

xxix. Surendra Kumar filed a case against MIRC Electronics Ltd. for an undivided land dispute in the ASDM Court, Roorkee, Distt. Haridwar (UK)-247667. The case was filed on 24.08.2009 and is registered as Case No. 31 under Section 176.

xxx. Shashank Gupta has filed case number LCA/1917/2019 in the POLC Labour Court at Rouse Avenue against Monica Electronics and Onida Saka Ltd., along with MIRC Electronics Ltd. Monica Electronics and Onida Saka Ltd. have been declared ex-parte in this case. The order on the application is pending.

xxxi. RVA Associates filed a case (1723 of 2014) against MIRC Electronics Ltd. Regular Second Appeal was filed by RVA Associates against GLM and others, and MIRC Electronics Ltd.

xxxii. Maharashtra Rajya Rashtriya Kamgar Sangha filed a complaint (ULP 577 of 2003) before the Industrial Court, Bandra, against MIRC Electronics Ltd, Gulu Mirchandani, Vijay Mansukhani, and five others. The union alleged that the company had closed down its service centers with effect from 26.07.2003 and sought reliefs in this regard. The matter is currently stayed in view of the orders in Writ Petition 10080 of 2004, titled MIRC Electronics Ltd and Others v/s Maharashtra Rajya Rashtriya Kamgar Sangha and Others, and Writ Petition 10119 of 2004, titled Maharashtra Rajya Rashtriya Kamgar Sangha and Others v/s MIRC Electronics Ltd.

xxxiii. Maharashtra Rajya Rashtriya Kamgar Sangha has filed a writ petition (Writ Petition No. 10119 of 2004) before the High Court of Bombay against MIRC Electronics Ltd, Gulu Mirchandani, Vijay Mansukhani, and others. The petition challenges the order passed in Complaint ULP 577/2003 by the Industrial Court, Bandra. The matter is currently pending adjudication.

xxxiv. Special Civil Application No. 8001 of 2018 before the High Court of Gujarat, filed by Harsha Chandrakant Trivedi. Harsha claimed her termination was illegal as she was a "workman," while MIRC Electronics Ltd. argued she was a Senior Accountant, and her termination was due to redundancy. The trial court partially favoured Harsha, ordering MIRC to pay her 50% of her last drawn salary and reinstate her with benefits. The High Court has ruled that the "workman" status requires further examination, while MIRC was directed to pay 50% of Harsha's salary in form of bank guarantee. The case is set for final hearing.

xxxv. Amit Electronics Ltd. filed a civil suit against MIRC Electronics Ltd. for recovery. The VI TH Upper District Judge, Indore, passed a judgment on 23rd January 2004, partly decreeing the suit in favour of Amit Electronics Ltd. for ₹6,00,000. To enforce this partly decreed amount, Amit Electronics Ltd. filed Execution Case No. 42/B. The High Court has issued an interim stay on the execution of the decree, and the case remains pending adjudication.

xxxvi. In addition, in the above-mentioned suit, (Amit Electronics Ltd. filed a civil suit against MIRC Electronics Ltd. for recovery) for the remaining balance. The VII TH Additional District Judge, Indore, passed a decree for ₹12,69,849 in favour of Amit Electronics Ltd. for this amount on 25th September 2008. Amit Electronics Ltd. subsequently filed another execution case to recover the amount specified in the decree. Similar to the previous case, the High Court issued an interim stay on the execution, and this matter is also pending adjudication.

xxxvii. Amit Electronics Ltd. filed First Appeal No. 409/2009 in the Indore High Court, seeking enhancement of the interest awarded by the trial court VII TH Additional District Judge, Indore dated 25th September 2008. This appeal is still pending adjudication.

In the ordinary course of business, proceedings have been initiated by consumers against our Company under the provisions of the Consumer Protection Act, 1982, and are pending at different stages of adjudication before various forums. As of now, 79 cases have been filed, amounting to Rs. 73,11,459/-. These matters are currently pending.

(d) Tax Proceedings:

Below are the details of pending tax cases involving our Company, specifying the number of cases pending and the amount involved:

(Rs. in Lakhs)

Particulars	Number of Cases	Amount involved
Indirect Tax		
Sales Tax/ VAT	59	4,902.49*
Central Excise	2	94.33*
Service Tax	3	217.51*
Customs	13	111.08*
Goods and Service Tax	14	637.34
Direct Tax		
Income Tax Demand	1	66.32*
Income Tax Demand not booked as contingent liability	2	300.21
TDS Defaults	5	102.65

*Contingent liabilities related to taxes amounting to ₹53.92 crores are disputed and currently under appeal.

(e) Material civil litigation by our Company

i. MIRC Electronics Ltd. filed case number 399/2017 in the Bombay High Court against M/s. Power Plaza. The matter was referred to arbitration, but the claimant (MIRC) faced delays in submitting the affidavit of evidence due to not obtaining certified copies of documents. The arbitrator dismissed the arbitration proceedings. MIRC challenged the award dated September 19, 2016, seeking to quash it and remand the case for a merit-based decision after giving both parties a fair opportunity. Additionally, the High Court stayed a related Section 138 matter. M/s. Power Plaza filed a Criminal Miscellaneous Appeal alleging that the Magistrate Court improperly closed evidence without allowing them a chance to cross-examine or present their own evidence.

ii. MIRC Electronics Ltd. filed first appeal 201/2010 in the Bombay High Court against Bombay Xaverian Corporation Pvt. Ltd. challenging the dismissal order by Civil Court for specific relief, seeking conveyance of lease property as freehold to MIRC Electronics Ltd.

iii. MIRC Electronics Ltd. filed case number CS CC/2238/2016 against Mohamed Khalid Abdulkadar Maniar and Ors. The case involves a lease for premises, signed for a period of two months (from April 15, 2016, to June 15, 2016) at a rate of ₹13 per square foot. The lease rent was agreed at ₹7,81,521 per month, with maintenance charges of ₹30,058.50, totalling ₹15,63,042. The MIRC Electronics Ltd. paid the agreed lease amounts via account payee cheques. However, the defendants failed to meet their obligations of handing over the premises to the MIRC Electronics Ltd. for use and occupation for the agreed period.

iv. MIRC Electronics Ltd. filed case number CS DJ/575525/2016 against Ishwar Saini. The case concerns a business transaction where the defendant approached the plaintiff to become a dealer for its products. MIRC Electronics supplied goods to the defendant under various invoices, but some payments were not made. The defendant was notified of the outstanding dues through a legal notice dated July 11, 2011, which was returned by the defendant as "Refused to Accept." The defendant accepted the goods without objection to price, specifications, quality, or quantity. The total outstanding amount, including interest, is calculated to be ₹5,92,149, which the plaintiff seeks to recover from the defendant.

v. MIRC Electronics Ltd has filed Writ Petition Civil No. 26216 of 2023 before the Allahabad High Court, seeking relief against the award passed in a matter filed by Inder Singh Bora (now deceased). The Company is challenging the award and has been granted relief, with no coercive action to be taken upon deposit of ₹5,00,000/-.

vi. MIRC Electronics Ltd filed Complaint ULP 153 of 2019 seeking a restraining order against Konkan Vikas Kamgar Sangathana, an unrecognized union. The Company aimed to prevent the union from negotiating a wage agreement for its Wada plant, as the union was not officially recognized for that plant. An injunction order was passed on 31.08.2019, which remains in place. The case is still pending, with the next hearing scheduled for 20.01.2025.

vii. MIRC Electronics Ltd. is The First Party and Vandana Thakkar is The Second Party in REF IDA 19/2016 pending in the 4th Court of Labour Court Thane. The matter, referred by the Deputy Commissioner of Labour on 25.01.2016, involves a claim for reinstatement with continuity of service and back wages from the date of termination (02.02.2015). The complainant alleges that the inquiry and termination were illegal. MIRC Electronics Ltd filed its written statement on 23.12.2017, and the case is pending adjudication .

viii. MIRC Electronics Ltd. is The First Party and Malati Devadiga is The Second Party in REF IDA 22/2016 pending in the 4th Court of Labour Court Thane. The case, referred by the Deputy Commissioner of Labour on 25th January 2016, involves a claim for reinstatement with continuity of service and full back wages from the date of termination (2nd February 2015). The complainant alleges that the inquiry and termination were illegal. The matter is pending adjudication.

ix. MIRC Electronics Ltd. filed a case challenging the decision of the Bandra Labour Court in Revision ULP No. 68/2013, awarding Dattaraj Naik notice pay, subsistence allowance, legal dues, and ₹1 lakh in compensation. MIRC Electronics Ltd. contested the Labour Court's decision which granted ₹1 lakh compensation. Additionally, Dattaraj Naik filed a Revision application (ULP No. 78/2014) seeking further relief. MIRC Electronics Ltd. then approached the High Court, which remanded the matter back to the trial court. The trial court, however, has not yet issued any notice to MIRC Electronics Ltd., and the case is currently awaiting further proceedings.

x. MIRC Electronics Ltd. filed a writ in the Allahabad High Court under CMWP No. 43509 of 2023 challenging the award passed by the Deputy Labour Commissioner (DLC) in favour of Nirmal Kanta, who had claimed gratuity for services rendered to Onida Saka, Onida Sawak, and MIRC Electronics Ltd. The company argued that Nirmal Kanta was never employed by MIRC Electronics Ltd. and that the claim should have been rejected. The case is listed for rejoinder and hearing.

xi. Akasaka Electronics Ltd. (merged into MIRC Electronics Ltd.) filed a suit against Gladstone Electronics Pvt. Ltd. and Philips India Ltd. in the Learned Judge 7th Bench, City Civil Court, Calcutta (456 of 2015). The case concerns an outstanding recovery of Rs. 345,319.83. Defendant No. 1, Gladstone, was engaged in manufacturing conventional machines and had requested PCBs from the plaintiff on credit terms for use in products to be supplied to Defendant No. 2, Philips India Ltd. The plaintiff delivered the PCBs, but Defendant No. 1 has not received payment from Defendant No. 2 and consequently Defendant No.1 has failed to pay to Akasaka Electronics Ltd. the hence the suit. This matter is currently pending.

xii. MIRC Electronics Ltd. has filed a case (Case No. 424/2021) against All Cargo Logistics Limited before the Principal District and Sessions Court, Tiruvallur. The defendant, a bonded warehouse authorized to hold goods on behalf of Indian Customs, is alleged to have caused damage to the plaintiff's products due to a leak in the containers and unauthorized transfer of goods from the original 34 containers to other containers, resulting in damages of ₹66,65,000. Additionally, MIRC Electronics Ltd. has claimed ₹59,000 for halting charges caused by delays in surveyor inspections and ₹11,88,000 for 29 days of detention at the port, despite instructions to take delivery of the goods for home consumption. The total claim amounts to ₹78,12,000. The case is currently pending.

xiii. MIRC Electronics Ltd. filed a case against Shankar Vadhava and Akash Electronics (Special Darkshat No. 4 of 2004, 20004/2014) in the 6th Joint Civil Judge Senior Division and Additional Chief Judicial Magistrate, Kolhapur. The suit was decreed in favour of MIRC Electronics Ltd., and the company has filed an execution petition. However, the property of the judgment debtor remains to be traced. MIRC Electronics Ltd. will take steps to trace the property. The next date for the case is 01.04.2025.

xiv. MIRC Electronics Ltd. filed a case against Saroj Vinod Agarwal (Proprietor of Darshan Electronics) and Vinod Agarwal for the recovery of ₹20,68,258/-. The High Court refused to grant leave under Clause XII and ordered the brief to be filed in the appropriate court with jurisdiction. The case was subsequently filed in the Pune Court, where the matter is now kept for leave to defend. The defendants have filed a counter, denying that any amount is due. The next hearing is scheduled on 18.02.2025.

xv. MIRC Electronics Ltd. filed a summary Suit No. 0104371/2010 against Mehta Agency and two others in the Additional Sessions Court for the recovery of ₹10,58,042/-, including principal and interest, based on various invoices for the sale of goods. The next date set for 18.01.2025.

xvi. MIRC Electronics Ltd. filed a suit O.S. No. 120 of 2017 before the 4th Third Additional Munsiff (RCC) against Abdul Rauf and Mrs. Sajeena Abdul Rauf for the refund of a security deposit. MIRC Electronics Ltd. had been leased a property belonging to and Mrs. Sajeena Abdul Rauf and intended to vacate. A letter dated 03.10.2013 was sent to the defendants, which was duly acknowledged. After adjusting Rs. 21,45,416/- towards license fees for July, August, and September 2013 from the total security deposit of Rs. 26,64,000/-, the defendants were liable to refund the balance of Rs. 5,18,584/-. MIRC Electronics Ltd. has sought a decree for Rs. 9,32,136/- from 25 January 2017, along with pendente lite interest at 24% per annum until the amount is fully realized.

xvii. MIRC Electronics Ltd. has filed a case against Pankaj Pundir in the Nainital High Court, challenging the order passed by the Haridwar Labour Court in CPA No. 03/2016. Pankaj Pundir had sought compensation of ₹8 lakhs for disability caused by a fire accident on 08.02.2012, along with interest from February 2012 and a 50% fine for the delay in payment. The Labour Court ordered the company to pay the compensation and recover the amount from the contractor. Although MIRC Electronics Ltd. complied with the order and paid the compensation, it is now challenging the decision, arguing that Pankaj Pundir was a contract employee and that the contractor, not the principal employer, should be liable for the payment. The company maintains that it is not their duty or liability to pay the amount as directed in the original case.

xviii. MIRC Electronics Ltd. filed First Appeal No. 189/2004 in the Indore High Court, challenging the judgment and decree passed by the VI TH Upper District Judge, Indore, on 23rd January 2004, which decreed ₹6,00,000 in favour of Amit Electronics Ltd. The appeal is pending adjudication, and an interim stay order has been issued by the High Court, against execution of the trial court's decree.

xix. MIRC Electronics Ltd. also filed First Appeal No. 907/2008 in the Indore High Court against the decree passed by the VII TH Additional District Judge, Indore, on 25th September 2008, for ₹12,69,849. The appeal is pending, and the High Court granted an interim stay order for the execution of the trial court's judgment.

In addition to the above, the Company has initiated 308 proceedings under section 138 of the Negotiable Instruments Act, 1882 in various jurisdictions, pursuant to dishonour of cheques issued by it to the Complainants aggregating to ₹ 9,77,74,289/-.

II. Litigation involving our Directors

(a) Criminal proceedings against our Director

Nil

(b) Criminal proceedings by our Director

Nil

(c) Actions by statutory/regulatory authorities involving our Director

Nil

(d) Material civil litigation against our Director

A. Kaval Mirchandani

i. Dharmarajya Kamgar Karmachari Mahasaangh filed Complaint ULP 284 of 2014 against Akasaka Electronics Ltd. . (merged into MIRC Electronics Ltd) in the Industrial Court at Thane, alleging unfair labour practices. The Union stated that after the settlement with Shramik Sena expired in 2013, the company was reluctant to engage in discussions about their demands and caused difficulties for the workers. The company was also accused of removing machinery and outsourcing production, while workers faced challenges with work and wage payments. MIRC Electronics Ltd. was added as a respondent later. The case is ongoing, with the next hearing scheduled for 29.01.2025.

ii. B.B. Mobiles filed a summary suit against MIRC Electronics Ltd. for the recovery of Rs. 10,48,517/-. MIRC Electronics Ltd. contends that the demand is time-barred and that the pleadings in the complaint are not valid. The matter is currently pending.

(e) Material civil litigation by our Director

Nil

(f) Disciplinary actions including penalties imposed by SEBI or stock exchanges in the last five financial years preceding the date of this Draft Letter of Offer including outstanding actions:

Nil

III. Litigation involving our Promoter

(a) Criminal proceedings against our Promoter

A. Gulu Mirchandani

i. A criminal complaint under Section 304A of the IPC was filed against Mr. Gulu Lalchand Mirchandani and Mr. Sudhir Mahendra following a fire at the Roorkee plant that caused the death of 11 employees. Investigation revealed that Mr. Mirchandani had no role in daily factory operations, leading to his exclusion from the charge sheet. Mr. Mahendra, responsible for factory administration, was held accountable along with three other officials, who have since passed away, leaving Mr. Mahendra as the sole accused. In 2015, the SHO sought reinvestigation and filed additional charges under Section 302 IPC, which Mr. Mahendra challenged in the High Court, securing a stay. The quash petition and the trial proceedings are ongoing.

ii. Rajesh Kumar IO has filed a prosecution against MIRC Electronics Ltd, Gulu Lalchand Mirchandani, and Mr. Vijay Mansukhani before the Metropolitan Magistrate Court in Patiala House, New Delhi, under Section 28 of the Bonus Act, 1965. This action was taken based on a complaint from Shashank Gupta, who sought relief from authority to influence recover his ex gratia bonuses for the years 2005-2006 to 2008-2009 from the Company. However, the proceedings have been temporarily paused following an order from the Sessions

Court in Criminal Revision Petition No. 459/2022, titled Gulu Mirchandani & Mr. Vijay Mansukhani Vs State of Uttar Pradesh and Rajesh Kumar IO. The next hearing for this case is set for 30.01.2025.

iii. Ram Prakash Tiwari filed a complaint against Mr. Gulu Lalchand Mirchandani, Mr. Ashok Batra, and the Company, alleging that an advertisement featuring Goddess Durga holding television sets affected Hindu religious sentiments and cited offenses under various sections of the IPC, including 153, 295, and 120B. The Company clarified that the advertisement was not intended to cause any offense or disrupt public harmony and emphasized that it did not depict the Goddess in a disrespectful manner. The High Court of Jharkhand, while dismissing the Company's petition to quash the proceedings, directed further investigation without any coercive measures. The matter is currently under police investigation, and no additional notice has been issued to the Company.

B. Vijay Mansukhani:

i. Rajesh Kumar IO has filed a prosecution against MIRC Electronics Ltd, Gulu Lalchand Mirchandani, and Mr. Vijay Mansukhani before the Metropolitan Magistrate Court in Patiala House, New Delhi, under Section 28 of the Bonus Act, 1965. This action was taken based on a complaint from Shashank Gupta, who sought interim relief to recover his ex gratia bonuses for the years 2005-2006 to 2008-2009 from the Company. However, the proceedings have been temporarily paused following an order from the Sessions Court in Criminal Revision Petition No. 459/2022, titled Gulu Mirchandani & Mr. Vijay Mansukhani Vs State of Uttar Pradesh and Rajesh Kumar IO. The next hearing for this case is set for 30.01.2025

(b) Criminal proceedings by our Promoter

A. Gulu Mirchandani

i. Mr. Gulu Lalchand Mirchandani and Mr. Sudhir Mahindra have filed five criminal appeals (Nos. 83/2023, 84/2023, 85/2023, 86/2023, and 87/2023) before the District and Session Court at Haridwar, Uttarakhand, challenging the order passed by the Chief Judicial Magistrate in the matter involving the State of Uttarakhand through the Factory Inspector. The case stems from allegations following a fire accident in 2012, which resulted in the loss of 11 lives and injuries to two others. The accusations included violations under the Factories Act, 1948, such as failure to ensure proper safety measures, inadequate supervision, lack of fire exits, improper handling of inflammable objects, and failure to maintain required records. The Trial Court had found the accused liable for the violations, imposing penalties and possible imprisonment. The appeals are currently pending adjudication, and both Mr. Mirchandani and Mr. Mahindra are out on bail.

B. Vijay Mansukhani:

Nil

(c) Actions by statutory/regulatory authorities involving our Promoter

Nil

(d) Material civil litigation against our Promoter

A. Gulu Mirchandani

i. Ashok Padhye and 34 others have filed case number BHC WP/2575/2014 in the Bombay High Court against Mirc Electronics, Gulu Mirchandani, Vijay Mansukhani and others involving a labor dispute for ₹99.98 lakhs. The case challenges the termination and transfer of 34 peons and security guards following an MoU between the union and the company for closure. The Labour Court and Industrial Court dismissed their petitions, prompting the appeal to the High Court.

ii. Maharashtra Rajya Rashtriya Kamgar Sangha has filed a writ petition (Writ Petition No. 10119 of 2004) before the High Court of Bombay against MIRC Electronics Ltd, Gulu Mirchandani, Vijay Mansukhani, and others. The petition challenges the order passed in Complaint ULP 577/2003 by the Industrial Court, Bandra. The matter is currently pending adjudication.

iii. Maharashtra Rajya Rashtriya Kamgar Sangha filed a complaint (ULP 577 of 2003) before the Industrial Court, Bandra, against MIRC Electronics Ltd, Gulu Mirchandani, Vijay Mansukhani, and five others. The union alleged that the company had closed down its service centres with effect from 26.07.2003 and sought reliefs in this regard. The matter is currently stayed in view of the orders in Writ Petition 10080 of 2004, titled MIRC Electronics Ltd and Others v/s Maharashtra Rajya Rashtriya Kamgar Sangha and Others, and Writ Petition 10119 of 2004, titled Maharashtra Rajya Rashtriya Kamgar Sangha and Others v/s MIRC Electronics Ltd. The matter is pending adjudication.

iv. Sanjay Haldankar and 35 others filed a case (W.P. 1221/2011) against MIRC Electronics Ltd., Gulu Mirchandani, and another before the High Court of Mumbai. The dispute arose following the closure of service units, after which the complainants and others were transferred via transfer letters. The complainants initially challenged these transfers and sought reliefs through individual complaints before the Industrial Court, Bandra. The matter has now escalated to the High Court of Mumbai, where the complainants are seeking the reliefs prayed for in their respective cases.

B. Vijay Mansukhani:

i. Prince K. Somanathan filed a complaint against Vijay Mansukhani, Besto, Lulu Connect, and Jinesh before the Cochin, Ernakulum District Commission (CC/22/51). The complaint relates to dissatisfaction with a television purchased by him. He has prayed for the replacement of the television with another product of the same specification and quality, or for a refund of Rs. 33,900/- with 8% interest from the purchase date (June 22) until the realization of the amount. Additionally, he seeks compensation of Rs. 25,000/- for legal expenses and Rs. 5,000/- for mental agony.

ii. Ashok Padhye and 34 others have filed case number BHC WP/2575/2014 in the Bombay High Court against Mirc Electronics, Gulu Mirchandani, Vijay Mansukhani and others involving a labor dispute for ₹99.98 lakhs. The case challenges the termination and transfer of 34 peons and security guards following an MoU between the union and the company for closure. The Labour Court and Industrial Court dismissed their petitions, prompting the appeal to the High Court.

iii. Maharashtra Rajya Rashtriya Kamgar Sangha has filed a writ petition (Writ Petition No. 10119 of 2004) before the High Court of Bombay against MIRC Electronics Ltd, Gulu Mirchandani, Vijay Mansukhani, and others. The petition challenges the order passed in Complaint ULP 577/2003 by the Industrial Court, Bandra. The matter is currently pending adjudication.

iv. Maharashtra Rajya Rashtriya Kamgar Sangha filed a complaint (ULP 577 of 2003) before the Industrial Court, Bandra, against MIRC Electronics Ltd, Gulu Mirchandani, Vijay Mansukhani, and five others. The union alleged that the company had closed down its service centres with effect from 26.07.2003 and sought reliefs in this regard. The matter is currently stayed in view of the orders in Writ Petition 10080 of 2004, titled MIRC Electronics Ltd and Others v/s Maharashtra Rajya Rashtriya Kamgar Sangha and Others, and Writ Petition 10119 of 2004, titled Maharashtra Rajya Rashtriya Kamgar Sangha and Others v/s MIRC Electronics Ltd. The matter is pending adjudication.

(e) Material civil litigation by our Promoter

Nil

(f) Disciplinary actions including penalties imposed by SEBI or stock exchanges in the last five financial years preceding the date of this Draft Letter of Offer including outstanding actions:

Nil

IV. Tax claims involving our Promoters, Directors and Group Companies

Particulars	Number of Cases	Amount involved (Rs. in Lakhs)
Promoters & Promoter Group		
Direct Tax	2	1.49
Indirect Tax	Nil	-
Directors		

Direct Tax	2	8.91
Indirect Tax	Nil	-
Group Companies		
Direct Tax	1	0.49
Indirect Tax	Nil	-

V. Material Developments since the Last Balance Sheet

Other than as disclosed in "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" beginning on page [●], in the opinion of our Board, no circumstances have arisen since the date of our last balance sheet as disclosed in this Draft Letter of Offer which materially and adversely affect, or are likely to affect, our operations or profitability, or the value of our assets, or our ability to pay our liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

Our Company has received the necessary licenses, permissions, and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the Issue or continue our business activities. In view of the approvals listed below, we can undertake this Issue and our current business activities and no further major approvals from any governmental/regulatory authority or any other entity are required to be undertaken, in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made, or opinions expressed in this behalf.

Sr no.	Particulars	Date of Registration	Validity	Current Status	Authority
1	Application for Inclusion of Additional Model(S) As Per Is 616	06-09-2024	NA	Valid	Bureau of Indian Standards
2	Certificate for Use of a Boiler	25-01-2024	22-01-2025	Valid	Certificate for Use of a Boiler
3	Certificate for Use of a Boiler	04-06-2024	03-06-2025	Valid	Certificate for Use of a Boiler
4	Licence to Import and Store Petroleum in An Installation	30-12-2020	31-12-2025	Valid	Petroleum Act, 1934
5	Registration of Employees and Establishments Under Section 1(5) Of The E.S.I Act,1948	27-08-2001	NA	Valid	Employees State Insurance Corporation
6	EPR Registration Certificate of Producer	12-09-2024	12-09-2029	Valid	Central Pollution Control Board
7	License Application for Operating Factory	06-12-2023	31-12-2024	Valid	Directorate of Industrial Safety and Health (Workers Department)
8	License Application for Operating Factory	05-11-2023	31-12-2024	Valid	Directorate of Industrial Safety and Health (Workers Department)
9	GST Certificate	21-09-2021	NA	Valid	Maharashtra Goods and Services Tax Act, 2017
10	Importer-Exporter Code (IEC) Certificate	22-06-2023	NA	Valid	Ministry of Commerce and Industry
11	Iso 14001:2015 Certificate	27-05-2024	26-05-2025	Valid	Intercontinental Systemcert Pvt. Ltd.
12	Iso 9001:2015 Certificate	06-05-2024	26-05-2025	Valid	Intercontinental Systemcert Pvt. Ltd.
13	Application For Renewal of Consent to Operate with Increase in CI Under Red Category	28-09-2023	28-02-2025	Valid	Maharashtra Pollution Control Board
14	Application for No Objection Certificate for Fire and Emergency Controls	18-04-2024	31-03-2025	Valid	Fire and Emergency Services Department
15	Application for No Objection Certificate (Noc) For Ground Water Abstraction	15-02-2023	19-03-2026	Valid	Department of Water Resources
16	Grant of Licence to Store Compressed Gas in Cylinders (Wada)	15-12-2021	30-09-2030	Valid	Petroleum and Explosives Safety Organisation
17	Certificate of Registration Under Professions, Trades, Callings and Employment Act, 1975	01-04-2016	NA	Valid	Maharashtra Sales Tax Department

18	Certificate of Registration Under Professions, Trades, Callings and Employment Act, 1975	01-04-2016	NA	Valid	Maharashtra Sales Tax Department
19	Certificate of Renewal of Trade License	28-12-2023	NA	Valid	Brihanmumbai Municipal Corporation License Department
20	Renewed Noc from Zila Panchayat for Operation	01-04-2024	31-03-2025	Valid	Zila Panchayat Karyalay
21	Final Charging Permission Solar Permission	09-08-2018	NA	Valid	Industries, Energy and Labour Department
22	Canteen License	13-06-2024	05-09-2026	Valid	FSSAI
23	ISO 31000:2018 Certificate	30-08-2022	29-08-2025	Valid	Techno-Vizion Associates
24	License Certificate No. MEL/C-6 For Proper Standards and Safety of Equipment	18-10-2024	17-10-2025	Valid	Factories Act, 1948
25	Registration and Licence to Work a Factory	09-09-2009	31-12-2024	Valid	The Factories Act, 1948
26	License Certificate No. MEL/C-2 For Proper Standards and Safety of Equipment	16-10-2024	15-04-2025	Valid	Factories Act, 1948
27	License Certificate No. MEL/C-7 For Proper Standards and Safety of Equipment	18-10-2024	17-10-2025	Valid	Factories Act, 1948
28	License Certificate No. MEL/C-08 For Proper Standards and Safety of Equipment	18-10-2024	17-10-2025	Valid	Factories Act, 1948
29	License Certificate No. MEL/C-09 For Proper Standards and Safety of Equipment	18-10-2024	17-10-2025	Valid	Factories Act, 1948
30	License Certificate No. MEL/C-010 For Proper Standards and Safety of Equipment	18-10-2024	17-10-2025	Valid	Factories Act, 1948
31	License Certificate No. MEL/C-11 For Proper Standards and Safety of Equipment	18-10-2024	17-10-2025	Valid	Factories Act, 1948
32	License Certificate No. MEL/C-12 For Proper Standards and Safety of Equipment	18-10-2024	17-10-2025	Valid	Factories Act, 1948
33	License Certificate No. MEL/C-13 For Proper Standards and Safety of Equipment	18-10-2024	17-10-2025	Valid	Factories Act, 1948
34	NOC Certificate for Pollution	23-02-2023	31-03-2026	Valid	Uttarakhand Pollution Control Board
35	Certificate of Stability of a Factory or Part of a Factory	19-05-2022	NA	Valid	Factories Act, 1948
36	Zila Panchayat NOC License	01-04-2024	31-03-2025	Valid	Zila Panchayat Haridwar
37	Contract Labour Registration Certificate	05-02-2024	31-12-2024	Valid	Contract Labour Act, 1970
38	Professional Tax Registration	01-04-1982	NA	Valid	Maharashtra Sales Tax Department
39	Application Form for Registration Under - Uttar Pradesh Shops and Commercial Establishment Act, 1962	09-06-2021	NA	Valid	Labour Department, Uttar Pradesh
40	Registration for Punjab Shops and Commercial Establishments Act, 1938	23-07-2019	NA	Valid	Labour Department Punjab
41	Registration for West Bengal Shops and Commercial Establishments Act,	05-04-2022	NA	Valid	Labour Department West Bengal

	1963				
42	Registration for Telangana Shops and Commercial Establishments Act, 1988	19-06-2024	NA	Valid	Labour Department, Telangana
43	Grant of Licence to Store Compressed Gas in Cylinders (Rorkee)	15-01-2021	31-12-2025	Valid	Petroleum and Explosives Safety Organisation

TRADEMARKS

We have 136 Trademarks in total. A summary of such trademarks is given below:

Sr. No	Brand/ Range	Number of Trademarks	Brief Description
1	Onida	49	Chemical Used in Industry, Science, Photography
2	IGO Range	7	Computers, TVs, Audio/Video Equipment, And Mobile Handsets
3	Onida (Monica)	4	Electronic Digital and Analogue Watches and Clocks, Computers and Cassettes
4	Onida Device of Devil	2	Scientific, Nautical, Surveying Products
5	Onida Horn Range	6	Machines and Machine Tools; Motors and Engines,
6	Triomatic	2	Machines and Machine Tools; Motors and Engines,
7	Xaria Range	7	Scientific, Nautical, Surveying Products
8	Hydrofuzzy	3	Machines and Machine Tools; Motors and Engines,
9	Ohana Capital	1	Exchange Brokers or Clearing Services
10	MIRC	1	Display Lighting and Apparatus for Lighting for Use in Kitchens.
11	Candy Range	3	T.V., Radio and Transistors assigned to Haier Appliances (India) Private Limited.
12	Onida Led Range	2	All Kind of Tv (Oled, Led, Colour Tv and Projectors)
13	Onida Service	2	Precious Metals and Their Alloys and Goods
14	Onida Mobile	1	Mobiles, Telephones; Headphones; Microphones
15	Gultano Belhini, KY-Thunder, Profile (Black & White), Profile (COLOUR)	4	Audio & Video Equipment & Tv Related Trademarks
16	Onida Hydroshield	1	Washing Machine
17	Geometrical Device Range	2	Electronic Advertisement and Messaging Display
18	Onida House	2	All Kind of Precious Metals and Their Alloys and Goods
19	Onida I- Cool Range	5	All Kind of Air Coolers, Air Conditioners, and Its Blowers
20	Onida Cook Range	2	Cookware and Kitchen Products
21	ONIDA OWNER'S PRIDE	1	All Kinds of Kitchen Apparatus
22	Onida Inverter AC	1	All Kinds of AC Coolers Apparatus
23	Neighbour's envy Owner's pride	1	T.V., Radio and Transistors
24	Onida Theatre	1	T.V., Radio and Transistors
25	Onida (icare) Technology (device of eye)	2	All Kind of Televisions (LED, LCD)
26	ONIDA with red label TUMKO	1	All Kind of Air Coolers, Air Conditioners, and Its Blowers

	DEKHA TOH YEH DESIGN AAYA		
27	ONIDA lighting	1	Display Lighting and Apparatus for Lighting for Use in Kitchens.
28	Others*	22	Electronics and Home Entertainment, Audio-Video and Communication Devices, Kitchen and Home Appliances, Lighting Solutions, Machinery and Tools, Watches and Timekeeping Devices, Ventilation and Refrigeration.
	TOTAL	**136**	

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The issue has been authorised by a resolution of our Board of Directors passed at their meeting held on September 2, 2024 pursuant to clause (a) of Sub-Section (1) of Section 62 and other provisions of the Companies Act.

The Board of Directors, at its meeting held on September 2, 2024, determined the Issue Price as ₹ 1/-per Rights Equity Share and the Rights Entitlement as [●] ([●]) Rights Equity Share(s) for every [●] ([●]) Equity Share(s) held on the Record Date, i.e., [●]. The Issue Price of ₹ 1/-per Rights Equity Share has been arrived prior to the determination of the Record Date.

This Draft Letter of Offer has been approved by our Right Issue Committee of our Board of Directors, pursuant to [●];

Our Company has received 'in-principle' approval for listing of the Rights Equity Shares to be Allotted pursuant to Regulation 28 of SEBI Listing Regulations, vide letter bearing reference number [●] dated [●] and [●] dated [●] issued by BSE Limited and NSE. Our Company will also make applications to Stock Exchanges to obtain their trading approval for the Rights Entitlements as required under the SEBI Rights Issue Circulars.

Our Company has been allotted the ISIN [●] for the Rights Entitlements to be credited to the respective demat accounts of the Eligible Equity Shareholders of our Company. For details, see "*Terms of the Issue*" on page 188 of this Draft Letter of Offer.

Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoters, members of our Promoter Group, our directors have not been prohibited or debarred from accessing or operating in the capital markets, or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority as on the date of this Draft Letter of Offer.

Further, our Promoter and our Directors are not promoter or director of any other company which is debarred from paaccessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI.

Neither our Promoter nor our Directors have been declared as fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018 (17 of 2018).

Association of our Directors with the securities markets

Mr. Gulu Lalchand Mirchandani, Chairman and Managing Director, and Mr. Kaval Gulu Mirchandani, Whole-Time Director, hold the position of Directors at Gulita Securities Limited. Established on 18th March 1992, Gulita Securities Limited is a public limited Indian Non-government company. The firm specializes in investment consultancy and stock broking services, offering a comprehensive range of financial solutions, including equity and derivatives trading.

Prohibition by RBI

Neither our Company, nor our Promoter, and Directors have been categorized or identified as wilful defaulters or fraudulent borrowers by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

Compliance with Companies (Significant Beneficial Ownership) Rules, 2018

Our Company, our Promoter and the members of our Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018.

Eligibility of the Issue

1. Our Company is a listed company incorporated under the Companies Act, 1956. Our Equity Shares are presently listed on the BSE Limited and NSE. Our Company is eligible to offer and issue Right Shares pursuant to this Issue in terms of Chapter III and other applicable provisions of the SEBI (ICDR) Regulations;

2. Our Company is undertaking this Right Issue in compliance with Part B of Schedule VI of the SEBI (ICDR) Regulations. Our Company undertakes to make an application to Stock Exchanges for listing of the Right Shares to be issued pursuant to this Issue.

Compliance with Regulations 61 and 62 of the SEBI ICDR Regulations

Our Company is in compliance with the conditions specified in Regulations 61 and 62 of the SEBI ICDR Regulations, to the extent applicable. Further, in relation to compliance with Regulation 62(1)(a) of the SEBI ICDR Regulations**,** our Company undertakes to make an application to the Stock Exchange for listing of the Rights Equity Shares to be issued pursuant to the Issue. BSE Limited is the Designated Stock Exchange for the Issue.

Compliance with Clause (1) of Part B of Schedule VI of the SEBI ICDR Regulations

Our Company is in compliance with the provisions specified in Clause (1) of Part B of Schedule VI of the SEBI (ICDR) Regulations as explained below:

1. Our Company has been filing periodic reports, statements and information in compliance with the Listing Agreement or the SEBI (LODR) Regulations, as applicable for the last one year immediately preceding the date of filing of the Draft Letter of Offer with the Designated Stock Exchange;

2. The reports, statements and information referred to above in clause (1) are available on the website of Stock Exchanges;

3. Our Company has an investor grievance-handling mechanism which includes meeting of the Stakeholders' Relationship Committee at frequent intervals, appropriate delegation of power by our Board our directors as regards share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances.

As our Company satisfies the conditions specified in Clause (1) of Part B of Schedule VI of SEBI (ICDR) Regulations, disclosures in this Draft Letter of Offer have been made in terms of Clause (4) of Part B of Schedule VI of SEBI (ICDR) Regulations.

Disclaimer Clause of SEBI

The Draft Letter of Offer has not been filed with SEBI in terms of SEBI (ICDR) Regulations as the size of issue is up to ₹5,000.00 Lakhs. As required, a copy of the Letter of Offer will be submitted to SEBI.

Disclaimer clauses from our Company

Our Company accepts no responsibility for the statements made otherwise than in this Draft Letter of Offer or in any advertisement or other materials issued by us or by any other persons at our instance and anyone placing reliance on any other source of information would be doing so at his/ her own risk.

Investors who invest in this Issue will be deemed to have represented by our Company and its respective directors, officers, agents and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company, and are relying on independent advice / evaluation as to their ability and quantum of investment in this Issue.

Cautions

Our Company shall make all relevant information available to the Eligible Equity Shareholders in accordance with SEBI ICDR Regulations and no selective or additional information would be available for a section of the Eligible Equity Shareholders in any manner whatsoever including at presentations, in research or sales reports etc. after filing of this Draft Letter of Offer.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Draft Letter of Offer. You must not rely on any unauthorized information or representations. This Draft Letter of Offer is an offer to sell only the Equity Shares and rights to purchase the Equity Shares offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this Draft Letter of Offer is current only as of its date.

Disclaimer with respect to jurisdiction

This Draft Letter of Offer has been prepared under the provisions of Indian laws and the applicable rules and regulations thereunder. Any disputes arising out of this Issue will be subject to the jurisdiction of the appropriate court(s) in Mumbai, India only

Designated Stock Exchange

The Designated Stock Exchange for the purpose of this Issue will be BSE Limited.

Listing

Our Company will apply to Stock Exchanges for final approval for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the. Rights Equity Shares or the price at which the Rights Equity Shares offered under the Issue will trade after the listing thereof.

Disclaimer Clause of BSE

As required, a copy of this Draft Letter of Offer has been submitted to the BSE Limited. The Disclaimer Clause as shall be intimated by the BSE Limited to us, post-scrutiny of this Draft Letter of Offer, shall be included in the Letter of Offer prior to filing with BSE Limited.

Disclaimer Clause of NSE

As required, a copy of this Draft Letter of Offer has been submitted to the NSE. The Disclaimer Clause as shall be intimated by the NSE to us, post-scrutiny of this Draft Letter of Offer, shall be included in the Letter of Offer prior to filing with NSE.

Selling Restrictions

This Draft Letter of Offer is solely for the use of the person who has received it from our Company or from the Registrar. This Draft Letter of Offer is not to be reproduced or distributed to any other person.

The distribution of this Draft Letter of Offer, Abridged Letter of Offer, Application Form and the Rights Entitlement Letter **("Issue Materials")** and the issue of Rights Entitlements and Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession the Issue Materials may come are required to inform themselves about and observe such restrictions. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders of our Company and will dispatch the Issue Materials only to Eligible Equity Shareholders who have provided an Indian address to our Company/Registrar.

No action has been or will be taken to permit the Issue in any jurisdiction, or the possession, circulation, or distribution of the Issue Material or any other material relating to our Company, the Equity Shares or Rights Entitlement in any jurisdiction, where action would be required for that purpose, except that this Draft Letter of Offer has been filed with the Stock Exchange.

Accordingly, the Rights Entitlement or Equity Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer or any offering materials or advertisements in connection with the Issue or Rights Entitlement may not be distributed or published in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer.

This Draft Letter of Offer and its accompanying documents are being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose. If this Draft Letter of Offer is received by any person in any jurisdiction where to do so would or might contravene local securities laws or regulation, or by their agent or nominee, they must not seek to subscribe to the Equity Shares or the Rights Entitlement referred to in this Draft Letter of Offer. Investors are advised to consult their legal counsel prior to applying for the Rights Entitlement and Equity Shares or accepting any provisional allotment of Equity Shares, or making any offer, sale, resale, pledge or other transfer of the Equity Shares or Rights Entitlement.

Neither the delivery of this Draft Letter of Offer nor any sale hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as of any time subsequent to this date or the date of such information. Each person who exercises Rights Entitlements and subscribes for Equity Shares, or who purchases Rights Entitlements or Equity Shares shall do so in accordance with the restrictions set out below.

NO OFFER IN THE UNITED STATES

THE RIGHTS ENTITLEMENTS AND THE EQUITY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY U.S. STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD, RESOLD OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES, EXCEPT IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. THE RIGHTS ENTITLEMENTS AND EQUITY SHARES REFERRED TO IN THE DRAFT LETTER OF OFFER ARE BEING OFFERED IN INDIA, BUT NOT IN THE UNITED STATES. THE OFFERING TO WHICH THE DRAFT LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY EQUITY SHARES OR RIGHTS ENTITLEMENTS FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, DRAFT LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO THE UNITED STATES AT ANY TIME.

Our Company reserves the right to treat as invalid any Application Form which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States or other jurisdictions where the offer and sale of the Rights Equity Shares and/ or the Rights Entitlements is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is not in the United States and eligible to subscribe for the Rights Equity Shares and/ or the Rights Entitlements under applicable securities laws, and such person is complying with laws of jurisdictions applicable to such person in connection with this Issue; or (iii) where either a registered Indian address is not provided or where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to issue or allot any Rights Equity Shares and/ or Rights Entitlements in respect of any such Application Form.

Our Company reserves the right to treat as invalid any Application Form which: (i) appears to our Company or its agents to have been executed in or dispatched from the United States of America; (ii) does not include the relevant certification set out in the Application Form headed "Overseas Shareholders" to the effect that the person accepting and/or renouncing the Application Form does not have a registered address (and is not otherwise located) in the United States, and such person is complying with laws of the jurisdictions applicable to such person in connection with the Issue, among others; (iii) where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; or (iv) where a registered Indian address is not provided, and our Company shall not be bound to allot or issue any Equity Shares or Rights Entitlement in respect of any such Application Form.

The Rights Entitlements and the Rights Equity Shares have not been approved or disapproved by the U.S. Securities and Exchange Commission (the "Securities Act"), any state securities commission in the United States or any other U.S. regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Rights Entitlements, the Rights Equity Shares or the accuracy or adequacy of this Draft Letter of Offer. Any representation to the contrary is a criminal offence in the United States.

NO OFFER IN ANY JURISDICTION OUTSIDE INDIA

NO OFFER OR INVITATION TO PURCHASE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES IS BEING MADE IN ANY JURISDICTION OUTSIDE OF INDIA, INCLUDING, BUT NOT LIMITED TO AUSTRALIA, BAHRAIN, CANADA, THE EUROPEAN ECONOMIC AREA, GHANA, HONG KONG, INDONESIA, JAPAN, KENYA, KUWAIT, MALAYSIA, NEW ZEALAND, SULTANATE OF OMAN, PEOPLE'S REPUBLIC OF CHINA, QATAR, SINGAPORE, SOUTH AFRICA, SWITZERLAND, THAILAND, THE UNITED ARAB EMIRATES, THE UNITED KINGDOM AND THE UNITED STATES. THE OFFERING TO WHICH THIS DRAFT LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENT FOR SALE IN ANY JURISDICTION OUTSIDE INDIA OR AS A SOLICIATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY,

THIS DRAFT LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO ANY OTHER JURISDICTION AT ANY TIME.

Consents

Consents in writing of our Directors, Registrar to the Issue and the Bankers to the Issue/ Refund Bank to act in their respective capacities, have been obtained and such consents have not been withdrawn up to the date of this Draft Letter of Offer

Our Company has received written consent dated [●] from our Statutory Auditor, namely, ASA & Associates LLP**,** Chartered Accountants for inclusion of their (i) report for year ended March 31,2024 , dated May 14, 2024 and report on Un-Audited Financial Results for the period ended September 30, 2024 subject to Limited Review Report in this Draft Letter of Offer, (ii) and to include their name in this Draft Letter of Offer and as an 'expert' as defined under Section 2(38) of the Companies Act, 2013 in relation to their report on the Statement of Special Tax Benefits dated [●] in the form and context in which it appears in this Draft Letter of Offer. Such consent has not been withdrawn up to the date of this Draft Letter of Offer**.**

Expert Opinion

Our Company has received written consent dated [●] from our Statutory Auditor to include their name as required in this Draft Letter of Offer and as an 'expert' as defined under Section 2(38) of the Companies Act, 2013 on the Financial Information and the Statement of Tax Benefits dated [●] and such consent has not been withdrawn as of the date of this Draft Letter of Offer. The term 'expert' and consent thereof, does not represent an expert or consent within the meaning under the U.S. Securities Act.

Except for the abovementioned documents, provided by our Auditors, our Company has not obtained any expert opinions.

Performance vis-à-vis objects – Public/Rights Issue of our Company

Our Company has not made any rights issues or public issues during the five years immediately preceding the date of this Draft Letter of Offer. There have been no instances in the past, wherein our Company has failed to achieve the objects in its previous issues.

Filing

SEBI vide the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold of filing of Draft Letter of Offer with SEBI for rights issues has been increased. The threshold of the rights issue size under Regulation 3 (b) of the SEBI ICDR Regulations has been increased from Rupees ten crores to Rupees fifty crores. Since the size of this Issue falls below this threshold, the Draft Letter of Offer was filed with the Stock Exchange and not with SEBI. However, the Letter of Offer will be submitted with SEBI for information and dissemination and will be filed with the Stock Exchange.

Mechanism for Redressal of Investor Grievances

Our Company has made adequate arrangements for redressal of investor complaints in compliance with the corporate governance requirements under the SEBI (LODR) Regulations as well as a well-arranged correspondence system developed for letters of routine nature. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular bearing reference number 'CIR/OIAE/2/2011 dated June 3, 2011'. Consequently, investor grievances are also tracked online by our Company through the SCORES mechanism.

Our Company has a Stakeholders Relationship Committee comprising which meets at least once a year and as and when required. Its terms of reference include considering and resolving grievances of shareholders in relation to transfer of shares and effective exercise of voting rights. All investor grievances received by us have been handled by the Company Secretary and Compliance Officer.

The Investor complaints received by our Company are generally disposed of within 15 (Fifteen) days from the date of receipt of the complaint.

Investor Grievances arising out of this Issue

Investors may contact the Registrar to the Issue at:

MUFG Intime India Private Limited

C-101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai - 400083, Maharashtra, India.
Tel No.: +91 8108114949
Email: mirc.rights2025@linkintime.co.in
Website: www.linkintime.co.in
Investor Grievance Email: mirc.rights2025@linkintime.co.in
SEBI Registration No.: INR000004058
Validity of Registration: Permanent

Investors may contact the Registrar to the Issue or our Company Secretary and Compliance Officer for any pre-Issue/post- Issue related matter such as non-receipt of letter of Allotment, credit of Rights Equity Shares, refund and such other matters. The contact details of the Compliance Officer are as follows:

Company Secretary& Compliance Officer
Name: Prasad Oak
Address: Onida House, G-1, M.I.D.C, Mahakali Caves Road, Andheri (E), Mumbai Suburban - 400 093.
Telephone: 022-66975777
Email: investors@onida.com

SECTION VIII - ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

This section is for the information of the Investors proposing to apply in this Issue. Investors should carefully read the provisions contained in this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, and the Application Form, before submitting the Application Form. Our Company is not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors are advised to make their independent investigation and ensure that the Application Form is correctly filled up. Unless otherwise permitted under the SEBI (ICDR) Regulations read with SEBI Rights Issue Circulars, Investors proposing to apply in this Issue can apply only through ASBA.

Investors are requested to note that application in this Issue can only be made through ASBA.

Please note that in accordance with the provisions of the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 ("SEBI-Rights issue Circular"), all investors (including renounce) shall make an application for a rights issue only through ASBA facility.

OVERVIEW

This Issue and the Right Shares proposed to be issued on a rights basis, are subject to the terms and conditions contained in this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association of our Company, the provisions of the Companies Act, 2013, FEMA, FEMA Rules, the SEBI (ICDR) Regulations, the SEBI (LODR) Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from the RBI or other regulatory authorities, the terms of the Listing Agreements entered into by our Company with the Stock Exchanges and the terms and conditions as stipulated in the Allotment advice.

IMPORTANT

1. Dispatch and availability of Issue materials

In accordance with the SEBI ICDR Regulations, ASBA Circular, our Company will send/dispatch at least three days before the Issue Opening Date, the Abridged Letter of Offer, the Entitlement Letter, Application Form and other issue material ("Issue Materials") only to the Eligible Shareholders who have provided an India address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Right Shares is permitted under laws of such jurisdictions and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the India addresses provided by them.

Further, the Letter of Offer will be sent/dispatched, by the Registrar to the Issue on behalf of our Company to the Eligible Shareholders who have provided their Indian addresses and have made a request in this regard. In case such Eligible Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case such Eligible Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard.

Investors can access the Draft Letter of Offer, the Abridged Letter of Offer, and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Right Shares under applicable securities laws) on the websites of:

a) Our Company's website at https://www.onida.com/
b) Registrar to the Issue's website at www.linkintime.co.in ;

c) BSE Limited's website at www.bseindia.com ; and NSE at www.nseindia.com
d) Eligible Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar to the Issue's website at www.linkintime.co.in in by entering their DP-ID and Client-ID and PAN. The link for the same shall also be available on the website of our Company at https://www.onida.com/

Shareholders who have not received the Application Form may apply, along with the requisite Application Money, by using the Application Form available on the websites above, or on plain paper, with the same details as mentioned in the Application Form available online.

Eligible Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar to the Issue's website at www.linkintime.co.in by entering their DP-ID and Client-ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form), and PAN. The link for the same shall also be available on the website of our Company at [●].

Further, our Company will undertake all adequate steps to reach out the Eligible Shareholders who have provided their Indian address through other means, as may be feasible.

Please note that, our Company and the Registrar to the Issue will not be liable for non-dispatch of physical copies of Issue materials, including the Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, and the Application Form attributable to the non- availability of the e-mail addresses of Eligible Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in transit.

The distribution of the Draft Letter of Offer, Abridged Letter of Offer, the Rights Entitlement Letter, and the issue of Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that the Draft Letter of Offer is being filed with the Stock Exchange. Accordingly, the Rights Entitlements and Equity Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related materials or advertisements in connection with this Issue may not be distributed, in any jurisdiction, except in accordance with and as permitted under the legal requirements applicable in such jurisdiction. Receipt of the Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, or the Application Form (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation, or solicitation. In those circumstances, the Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, or the Application Form must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or redistributed.

Accordingly, persons receiving a copy of the Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Common Application Form should not, in connection with the issue of the Equity Shares or the Rights Entitlements, distribute or send the Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Common Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations or would subject our Company to any filing or registration requirement (other than in India). If the Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, or the Common Application Forms received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an application or acquire the Rights Entitlements referred to in the Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, or the Common Application Form. Any person who makes an application to acquire Rights Entitlements and the Equity Shares offered in the Issue will be deemed to have declared, represented, and warranted that such person is authorized to acquire the Rights Entitlements and the Equity Shares in compliance with all applicable laws and regulations prevailing in such person's jurisdiction and India, without requirement for our Company to make any filing or registration (other than in India).

2. Facilities for Application in this Issue

In accordance with Regulation 76 of the SEBI (ICDR) Regulations, SEBI - Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use either the

ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA For details, please refer to the Paragraph titled 'Procedure for Application through the ASBA Process' on page 190 of this Draft Letter of Offer.

The Application Form can be used by the Eligible Equity Shareholders as well as the Renouncees, to make Applications in this Issue on the basis of the Rights Entitlement credited in their respective demat accounts or demat suspense escrow account, as applicable. For further details on the Rights Entitlements and demat suspense escrow account, see "Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders" beginning on page no. 190 of this Letter of Offer.

a. Procedure for application through ASBA facility

Investors can submit either the Application Form in physical mode to the Designated Branches of the SCSBs or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) authorizing the SCSB to block the Application Money in an ASBA Account maintained with the SCSB. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility.

Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process. For details, Paragraph titled *'Procedure for Application through the ASBA Process'* on page 190 of this Draft Letter of Offer.

Please note that subject to SCSBs complying with the requirements of SEBI circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs. Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 02, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s).

Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application. Our Company, the Registrar and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants. Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see *"Application on Plain Paper under ASBA process."*

b. Credit of Rights Entitlements in demat accounts of Eligible Shareholders

In accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the SEBI - Rights Issue Circular, the credit of Rights Entitlements and Allotment of Right Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to:

1) The demat accounts of the Eligible Shareholders holding the Equity Shares in dematerialised form;

2) A demat suspense escrow account (namely, '[●]') opened by our Company, for the Eligible Shareholders which would comprise Rights Entitlements relating to:

    i. Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI (LODR) Regulations; or
    ii. Equity Shares held in the account of IEPF authority;
    iii. The demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or
    iv. Credit of the Rights Entitlements returned/ reversed/ failed; or

v. The ownership of the Equity Shares currently under dispute, including any court proceedings, as applicable.
vi. Eligible Equity Shareholders who have not provided their Indian addresses.
vii. Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar

Eligible Shareholders as on Record Date are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to the Company or the Registrar to the Issue not later than 2 (Two) Working Days prior to the Issue Closing Date, i.e., by [●] to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least 1 (One) day before the Issue Closing Date, to enable such Eligible Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Shareholders in this regard. Such Eligible Shareholders are also requested to ensure that their demat account is active, details of which have been provided to the Company or the Registrar to the Issue, to facilitate the aforementioned transfer.

In accordance with the SEBI Rights Issue Circulars, the Resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date i.e. by [●] shall not be eligible to make an Application for Rights Equity Shares against their Rights Entitlements with respect to the equity shares held in physical form.

Eligible Equity Shareholders can obtain the details of their Rights Entitlements from the website of the Registrar i.e., www.linkintime.co.in ; by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company https://www.onida.com/

OTHER IMPORTANT LINKS AND HELPLINE

The Investors can visit following links for the below-mentioned purposes:

1. Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors: www.linkintime.co.in
2. Updating of Indian address/ e-mail address/ mobile number in the records maintained by the Registrar to the Issue or our Company: mirc.rights2025@linkintime.co.in
3. Updation of demat account details by Eligible Equity Shareholders holding shares in physical form: mirc.rights2025@linkintime.co.in
4. Submission of self-attested PAN, client master sheet and demat account details by non-resident Eligible Shareholders: www.linkintime.co.in

RENOUNCEES

All rights and obligations of the Eligible Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Renouncee(s)as well.

AUTHORITY FOR THE ISSUE

The Board of Directors and Shareholders in its meeting dated September 2, 2024 has authorised this Issue under Section 62(1)(a) of the Companies Act, 2013. The Board of Directors in their meeting held on [●] have determined the Issue Price at ₹ [●] per Equity Share and the Rights Entitlement as [●] Rights Equity Share(s) for every [●] fully paid-up Equity Share(s) held on the Record Date. Our Company has received in-principal approval from BSE and NSE in accordance with Regulation 28 of the SEBI Listing Regulations for listing of the Rights Equity Shares to be allotted in the Issue pursuant to letter dated [●] and [●] respectively.

BASIS FOR THIS ISSUE

The Right Shares are being offered for subscription for cash to the Eligible Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity Shares held in dematerialised form and on the register of members at the close of business hours on the Record Date i.e. [●]

RIGHTS ENTITLEMENTS

Eligible Shareholders whose names appear as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialised form may be entitled to subscribe to the number of Right Shares as set out in the Rights Entitlement Letter.

Eligible Shareholders can also obtain the details of their respective Rights Entitlements from the Registrar to the Issue's website at www.linkintime.co.in ; by entering their DP-ID and Client-ID and PAN. The link for the same shall also be available on our Company's website at https://www.onida.com/

Rights Entitlements shall be credited to the respective demat accounts of Eligible Shareholders before the Issue Opening Date only in dematerialised form. If Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar www.linkintime.co.in ;. Such Eligible Equity Shareholders can make an application only after the Rights Entitlements is credited to their respective demat accounts.

Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and will send/ dispatch the Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, and the Common Application Form only to Eligible Equity Shareholders who have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them. For further details, see "Notice to Investors" on page 10 of this Draft Letter of Offer.

PRINCIPAL TERMS OF THIS ISSUE

1. **Face Value**
   Each Right Shares will be having face value of ₹ 1.00 (Rupee One Only).

2. **Issue Price**
   Each Rights Equity Share is being offered at a price of ₹ [●] (Rupees [●] only) per Rights Equity Share (including a premium of ₹ [●] (Rupees [●] only) per Rights Equity Share) in this Issue. The Issue Price for Right Shares has been arrived at prior to the determination of the Record Date, i.e. [●]

3. **Rights Entitlements Ratio**
   The Right Shares are being offered on a rights basis to the Eligible Shareholders in the ratio of [●] Rights Equity Share(s) for every [●] fully paid-up Equity Share(s) held by the Eligible Shareholders as on the Record Date, i.e. [●]

4. **Renunciation of Rights Entitlements**
   This Issue includes a right exercisable by Eligible Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part. The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. The renunciation of Rights Entitlements credited in your demat

account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchanges or through an off-market transfer. For details, see 'Procedure for Renunciation of Rights Entitlements' on page 201 of this Draft Letter of Offer. In accordance with SEBI Rights Issue Circulars, the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, will not be able to renounce their Rights Entitlements.

5. Terms of Payment

The entire amount of the Issue Price of [●] shall be payable at the time of Application.

6. Process of Credit of Rights Entitlements in dematerialized account

In accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the SEBI Issue Circulars, the credit of Rights Entitlements and Allotment of Right Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to:

a) The demat accounts of the Eligible Shareholders holding the Equity Shares in dematerialized form; and

b) A demat suspense escrow account (namely, '[●]') opened by our Company, for the Eligible Shareholders which would comprise Rights Entitlements relating to:

i. Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI (LODR) Regulations; or

ii. Equity Shares held in the account of IEPF authority; or

iii. The demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or

iv. Credit of the Rights Entitlements returned/ reversed/ failed; or

v. The ownership of the Equity Shares currently under dispute, including any court proceedings, as applicable

vi. Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar.

In this regard, our Company has made necessary arrangements with NSDL and CDSL for the crediting of the Rights Entitlements to the demat accounts of the Eligible Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is [●]. The said ISIN shall remain frozen (for debit) till the Issue Opening Date and shall become active on the Issue Opening Date and remain active for renunciation or transfer during the Renunciation Period. It is clarified that the Rights Entitlements shall not be available for transfer or trading post the Renunciation Period. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Eligible Shareholders are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to the Company or the Registrar not later than 2 (Two) Working Days prior to the Issue Closing Date, i.e., by [●] to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least 1 (One) day before the Issue Closing Date, to enable such Eligible Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Shareholders in this regard. Such Eligible Shareholders are also requested to ensure that their demat account, details of which have been provided to the Company or the Registrar account is active to facilitate the aforementioned transfer.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Shareholders and the demat suspense escrow account to the Stock Exchanges after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Shareholders can be accessed by such respective Eligible Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.Eligible Equity Shareholders holding Equity Shares in physical form can update the details of their demat accounts on the website of the Registrar (i.e. www.linkintime.co.in). Such Eligible Equity Shareholders can make an application only after the Rights Entitlements is credited to their respective demat accounts.

PLEASE NOTE THAT CREDIT OF THE RIGHTS ENTITLEMENTS IN THE DEMAT ACCOUNT DOES NOT, PER SE, ENTITLE THE INVESTORS TO THE RIGHTS EQUITY SHARES AND THE INVESTORS HAVE TO SUBMIT APPLICATION FOR THE RIGHTS EQUITY SHARES ON OR BEFORE THE ISSUE CLOSING DATE I.E., [●] AND MAKE PAYMENT OF THE APPLICATION MONEY. FOR DETAILS, SEE "PROCEDURE FOR APPLICATION" ON PAGE 198 OF THIS DRAFT LETTER OF OFFER.

7. Fractional Entitlements

The Right Shares are being offered on a rights basis to existing Eligible Shareholders in the ratio of [●] Right Shares for every [●] Equity Shares held as on the Record Date. As per SEBI Rights Issue Circulars, the fractional entitlements are to be ignored. Accordingly, if the shareholding of any of the Eligible Shareholders is less than [●] Equity Shares or is not in the multiple of [●] Equity Shares, the fractional entitlements of such Eligible Shareholders shall be ignored by rounding down of their Rights Entitlements. However, the Eligible Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the Allotment of one additional Rights Security if they apply for additional Right Shares over and above their Rights Entitlements, if any, subject to availability of Right Shares in this Issue post allocation towards Rights Entitlements applied for. For example, if an Eligible Equity Shareholder holds [●] Equity Shares, such Equity Shareholder will be entitled to [●] Rights Equity Share(s) and will also be given a preferential consideration for the Allotment of one additional Rights Equity Share if such Eligible Equity Shareholder has applied for additional Right Shares, over and above his/ her Rights Entitlements, subject to availability of Right Shares in this Issue post allocation towards Rights Entitlements applied for. Further, the Eligible Shareholders holding less than [●] Equity Shares shall have 'zero' entitlement for the Right Shares. Such Eligible Shareholders are entitled to apply for additional Right Shares and will be given preference in the Allotment of one Right Shares, if such Eligible Shareholders apply for additional Right Shares, subject to availability of Right Shares in this Issue post allocation towards Rights Entitlements applied for. However, they cannot renounce the same in favour of third parties.

8. Credit Rating

As this Issue is a rights issue of Rights Equity Shares, there is no requirement of credit rating for this Issue.

9. Ranking of Equity Shares

The Right Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of the Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, the SEBI (ICDR) Regulations, the SEBI (LODR) Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the Stock Exchange and the terms and conditions as stipulated in the Allotment advice. The Right Shares being issued and allotted shall be subject to the provisions of the Memorandum of Association and Articles of Association. The Right Shares shall rank pari-passu, in all respects including dividend, with our existing Equity Shares. The voting rights in a poll, whether present in person or by representative or by proxy shall be in proportion to the paid-up value of the Shares held, and no voting rights shall be exercisable in respect of moneys paid in advance, if any.

10. **Trading of the Rights Entitlements**

In accordance with the ASBA Circulars and SEBI Rights Issue Circulars, the Rights Entitlements credited shall be admitted for trading on the BSE Limited and NSE under ISIN [●]. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchanges for trading of Rights Entitlements. Investors shall be able to trade their Rights Entitlements either through On Market Renunciation or through Off Market Renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

The On Market Renunciation shall take place electronically on the secondary market platform of the Stock Exchanges on T+2 rolling settlement basis, where T refers to the date of trading. The transactions will be settled on trade-for- trade basis. The Rights Entitlements shall be tradable in dematerialized form only. The market lot for trading of Rights Entitlements is one Rights Entitlement.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from [●] to [●] (both days inclusive). No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date. For details, see 'Procedure for Renunciation of Rights Entitlements – On Market Renunciation' and 'Procedure for Renunciation of Rights Entitlements – Off Market Renunciation' on page 201 of this Draft Letter of Offer.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

11. Listing and trading of the Right Shares to be issued pursuant to this Issue Subject to receipt of the listing and trading approvals, the Right Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchange. Unless otherwise permitted by the SEBI (ICDR) Regulations, the Right Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary procedures for listing and commencement of trading in the Right Shares will be taken within such period prescribed under the SEBI (ICDR) Regulations. Our Company has received in-principal approval from the BSE and NSE through letter bearing reference number [●] dated [●] and [●] dated [●] respectively. Our Company will apply to the Stock Exchanges for final approvals for the listing and trading of the Right Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Right Shares or the price at which the Right Shares offered under this Issue will trade after the listing thereof.

    The Right Shares shall be listed and admitted for trading on the Stock Exchanges under separate ISINs for Right Shares. The procedures for listing and trading of Right Shares shall be completed within 7 (Seven) Working Days from the date of finalization of the Basis of Allotment.

    The existing Equity Shares are listed and traded on BSE Limited bearing Scrip Code [500279] and NSE (Symbol: MIRCELECTR.) under ISIN 'INE831A01028'. The Rights Equity shall be credited to temporary ISINs which will be frozen until the receipt of the final listing/ trading approvals from the Stock Exchange. Upon receipt of such listing and trading approvals, the Right Shares shall be debited from such temporary ISINs and credited to the existing ISIN as fully paid-up Equity share of our Company.

    The listing and trading of the Right Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule. In case our Company fails to obtain listing or trading permission from the Stock Exchanges, we shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within four days of receipt of intimation from the Stock Exchanges, rejecting the application for listing of the Right Shares, and if any such money is not refunded/ unblocked within 4 (Four) days after our Company becomes liable to repay it, our Company and every director of our Company who is an officer -in-default shall, on and from the expiry of the eighth day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

12. Subscription to this Issue by our Promoter and our Promoter Group

For details of the intent and extent of subscription by our Promoter and the Promoter Group, see the paragraph titled 'Intention and extent of participation by our Promoter and Promoter Group' under the section titled 'Capital Structure' on page 41 of this Draft Letter of Offer.

13. Rights of holders of Right Shares of our Company

Subject to applicable laws, holders of the Right Shares shall have the following rights:

a. The Right Shares shall rank pari-passu with the existing Equity Shares in all respects;

b. The right to received dividend if declared;

c. The right to vote in person, or by proxy, except in case of Right Shares credited to the demat suspense account for resident Eligible Shareholders;

d. The right to receive surplus on liquidation;

e. The right to free transferability of Right Shares;

f. The right to attend general meetings of our Company and exercise voting powers in accordance with law; and

g. Such other rights as may be available to a shareholder of a listed public Company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association.

Subject to applicable law and Articles of Association, holders of Right Shares shall be entitled to the above rights in proportion to amount paid-up on such Right Shares in this Issue.

GENERAL TERMS OF THE ISSUE

1. Market Lot

The Right Shares of our Company shall be tradable only in dematerialized form. The market lot for the Right Shares in dematerialized mode is 1 (One) Equity Share.

2. Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of Right Shares offered in this Issue.

3. Nomination

Nomination facility is available in respect of the Right Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014. Since the Allotment is in dematerialized form, there is no need to make a separate nomination for the Right Shares to be allotted in this Issue. Nominations registered with the respective Depository Participants of the Investors would prevail. Any Investor holding Equity Shares in dematerialized form and desirous of changing the existing nomination is requested to inform its Depository Participant.

4. Arrangements for Disposal of Odd Lots

The Right Shares are traded in dematerialized form only and therefore the marketable lot is 1 (One) Equity Share and hence no arrangements for disposal of odd lots are required.

5. Restrictions on transfer and transmission of shares and on their consolidation/splitting

There are no restrictions on transfer and transmission and on their consolidation/splitting of shares issued pursuant to this Issue. However, the Investors should note that pursuant to provisions of the SEBI (LODR) Regulations, with effect from April 1, 2019 except in case of transmission or transposition of securities, the request for transfer of securities shall not be affected unless the securities are held in the dematerialized form with a depository.

6. Notices

In accordance with the SEBI (ICDR) Regulations, SEBI Rights Issue Circulars and MCA General Circular No.

21/2020, our Company will send the Issue Materials only to the Eligible Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Right Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

The Draft Letter of Offer will be provided by the Registrar to the Issue on behalf of our Company to the Eligible Shareholders who have provided their Indian addresses to our Company and who make a request in this regard. In case the Eligible Shareholders have provided their valid e-mail address, the Draft Letter of Offer will be sent only to their valid e-mail address and in case the Eligible Shareholders have not provided their email address, then the Draft Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

All notices to the Eligible Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation, one Hindi language national daily newspaper with wide circulation and one Marathi language daily newspaper with wide circulation (Marathi being the regional language of Mumbai where our Registered Office is situated).

The Draft Letter of Offer, the Abridged Letter of Offer and the Application Form shall also be submitted with the Stock Exchange for making the same available on their website.

OFFER TO NON-RESIDENT ELIGIBLE SHAREHOLDERS/INVESTORS

As per Rule 7 of the FEMA Rules, the RBI has given general permission to Indian companies to issue rights equity shares to non-resident shareholders including additional rights equity shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by the RBI, non-residents may, amongst other things,

a) subscribe for additional shares over and above their Rights Entitlements;
b) renounce the shares offered to them either in full or part thereof in favour of a person named by them; or
c) apply for the shares renounced in their favour. Applications received from NRIs and non-residents for allotment of Rights Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by the RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Rights Equity Shares and issue of Rights Entitlement Letters/ letters of Allotment/Allotment advice. If a non-resident or NRI Investor has specific approval from RBI, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar by email mirc.rights2025@linkintime.co.in on postal means at the address of the Registrar mentioned on the cover page of the Draft Letter of Offer. It will be the sole responsibility of the investors to ensure that the necessary approval from the RBI or the governmental authority is valid in order to make any investment in the Issue and our Company will not be responsible for any such allotments made by relying on such approvals. The Abridged Letter of Offer, the Rights Entitlement Letter and Common Application Form shall be sent/dispatched to the email addresses and Indian addresses of non-resident Eligible Equity Shareholders, on a reasonable effort basis, who have provided an Indian address to our Company and are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and does not result in and may not be construed as, a public offering in such jurisdictions. Investors can access the Draft Letter of Offer, the Abridged Letter of Offer and the Common Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of the Registrar, our Company and the Stock Exchanges. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by the RBI while approving the Allotment. The Rights Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to their patriation as are applicable to the original Equity Shares against which Rights Equity Shares are issued on rights basis

   In case of change of status of holders, i.e., from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company.

PROCEDURE FOR APPLICATION

How to Apply

In accordance with Regulation 76 of the SEBI (ICDR) Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA

For details of procedure for application by the resident Eligible Equity Shareholders holding Equity Shares in physical form as on the Record Date, i.e. [●] see "Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form" on page 204 of this Draft Letter of Offer.

Our Company, its directors, its employees, affiliates, associates, and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions, and commissions etc. in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Application Form

The Application Form for the Right Shares offered as part of this Issue would be sent to the Eligible Shareholders only to

a) E-mail addresses of resident Eligible Shareholders who have provided their e-mail addresses;

b) Indian addresses of the resident Eligible Shareholders, on a reasonable effort basis, whose e-mail addresses are not available with our Company or the Eligible Shareholders have not provided the valid email address to our Company;

c) Indian addresses of the non-resident Eligible Shareholders, on a reasonable effort basis, who have provided an Indian address to our Company; and

d) E-mail addresses of foreign corporate or institutional shareholders.

The Common Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent/ dispatched at least three days before the Issue Opening Date. The Renouncees and Eligible Equity Shareholders who have not received the Common Application Form can download the same from the website of the Registrar, our Company, or Stock Exchanges. In case of non-resident Eligible Equity Shareholders, the Common Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent through email-to-email address if they have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and does not result in and may not be construed as, a public offering in such jurisdictions.

In case of non-resident Eligible Shareholders, the Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent through e-mail address if they have provided an Indian address to our Company or who are in jurisdictions where the offer and sale of the Right Shares is permitted under laws of such jurisdictions.

Please note that neither our Company nor the Registrar shall be responsible for delay in the receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non- availability of the e-mail addresses of Eligible Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit or there is a delay in physical delivery (where applicable).

To update the respective e-mail addresses/ mobile numbers in the records maintained by the Registrar or our Company, Eligible Shareholders should visit www.linkintime.co.in ; Investors can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Right Shares under applicable securities laws) from the websites of:

a) Our Company at https://www.onida.com/

b) The Registrar at www.linkintime.co.in
c) The Stock Exchange at www.bseindia.com and www.nseindia.com

The Eligible Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar at www.linkintime.co.in by entering their DP-ID and Client-ID and PAN. The link for the same shall also be available on the website of our Company at www.onida.com The Application Form can be used by the Eligible Shareholders as well as the Renouncees, to make Applications in this Issue based on the Rights Entitlements credited in their respective demat accounts or demat suspense escrow account, as applicable. Please note that one single Application Form shall be used by the Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Shareholders applying in this Issue, as applicable.

In case of Investors who have provided details of demat account in accordance with the SEBI (ICDR) Regulations, such Investors will have to apply for the Right Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may accept this Issue and apply for the Right Shares by:

i. Submitting the Application Form to the Designated Branch of the SCSB or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in the respective ASBA Accounts.

ii. **Please note that Applications made with payment using third party bank accounts are liable to be rejected**.

Investors are also advised to ensure that the Application Form is correctly filled up stating therein:

a) The ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB;

Please note that Applications without depository account details shall be treated as incomplete and shall be rejected.

Applicants should note that they should very carefully fill-in their depository account details and PAN number in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Incorrect depository account details or PAN number could lead to rejection of the Application. Our Company, the Registrar and the SCSB shall not be liable for any incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI (ICDR) Regulations, Investors may choose to accept the offer to participate in this Issue by making an application that is available on the website of the Registrar, Stock Exchanges or on a plain paper with the same details as per the Application Form available online. Please note that Eligible Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see '***Application on Plain Paper under ASBA process'*** on page 202pag of this Draft Letter of Offer.

OPTIONS AVAILABLE TO THE ELIGIBLE SHAREHOLDERS

The Rights Entitlement Letter will clearly indicate the number of Right Shares that the Eligible Equity Shareholder is entitled to.

If the Eligible Equity Shareholder applies in this Issue, then such Eligible Equity Shareholder can:

1. Apply for its Right Shares to the full extent of its Rights Entitlements; or

2. Apply for its Right Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
3. Apply for Right Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
4. Apply for its Right Shares to the full extent of its Rights Entitlements and apply for additional Right Shares; or
5. Renounce its Rights Entitlements in full.

PROCEDURE FOR APPLICATION THROUGH THE ASBA PROCESS

Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Investors should ensure that they have correctly submitted the Application Form, or have otherwise provided an authorization to the SCSB, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form at the time of submission of the Application.

Self-Certified Syndicate Banks

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 For details on Designated Branches of SCSBs collecting the Application Form, please refer the above-mentioned link.

Please note that subject to SCSBs complying with the requirements of SEBI Circular bearing reference number 'CIR/CFD/DIL/13/2012' dated September 25, 2012 within the periods stipulated therein, ASBA Applications may be submitted at the Designated Branches of the SCSBs, in case of Applications made through ASBA facility.

ACCEPTANCE OF THIS ISSUE

Investors may accept this Issue and apply for the Right Shares:

Submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts,

Please note that on the Issue Closing Date:

1. Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange.

Applications submitted to anyone other than the Designated Branches of the SCSB are liable to be rejected.

Investors can also make Application on plain paper under ASBA process mentioning all necessary details as mentioned under the section ***'Application on Plain Paper under ASBA processes'*** on page 202 of this Draft Letter of Offer.

ADDITIONAL RIGHT SHARES

Investors are eligible to apply for additional Right Shares over and above their Rights Entitlements, provided that they are eligible to apply for Right Shares under applicable law and they have applied for all the Right Shares forming part of their Rights Entitlements without renouncing them in whole or in part. The Rights Entitlements comprise of 1 Rights Equity. Where the number of additional Right Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalized in consultation with the Designated Stock Exchange. Applications for additional Right Shares shall be considered and Allotment shall be made in accordance with the SEBI (ICDR) Regulations and in the manner prescribed under the section 'Basis of Allotment' on page 213 of this Draft Letter of Offer.

Eligible Shareholders who renounce their Rights Entitlements cannot apply for additional Right Shares. Non-resident Renouncees who are not Eligible Equity Shareholders cannot apply for additional Rights Equity Shares. Resident Eligible

Shareholders whose dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Right Shares while submitting the Application through ASBA process.

PROCEDURE FOR RENUNCIATION OF RIGHTS ENTITLEMENTS

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part

a) by using the secondary market platform of the Stock Exchanges; or
b) through an off -market transfer, during the Renunciation Period. Such renunciation shall result in renouncement of the Right Shares. The Investors should have the demat Rights Entitlements credited/lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

Investors may be subject to adverse foreign, state, or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock broker regarding any cost, applicable taxes, charges, and expenses (including brokerage) that may be levied for trading in Rights Entitlements. Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

OUR COMPANY ACCEPT NO RESPONSIBILITY TO BEAR OR PAY ANY COST, APPLICABLE TAXES, CHARGES, AND EXPENSES (INCLUDING BROKERAGE), AND SUCH COSTS WILL BE INCURRED SOLELY BY THE INVESTORS.

PLEASE NOTE THAT THE RIGHTS ENTITLEMENTS WHICH ARE NEITHER RENOUNCED NOR SUBSCRIBED BY THE INVESTORS ON OR BEFORE THE ISSUE CLOSING DATE SHALL LAPSE AND SHALL BE EXTINGUISHED AFTER THE ISSUE CLOSING DATE.

1. On Market Renunciation

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchanges through a registered stock broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI (ICDR) Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Shareholders shall be admitted for trading on the Stock Exchanges under the ISIN that shall be allotted for the Rights Entitlement subject to requisite approvals. The details for trading in Rights Entitlements will be as specified by the Stock Exchanges from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is one Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from [●] to [●] (both days inclusive).

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock brokers by quoting the ISIN [●] (for Rights Entitlement) that shall be allotted for the Rights Entitlement and indicating the details of the Rights Entitlements they intend to sell. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of Stock Exchanges under automatic order matching mechanism and on 'T+2 rolling settlement bases, where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock broker will issue a contract note in accordance with the requirements of the Stock Exchanges and the SEBI.

2. Off Market Renunciation

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialized form only.

Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN (for Rights Entitlement) that shall be allotted for the Rights Entitlement, the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants. The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

APPLICATION ON PLAIN PAPER UNDER ASBA PROCESS

An Eligible Equity Shareholder who is eligible to apply under the ASBA process may make an application to subscribe to this Issue on plain paper. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorizing such SCSB to block Application Money in the said bank account maintained with the same SCSB.

Applications on plain paper will not be accepted from any address outside India.

Please note that the Eligible Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

The application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

a) Name of our Company, being ***'MIRC Electronics Ltd'***

b) Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);

c) Registered Folio No./DP and Client ID No.;

d) Number of Equity Shares held as on Record Date;

e) Allotment option – only dematerialized form;

f) Number of Right Shares entitled to;

g) Total number of Right Shares applied for;

h) Number of additional Right Shares applied for, if any;

i) Total amount paid at the rate of ₹ [●]/- for Right Shares issued in one Rights Entitlement;

j) Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB;

k) In case of non-resident Eligible Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO Account such as the account number, name, address, branch of the SCSB with which the account is maintained and a copy of the RBI approval obtained pursuant to Rule 7 of the FEMA Rules.

l) Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Right Shares applied for pursuant to this Issue;

m) Authorization to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;

n) Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB); and

o) In addition, all such Eligible Shareholders are deemed to have accepted the following:

"I/ We understand that neither the Rights Entitlement nor the Equity Shares have been, or will be, registered under the United States Securities Act of 1933, as amended ***(the "US Securities Act")*** *or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof* ***(the "United States")*** *except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act. I/ we understand the offering to which this application relates is not, and under no circumstances is to be construed as, an offering of any Equity Shares or Rights Entitlement for sale in the United States, or as a solicitation therein of an offer to buy any of the said Equity Shares or Rights Entitlement in the United States. Accordingly, I/ we understand that this application should not be forwarded to or transmitted in or to the United States at any time. I/ we understand that none of the Company, the Registrar or any other person acting on behalf of the Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who we, the Registrar, or any other person acting on behalf of the Company has reason to believe is in the United States, or if such person is outside India and the United States, such person is not a corporate shareholder, or is ineligible to participate in the Issue under the securities laws of their jurisdiction. I/ We will not offer, sell or otherwise transfer any of the Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of our residence.*

I/ We understand and agree that the Rights Entitlement and Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S under the US Securities Act (hereinafter referred to as ***'Regulation S'****), or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. I/We (i) am/are, and the person, if any, for whose account I/we am/are acquiring such Rights Entitlement, and/or the Equity Shares, is/are outside the United States, and (ii) is/are acquiring the Rights Entitlement and/or the Equity Shares in an offshore transaction meeting the requirements of Regulation S.*
I/ We acknowledge that the Company and their affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements."

In cases where multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected. Investors are requested to strictly adhere to these instructions. Failure to do so could result in an application being rejected, with our Company and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at www.linkintime.co.in

I/ We acknowledge that Our Company and the Registrar shall not be responsible if the Applications are not uploaded by SCSB or funds are not blocked in the Investors' ASBA Accounts on or before the Issue Closing Date.

MODE OF PAYMENT

All payments against the Application Forms shall be made only through

1. ASBA facility;

The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility

In case of Application through ASBA facility, the Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor's ASBA Account. The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth in this Draft Letter of Offer.

After verifying that sufficient funds are available in the ASBA Account, details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account which shall be a separate bank account maintained by our Company, other than the bank account referred to in subsection (3) of Section 40 of the Companies Act, 2013. The balance amount remaining after the finalization of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

The Investors would be required to give instructions to the respective SCSBs to block the entire amount payable on their application at the time of the submission of the Application Form.

The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. After the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth hereinafter.

Instructions issued in this regard by the Registrar to the respective SCSB.

APPLICATION BY ELIGIBLE SHAREHOLDERS HOLDING EQUITY SHARES IN PHYSICAL FORM

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Rights Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Prior to the Issue Opening Date, the Rights Entitlements of those resident Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense escrow account opened by our Company. In the event, the relevant details of the demat accounts of such Eligible Equity Shareholders are not received during the Issue Period, then their Rights Entitlements kept in the suspense escrow demat account shall lapse.

To update respective email addresses/ mobile numbers in the records maintained by the Registrar of our Company, Eligible Equity Shareholders should visit www.linkintime.co.in.

PROCEDURE FOR APPLICATION BY ELIGIBLE EQUITY SHAREHOLDERS HOLDING EQUITY SHARES IN PHYSICAL FORM

Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date, i.e. [●]and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

a) The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, email address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by email, post, speed post, courier, or hand delivery so as to reach to the Registrar no later than two Working Days prior to the Issue Closing Date;

b) The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;

c) The Eligible Equity Shareholders can access the Common Application Form from:

   - Our Company at https://www.onida.com/
   - The Registrar at www.linkintime.co.in.
   - The Stock Exchange at www.bseindia.com and www.nseindia.com
   - Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company at https://www.onida.com/

d) The Eligible Equity Shareholders shall, on or before the Issue Closing Date, submit the Common Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date cannot renounce until the details of their demat account are provided to our Company or the Registrar and the dematerialized Rights Entitlements are transferred from suspense escrow demat account to the respective demat accounts of such Eligible Equity Shareholders within prescribed timelines. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Rights Equity Shares while submitting the Application through ASBA process.

PLEASE NOTE THAT NON-RESIDENT ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE, i.e. [●] AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.

ALLOTMENT OF THE RIGHT SHARES IN DEMATERIALIZED FORM

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE OR THE ISSUE CLOSING DATE, AS THE CASE MAY BE.

GENERAL INSTRUCTIONS FOR INVESTORS

I. Please read this Draft Letter of Offer carefully to understand the Application process and applicable settlement process;

II. Please read the instructions on the Application Form sent to you;

III. The Application Form can be used by both the Eligible Shareholders and the Renouncees;

IV. Application should be made only through the ASBA facility;

V. Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English;

VI. In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section 'Application on Plain Paper under ASBA processes on page 202 of this Draft Letter of Offer;

VII. In accordance with Regulation 76 of the SEBI (ICDR) Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA

VIII. An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application.

IX. Applications should be (i) submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts, please note that the applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange,

X. Applications should not be submitted to the Bankers to the Issue or Escrow Collection Bank (assuming that such Escrow Collection Bank is not an SCSB), our Company or the Registrar;

XI. In case of Application through ASBA facility, Investors are required to provide necessary details, including details of the ASBA Account, authorization to the SCSB to block an amount equal to the Application Money in the ASBA Account mentioned in the Application Form;

XII. All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be "suspended for credit" and no Allotment and credit of Right Shares pursuant to this Issue shall be made into the accounts of such Investors;

XIII. In case of Application through ASBA facility, all payments will be made only by blocking the amount in the ASBA Account. Cash payment or payment by cheque or demand draft or pay order or NEFT or RTGS or through any other mode is not acceptable for application through ASBA process. In case payment is made in contravention of this, the Application will be deemed invalid and the Application Money will be refunded and no interest will be paid thereon;

XIV. For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSB;

XV. In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant;

XVI. All communication in connection with Application for the Right Shares, including any change in address of the Eligible Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, folio numbers/DP ID and Client ID and Application Form number, as applicable; In case of any change in address of the Eligible Shareholders, the Eligible Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar;

XVII. Please note that subject to SCSBs complying with the requirements of SEBI Circular bearing reference number 'CIR/CFD/DIL/13/2012 dated September 25, 2012' within the periods stipulated therein, Applications made through ASBA facility may be submitted at the Designated Branches of the SCSBs. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility

XVIII. In terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 02, 2013, it is clarified that for making applications by banks on their own account using ASBA facility, SCSBs should have a separate account in own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public/ rights issues and clear demarcated funds should be available in such account for ASBA applications;

XIX. Investors are required to ensure that the number of Right Shares applied for by them do not exceed the prescribed limits under the applicable law;

XX. An Applicant being an OCB is required not to be under the adverse notice of the RBI and must submit approval from RBI for applying in this Issue;

Do's:

1. Ensure that the Application Form and necessary details are filled in. In place of Application number, Investors can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number;
2. Except for Application submitted on behalf of the Central or the State Government, residents of Sikkim and the officials appointed by the courts, each Applicant should mention their PAN allotted under the Income-tax Act;
3. Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation ("Demographic Details") are updated, true and correct, in all respects;
4. Investors should provide correct DP-ID and client-ID/ folio number while submitting the Application. Such DP-ID and Client-ID/ folio number should match the demat account details in the records available with Company and/or Registrar, failing which such Application is liable to be rejected. Investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, SCSBs or the Registrar will not be liable for any such rejections.

Don'ts:

1. Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction;
2. Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;
3. Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application;
4. Do not pay the Application Money in cash, by money order, pay order or postal order;
5. Do not submit multiple Applications.

Dos for Investors applying through ASBA:

1. Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as the Right Shares will be Allotted in the dematerialized form only;

2. Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application;

3. Ensure that there are sufficient funds (equal to {number of Right Shares (including additional Right Shares) applied for} X {Application Money of Right Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB;

4. Ensure that you have authorized the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application and have signed the same;

5. Ensure that you have a bank account with an SCSB providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location;

6. Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form on a plain paper Application;

7. Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter;

Don’ts for Investors applying through ASBA:

1. Do not apply if you are not eligible to participate in this Issue under the securities laws applicable to your jurisdiction;

2. Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa;

3. Do not send your physical Application to the Registrar, the Escrow Collection Bank (assuming that such Escrow Collection Bank is not an SCSB), a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only;

4. Do not instruct the SCSBs to unblock the funds blocked under the ASBA process;

Grounds for Technical Rejection

Applications made in this Issue are liable to be rejected on the following grounds:

a. DP-ID and Client-ID mentioned in Application not matching with the DP-ID and Client ID records available with the Registrar;

b. Sending an Application to the Registrar, Escrow Collection Banks (assuming that such Escrow Collection Bank is not a SCSB), to a branch of a SCSB which is not a Designated Branch of the SCSB or our Company;

c. Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money;
d. Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders;

e. Account holder not signing the Application or declaration mentioned therein;

f. Submission of more than one Application Forms for Rights Entitlements available in a particular demat account;

g. Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application;

h. Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts);

i. Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the demographic details provided by the Depositories;

j. Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB;

k. Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and this Draft Letter of Offer;

l. Physical Application Forms not duly signed by the sole or joint Investors;

m. Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, and money order, postal order or outstation demand drafts;

n. If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements;

o. Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States (other than from persons in the United States who are U.S. QIBs) or other jurisdictions where the offer and sale of the Right Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is (a) outside India and the United States and is a foreign corporate or institutional shareholder eligible to subscribe for the Rights Equity Share under the applicable securities laws or (b) a U.S. QIB in the United States, and in each case such person is complying with laws of jurisdictions applicable to such person in connection with this Issue; or (iii) where either a registered Indian address is not provided or where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to issue or allot any Right Shares in respect of any such Application Form;

p. Applications which have evidence of being executed or made in contravention of applicable securities laws;.

q. Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar;

r. Applications by a non-resident without the approval from RBI with respect to Rule 7 of the FEMA Rules;

DEPOSITORY ACCOUNT AND BANK DETAILS FOR INVESTORS HOLDING SHARES IN DEMAT ACCOUNTS AND APPLYING IN THIS ISSUE

IT IS MANDATORY FOR ALL THE INVESTORS APPLYING UNDER THIS ISSUE TO APPLY THROUGH THE ASBA PROCESS TO RECEIVE THEIR RIGHT SHARES DEMATERIALISED FORM AND TO THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY THE INVESTOR AS ON THE RECORD DATE. ALL INVESTORS APPLYING UNDER THIS ISSUE SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DP-ID AND BENEFICIARY ACCOUNT NUMBER/ FOLIO NUMBER IN THE APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE APPLICATION FORM OR PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.

Investors applying under this Issue should note that on the basis of name of the Investors, Depository Participant's name and identification number and beneficiary account number provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Hence, Investors applying under this Issue should carefully fill in their Depository Account details in the Application.

These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the

Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants. By signing the Application Forms, the Investors would be deemed to have authorized the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records**.**

The Allotment advice and the email intimating unblocking of ASBA Account or refund (if any) would be emailed to the address of the Investor as per the email address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Right Shares are not allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs, Registrar shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) the DP ID, and (c) the beneficiary account number, then such Application Forms are liable to be rejected.

MODES OF PAYMENT

All payments against the Application Forms shall be made only through ASBA facility The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility. **In case of Application through ASBA facility, the Investor agrees to block the amount payable on Application with the submission of the Common Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor's ASBA Account.**

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Common Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Common Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, of the receipt of minimum subscription and pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account which shall be a separate bank account maintained by our Company, other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013. The balance amount remaining after the finalisation of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs based on the instructions issued in this regard by the Registrar to the respective SCSB.

The balance amount remaining after the finalisation of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB

The Investors would be required to give instructions to the respective SCSBs to block the entire amount payable on their application at the time of the submission of the Common Application Form.

The SCSB may reject the application at the time of acceptance of Common Application Form in the ASBA Account, details of which have been provided by the Investor in the Common Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Common Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth hereinafter.

Mode of payment for Resident Investors

All payments on the Application Forms shall be made only through ASBA facility. Applicants are requested to strictly adhere to these instructions.

Mode of payment for non-resident Investors

As regards the Application by non-resident Investors, payment must be made only through the ASBA facility and using permissible accounts in accordance with the FEMA, FEMA Rules and requirements prescribed by the RBI and subject to the following conditions:

i. Individual non-resident Indian Applicants who are permitted to subscribe to Rights Equity Shares by applicable local securities laws can obtain Common Application Forms on the websites of the Registrar, our Company.

Note: In case of non-resident Eligible Equity Shareholders, the Abridged Letter of Offer, the Rights Entitlement Letter and the Common Application Form shall be sent to their email addresses if they have provided their Indian address to our Company or if they are located in certain jurisdictions (other than the United States and India) where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and does not result in and may not be construed as, a public offering such jurisdiction. The Letter of Offer will be provided, only through email, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and does not result in and may not be construed as, a public offering in such jurisdictions and in each case who make a request in this regard.

ii. Common Application Forms will not be accepted from non-resident Investors in any jurisdiction where the offer or sale of the Rights Entitlements and Rights Equity Shares may be restricted by applicable securities laws.

iii. Payment by non-residents must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by the RBI.

Notes

(i) In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Right Shares can be remitted outside India, subject to tax, as applicable according to the Income-tax Act;

(ii) In case Right Shares are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Right Shares cannot be remitted outside India;

(iii) In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by the RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals;

(iv) Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Right Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment;

(v) In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account;

(vi) Non-resident Renouncees who are not Eligible Shareholders must submit regulatory approval for applying for additional Right Shares;

MULTIPLE APPLICATIONS

In case where multiple Applications are made in respect the Rights Entitlements using same demat account, such Applications shall be liable to be rejected. However supplementary applications in relation to further Right Shares with/without using additional Rights Entitlements will not be treated as multiple applications. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, see ***'Procedure for Applications by Mutual Funds'*** below. Cases where Investor submits Application Forms along with plain paper or multiple plain paper Applications for same Rights Entitlements shall be treated as multiple applications.

In cases where multiple Application Forms are submitted, such Applications shall be treated as multiple applications, including cases where an Investor submits Application Forms along with a plain paper Application or multiple plain paper Applications, such Applications shall be treated as multiple applications and are liable to be rejected, other than multiple applications submitted by any of the Promoter under the terms of the issue for the purpose of achieving the Minimum Subscription in case of under subscription.

LAST DATE FOR APPLICATION

The last date for submission of the duly filled in the Application Form or a plain paper Application is [●] day, [●], 2025, i.e., Issue Closing Date. The Board of Directors may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Application Form is not submitted with an SCSB, uploaded with the Stock Exchange and the Application Money is not blocked with the SCSB on or before the Issue Closing Date or such date as may be extended by the Board of Directors, the invitation to offer contained in this Draft Letter of Offer shall be deemed to have been declined and the Board of Directors shall be at liberty to dispose of the Right Shares hereby offered, as provided under the section, ***'Basis of Allotment'*** on page 213 of this Draft Letter of Offer.

Please note that on the Issue Closing Date, (i) Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.

Please ensure that the Application Form and necessary details are filled in. In place of Application number, Investors can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number.

WITHDRAWAL OF APPLICATION

An Investor who has applied in this Issue may withdraw their application at any time during Issue Period by approaching the SCSB where application is submitted facility. However, no Investor, whether applying through ASBA facility may withdraw their application post the Issue Closing Date.

If our Company withdraws the Issue any time after the Issue Opening Date, a public notice within two (2) Working Days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisement has appeared and the Stock Exchanges will also be informed promptly.

The Registrar to the Issue will instruct the SCSBs to unblock the ASBA Accounts within one (1) working Day from the day of receipt of such instruction. Our Company shall also inform the same to the Stock Exchanges.

If our Company withdraws the Issue at any stage including after the Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will file a fresh offer document with the stock exchange where the Equity Shares may be proposed to be listed.

ISSUE SCHEDULE

Last date for Credit of Rights Entitlements	[●]
Issue Opening Date	[●]
Last Date for On Market Renunciation*	[●]
Issue Closing Date	[●]
Finalisation of Basis of Allotment (on or about)	[●]
Date of Allotment (on or about)	[●]
Date of Credit (on or about)	[●]
Date of Listing (on or about)	[●]

** Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.*

Our Board of Directors may however decide to extend the Issue Period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date).

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than 2 (Two) Working Days prior to the Issue Closing Date, i.e., by [●], to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least 1 (One) working day before the Issue Closing Date i.e. by [●].

BASIS OF ALLOTMENT

Subject to the provisions contained in this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board will proceed to allot the Right Shares in the following order of priority:

1. Full Allotment to those Eligible Shareholders who have applied for their Rights Entitlements of Right Shares either in full or in part and also to the Renouncee(s) who has or have applied for Right Shares renounced in their favour, in full or in part.

2. Eligible Shareholders whose fractional entitlements are being ignored and Eligible Shareholders with zero entitlement, would be given preference in allotment of one additional Rights Equity Share each if they apply for additional Right Shares. Allotment under this head shall be considered if there are any unsubscribed Right Shares after allotment under (1) above. If number of Right Shares required for Allotment under this head are more than the number of Right Shares available after Allotment under (1) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.

3. Allotment to the Eligible Shareholders who having applied for all the Right Shares offered to them as part of this Issue, have also applied for additional Right Shares. The Allotment of such additional Right Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Right Shares after making full Allotment in (1) and (2) above. The Allotment of such Right Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.

4. Allotment to Renouncees who having applied for all the Right Shares renounced in their favour, have applied for additional Right Shares provided there is surplus available after making full Allotment under (1), (2) and (3) above. The Allotment of such Right Shares will be made on a proportionate basis in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.

5. Allotment to any other person, that our Board may deem fit, provided there is surplus available after making Allotment under (1), (2), (3) and (4) above, and the decision of our Board in this regard shall be final and binding. After taking into account Allotment to be made under (1) to (4) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the Investors who have been allocated Right Shares in this Issue, along with:

a) The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for this Issue, for each successful Application;

b) The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and

c) The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS

Our Company will send/ dispatch Allotment advice, refund intimations (or demat credit of securities and/or letters of regret, only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, Allotment advice, refund intimations or demat credit of securities and/or letters of regret will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Allotment advice, refund intimations or demat credit of securities and/or letters of regret will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them; along with crediting the Allotted Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or in a demat suspense account (in respect of Eligible Equity Shareholders holding Equity Shares in physical form on the Allotment Date) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of on or before T+1 day (T: Basis of allotment day). In case of failure to do so, our Company shall pay interest at 15% p.a. or such other rate as specified under applicable law from the expiry of such 15 days' period

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment advice shall be sent, through email, to the email address provided to our Company or at the address recorded with the Depository.

In the case of non-resident Investors who remit their Application Money from funds held in the NRE or the FCNR Accounts, refunds and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.

Where an Applicant has applied for additional Equity Shares in the Issue and is allotted a lesser number of Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The unblocking of ASBA funds/ refund of monies shall be completed be within such period as prescribed under the SEBI (ICDR) Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

PAYMENT OF REFUND

Mode of making refunds

The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through any of the following modes

1. Unblocking amounts blocked using ASBA facility.

2. National Automated Clearing House (hereinafter referred to as **'NACH'**) – National Automated Clearing House is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including MICR code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.

3. National Electronic Fund Transfer (hereinafter referred to as **'NEFT'**) – Payment of refund shall be undertaken through NEFT wherever the Investors' bank has been assigned the Indian Financial System Code (hereinafter referred to as 'IFSC Code'), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their Nine- digit MICR number and their bank account number with the Registrar to our Company or with the Depository Participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.

4. Direct Credit – Investors having bank accounts with the Bankers to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company.

5. RTGS – If the refund amount exceeds ₹2,00,000, the Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Application Form. In the event the same is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the refund bank(s) for the same would be borne by our Company. Charges, if any, levied by the Investor's bank receiving the credit would be borne by the Investor.

6. For all other Investors, the refund orders will be dispatched through speed post or registered post subject to applicable laws. Such refunds will be made by cheques, pay orders or demand drafts drawn in favour of the

sole/first Investor and payable at par.

7. Credit of refunds to Investors in any other electronic manner, permissible by SEBI from time to time.

Refund payment to non-residents

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

ALLOTMENT ADVICE OR DEMAT CREDIT OF SHARES

The demat credit of Shares to the respective beneficiary accounts or the demat suspense account (pending receipt of demat account details for Eligible Shareholders holding Equity Shares in physical form/ with IEPF authority/ in suspense, etc.) will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

RECEIPT OF THE RIGHT SHARES IN DEMATERIALIZED FORM

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO (A) THE SAME DEPOSITORYACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE, OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE,OR (C) DEMAT SUSPENSE ACCOUNT PENDING RECEIPT OF DEMAT ACCOUNT DETAILS FOR RESIDENT ELIGIBLE EQUITY SHAREHOLDERS WHERE THE CREDIT OF THE RIGHTS EQUITY SHARES RETURNED/REVERSED/FAILED.

Investors shall be allotted the Right Shares in dematerialized (electronic) form.

INVESTORS MAY PLEASE NOTE THAT THE RIGHT SHARES CAN BE TRADED ON THE STOCK EXCHANGES ONLY IN DEMATERIALIZED FORM

The procedure for availing the facility for Allotment of Right Shares in this Issue in the dematerialized form is as under:

1. Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for such holdings. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.

2. It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.

3. The responsibility for correctness of information filled in the Application Form vis-a-vis such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Application Form should be the same as registered with the Investor's depository participant.

4. If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Right Shares and the Application Form will be rejected.

5. The Right Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Shareholders with IEPF authority/ in suspense, etc.). Allotment advice, refund order (if any) would be sent directly to the Applicant by email and, if the printing is feasible, through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Right Shares to the Applicant's depository account.

6. Non-transferable Allotment advice/ refund intimation will be directly sent to the Investors by the Registrar, by

email and, if the printing is feasible, through physical dispatch.

7. Renouncees will also have to provide the necessary details about their beneficiary account for Allotment of Right Shares in this Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.

PROCEDURE FOR APPLICATION BY CERTAIN CATEGORIES OF INVESTORS

1.Procedure for Applications by FPIs

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% of common control)) shall be below 10% of our post -Offer Equity Share capital. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will also be required to comply with applicable reporting requirements. Further, the aggregate limit of all FPIs investments, with effect from April 1, 2020, is up to the sectoral cap applicable to the sector in which our Company operates. Regulations; and (b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre – approved by the FPI.

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. The FPIs who wish to participate in the Offer are advised to use the Application Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against Shares held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions:

a. (a)such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI

b. prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre – approved by the FPI.

2. Procedure for Applications by AIFs, FVCIs and VCFs

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue. Venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centers where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

3. Procedure for Applications by NRIs

Investments by NRIs are governed by the FEMA Rules. Applications will not be accepted from NRIs that are ineligible to participate in this Issue under applicable securities laws.

As per the FEMA Rules, an NRI or Overseas Citizen of India ("OCI") may purchase or sell capital instruments of a listed Indian Company on repatriation basis, on a recognized stock exchange in India, subject to the conditions, inter alia, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid - up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian Company and the total holdings of all NRIs and OCIs put together will not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants. The aggregate ceiling of 10% may be raised to 24%, if a special resolution to that effect is passed by the general body of the Indian company.

Further, in accordance with press note 3 of 2020, the FDI Policy has been recently amended to state that all investments by entities incorporated in a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("Restricted Investors"), will require prior approval of the Government of India. It is not clear from the press note whether an issuance of the Right Shares to Restricted Investors will also require a prior approval of the Government of India and each Investor should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required and such approval has been obtained, the Investor shall intimate our Company and the Registrar about such approval within the Issue Period.

4. Procedure for Applications by Mutual Funds

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

5. Procedure for Applications by Systemically Important Non-Banking Financial Companies ("NBFC- SI")

In case of an application made by NBFC-SI registered with the RBI, (a) the certificate of registration issued by the RBI under Section 45IA of the RBI Act, 1934 and (b) net-worth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

IMPERSONATION

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who makes or abets making of an application in a fictitious name to a Company for acquiring, or subscribing for, its Shares; or makes or abets making of multiple applications to a Company in different names or in different combinations of his name or surname for acquiring or subscribing for its Shares; or otherwise induces directly or indirectly a Company to allot, or register any transfer of, Shares to him, or to any other person in a fictitious name, shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act for fraud involving an amount of at least ₹ 10 lakhs or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term of not less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount

In case the fraud involves (i) an amount which is less than ₹10 lakhs or 1% of the turnover of the company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹50 lakhs or with both.

PAYMENT BY STOCKINVEST

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Rights Issue.

DISPOSAL OF APPLICATION AND APPLICATION MONEY

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branch of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form.

Our Board of Directors of the Company reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In case an application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts, in case of Applications through ASBA. Wherever an application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Rights Equity Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received / ASBA Accounts of the Investor within a period of 4 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.
For further instructions, please read the Application Form carefully.

UTILISATION OF ISSUE PROCEEDS

Our Board declares that:

a) All monies received out of this Issue shall be transferred to a separate bank account.
b) Details of all monies utilized out of this Issue referred to under (a) shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies had been utilized; and.
c) Details of all unutilized monies out of this Issue referred to under (a) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

1. The complaints received in respect of the issue shall be attended to by our Company expeditiously and satisfactorily;

2. All steps for completion of the necessary formalities for listing and commencement of trading at Stock Exchanges, where the Right Shares are to be listed are taken within the time limit specified by the SEBI;

3. The funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company;

4. Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 (Fifteen) days of closure of the issue giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

5. In case of unblocking of the application amount for unsuccessful Applicants or part of the application amount in case of proportionate Allotment, a suitable communication shall be sent to the Applicants;

6. Where release of block on the application amount for unsuccessful bidders or part of the application amount in case of proportionate allotment, a suitable communication shall be sent to the applicants;

7. Adequate arrangements shall be made to collect all ASBA applications;

8. Our Company shall comply with all disclosure and accounting norms specified by the SEBI from time to time;

9. Our Company accepts full responsibility for the accuracy of information given in the Letter of Offer and confirms that to the best of its knowledge and belief, there are no other facts the omission of which makes any statement made in the Letter of Offer misleading and further confirms that it has made all reasonable enquiries to ascertain such facts.

Minimum Subscription

The objects of the Issue involve financing other than financing of capital expenditure for a project and our Promoters and members of our Promoter Group have undertaken to (i) subscribe to the full extent of their respective Rights Entitlements, subject to compliance with the minimum public shareholding requirements, as prescribed under the SCRR; and (ii) have also confirmed that they shall not renounce their Rights Entitlements, except to the extent of renunciation within the promoter group. Accordingly, in terms of the SEBI ICDR Regulations, the requirement of minimum subscription in the Issue is not applicable.

Filing of Draft Letter of Offer/Letter of Offer

The Draft Letter of Offer shall not be filed with SEBI, nor will SEBI issue any observation on the Draft Letter of Offer as the size of issue is less than ₹ 50 Crores.

The Draft Letter of Offer has been filed with the BSE and NSE for obtaining in-principal approval.

However, a copy of the Letter of Offer shall be filed with the SEBI for the purpose of their information and dissemination on its website to the e-mail address: cfddil@sebi.gov.in

Withdrawal of the Issue

Subject to provisions of the SEBI ICDR Regulations, the Companies Act and other applicable laws, Our Company reserves the right not to proceed with the Issue at any time before the Issue Opening Date without assigning any reason thereof.

If our Company withdraws the Issue any time after the Issue Opening Date, a public notice within two (2) Working Days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisement has appeared and the Stock Exchange will also be informed promptly.

The Company, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one (1) working Day from the day of receipt of such instruction. Our Company shall also inform the same to the Stock Exchange.

If our Company withdraws the Issue at any stage including after the Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will file a fresh offer document with the stock exchange where the Equity Shares may be proposed to be listed.

IMPORTANT

1. Please read this Draft Letter of Offer carefully before taking any action. The instructions contained in the Application Form, Abridged Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of this Draft Letter of Offer and must be carefully followed; otherwise, the Application is liable to be rejected.

2. All enquiries in connection with this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or Application Form must be addressed (quoting the Registered Folio Number or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and super scribed ***'MIRC Electronics Limited– RIGHT ISSUE'*** on the envelope and postmarked in India or in the email) to the Registrar at the following address:

MUFG INTIME INDIA PRIVATE LIMITED

C-101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai - 400083, Maharashtra, India.
Tel No.: +91 8108114949

Email: mirc.rights2025@linkintime.co.in
Website: www.linkintime.co.in
Investor Grievance Email: mirc.rights2025@linkintime.co.in
Contact Person: Shanti Gopalakrishnan
SEBI Registration No.: INR000004058
Validity of Registration: Permanent

In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar (www.linkintime.co.in). Further, helpline numbers provided by the Registrar for guidance on the Application process and resolution of difficulties are +91 8108114949.

3. This Issue will remain open for a minimum 7 (seven) days. However, the Board of Directors will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Closing Date).

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991, of the Government of India and FEMA. While the Industrial Policy, 1991, of the Government of India, prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise way such investment may be made. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment **("FDI")**and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion)**("DPIIT")**, Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 5, 2017, has notified the specific ministries handling relevant sectors.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular of 2020 ("FDI Circular") by way of circular bearing number DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020, which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict between FEMA and such policy pronouncements, FEMA prevails.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company falls under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the nonresident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

As per the existing policy of the Government of India, erstwhile OCBs cannot participate in this Issue.

The above information is given for the benefit of the Applicants / Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of the contracts and documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all working days from the date of the Draft Letter of Offer until the Issue Closing Date.

Material Contracts

1) Registrar Agreement dated [●] between our Company and the Registrar to the Issue;

2) Bankers to the Issue Agreement dated [●] among our Company, the Registrar to the Issue and the Bankers to the Issue;

Material Documents

1) Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.

2) Copy of Certificates of Incorporation of our company and certificate of commencement of business.

3) Resolution passed by our Board of Directors dated September 2, 2024 authorizing the Issue.

4) Resolution of our Board of Directors dated [●] approving and adopting this Draft Letter of Offer.

5) Resolution of our Board of Directors dated [●], finalizing the terms of the Issue including Issue Price, Record Date and the Rights Entitlement Ratio.

6) Consents of our Directors, Bankers to the Issue*, Statutory Auditor and the Registrar to the Issue for inclusion of their names in the Draft Letter of Offer to act in their respective capacities;

   **To be obtained prior to filing of the Draft Letter of Offer*

7) Copies of Annual Reports of our Company for Fiscals 2023, 2022 and Un-Audited financial results for Nine months period ended September 30,2024.

8) Report on Statement of Special Tax Benefits dated [●] for our Company from the Statutory Auditors of our Company;

9) Tripartite Agreement between our Company, Central Depository Services (India) Limited (CDSL) and Registrar.

10) Tripartite Agreement between our Company, National Securities Depository Limited (NSDL) and Registrar.

11) In-principle approval issued by BSE Limited and NSE dated [●] and [●] respectively.

Any of the contracts or documents mentioned in this Draft Letter of Offer may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without notice to the Eligible Shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We hereby declare that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, 2013 and the rules made thereunder. We further certify that all the legal requirements connected with the Issue as also the guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with. We further certify that all disclosures made in this Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

SD/ ________________________ **Gulu Lalchand Mirchandani** Managing Director	**SD/** ________________________ **Vijay Jaikrishin Mansukhani** Managing Director
SD/ ________________________ **Kaval Gulu Mirchandani** Whole Time Director	**SD/** ________________________ **Shirish Mohanbhai Suvagia** Whole Time Director

SIGNED BY OUR CHIEF FINANCIAL OFFICER

SD/-

____

Shirish Mohanbhai Suvagia
Date: [●]
Place: [●]

____

Shirish Mohanbhai Suvagia

Whole Time Director