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BBOX/SD/SE/2024/64

September 2, 2024

To,

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| Corporate Relationship Department Bombay Stock Exchange Limited P.J. Towers, Dalal Street, Fort, Mumbai 400001 | Corporate Relationship Department National Stock Exchange Limited Exchange Plaza, Bandra Kurla Complex, Bandra East, Mumbai 400051 |
|---|---|

Sub: Submission of Annual Report for FY 2023-24

Ref.: Scrip code: BSE: 500463/NSE: BBOX

Dear Sir/Madam,

This is with reference to our letter no. BBOX/SD/SE/2024/53 dated August 13, 2024, intimating the Stock Exchanges that the 38th Annual General Meeting ("AGM") of the Company is scheduled to be held on **Wednesday, September 25, 2024 at 11:00 A.M.** Indian Standard Time (IST) through Video Conferencing ("VC") facility provided by National Securities Depository Limited ("NSDL").

Further, pursuant to the provisions of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations"), we hereby submit the Annual Report of the Company for FY2023-24 including the Notice of the 38th AGM.

During the year under review, there have been no qualifications from the Statutory Auditors and hence, the Statement of Impact of Audit Qualifications on Financials (Standalone and Consolidated) is not required to be prepared.

The copy of the aforesaid Annual Report is attached herewith for your perusal and is also available on the website of the Company at www.blackbox.com.

This is for your information, record and necessary dissemination to all the stakeholders.

For **Black Box Limited**

Aditya Goswami
Company Secretary & Compliance Officer

Encl.: A/a.

BLACK BOX LIMITED

Registered Office: 501, 5th Floor, Building No. 9, Airoli Knowledge Park, MIDC Industrial Area, Airoli, Navi Mumbai 400 708, India

BLACKBOX.COM | CIN: L32200MH1986PLC040652 | Tel: +91 22 6661 7272



Propelling Digital Infrastructure

Corporate Information

BOARD OF DIRECTORS

Sujay R. Sheth (Chairman) - Independent Director

Dilip Thakkar - Independent Director

Neha Nagpal - Independent Director

Munesh Khanna - Additional Independent Director

Naresh Kothari - Non-Executive Director

Anshuman Ruia - Executive Director

Sanjeev Verma - Whole-time Director

Deepak Kumar Bansal - Executive Director

CHIEF FINANCIAL OFFICER

Deepak Kumar Bansal

COMPANY SECRETARY & COMPLIANCE OFFICER

Aditya Goswami

AUDITORS

M/s. Walker Chandio & Co LLP*

M/s. M S K A & Associates**

REGISTERED OFFICE

5th Floor, 501, Building No. 9,
Airoli Knowledge Park, MIDC Industrial Area,
Airoli, Navi Mumbai-400708

Phone: +91 22 6661 7272

Email: info.india@blackbox.com
investors@blackbox.com

Website: <https://www.blackbox.com>

CIN: L32200MH1986PLC040652

GLOBAL PRESENCE

Regions: North America, Latin America, Europe,
India & SAARC, Middle East & Africa, Asia-Pacific

REGISTRAR AND SHARE TRANSFER AGENT (RTA)

Datamatics Business Solutions Limited

Plot No-B-5, Part B, Cross Lane, MIDC, Marol,
Andheri (East), Mumbai – 400093

Phone: +91 22 6671 2001-2006

Email: investorsqry@datamaticsbpm.com

Website: www.datamaticsbpm.com

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*Till the conclusion of 38th AGM.

**From conclusion of 38th AGM till the conclusion of 43rd AGM, subject to the approval of shareholders.

Propelling Digital Infrastructure

The hyper-connected world of today necessitates the implementation of robust digital infrastructure for organizations of all sizes. As businesses increasingly rely on advanced technology to drive growth, efficiency and innovation, a secure, scalable and resilient digital infrastructure is now the need of the hour. Black Box stands at the forefront of this transformation, providing cutting-edge IT solutions that empower enterprises to prosper in a rapidly evolving digital landscape.

CATERING TO THE GROWING DEMAND

The accelerated pace of digital transformation has prompted a substantial surge in demand for sophisticated digital infrastructure. Businesses worldwide are adopting disruptive technologies such as Artificial Intelligence (AI), Machine Learning (ML), the Internet of Things (IoT) and cloud computing to enhance operational efficiency and deliver superior customer experiences. However, effective deployment of these advancements requires a strong foundation—one that Black Box is uniquely equipped to provide.

As a trusted global partner in digital infrastructure transformation, Black Box offers innovative products, advanced technological solutions and expert consulting services. These solutions are designed to meet the diverse needs of contemporary enterprises, ensuring they have the necessary tools to build, maintain and scale their digital infrastructure efficiently.

CRAFTING FUTURE-READY SOLUTIONS

The shift towards hybrid productivity models and the growing reliance on AI and ML have highlighted the importance of futuristic IT infrastructure. To address these needs, Black Box prioritizes developing solutions that support the evolving requirements of businesses. This includes constructing secure Data Centers that enable connected experiences, safeguard against cyber threats and ensure business continuity.

Besides Data Centers, Black Box's specialized solutions enhance communication and collaboration, facilitating IT modernization in a cost-efficient manner. By leveraging advanced networking, IoT integration and AI-driven analytics, the Company helps businesses stay competitive and relevant in a dynamic technological landscape.

LEVERAGING INNOVATION AND EXPERTISE

What sets Black Box apart is the ability to prudently utilize global reach, pioneer innovations and leverage deep domain expertise in accelerating customer success. The Company continuously invests in the latest technological advancements to offer state-of-the-art solutions that are future-proof and adaptable to the demands of tomorrow. Black Box's comprehensive portfolio includes Data Center solutions, advanced networking solutions, AI-powered analytics and IoT-enabled devices—all designed to keep the Company's clients ahead of the curve.

A CUSTOMER-CENTRIC APPROACH

Black Box is a global digital infrastructure integrator delivering network and system integration services and solutions, support services and technology products to businesses spread worldwide. The Company's operational footprint spans the United States, Europe, India, Asia-Pacific, the Middle East and Latin America. Black Box takes pride in establishing a talent pool comprising around 4,000 professionals situated globally that has been propelling the Company towards new heights of success. At the core of Black Box's strategy is a customer-centric approach that acknowledges the fact that each client faces unique challenges and has specific goals. By working closely with the clients, the Company tailors solutions that align with their strategic objectives, delivering value at every stage of the infrastructure lifecycle. The Company's extensive range of professional

and managed services ensures that every aspect of a client's digital infrastructure is optimized for peak performance, enabling them to focus on innovation and business growth.

STRATEGIC ALLIANCES FOR ENHANCED SOLUTIONS

Black Box's strategic alliances with leading technology providers further strengthen the offerings. These partnerships enable the Company to access a wealth of collective expertise and resources, enhancing the quality and effectiveness of its solutions. By collaborating with partners, Black Box delivers innovative, robust and reliable solutions that generate exponential value for the valued customers.

SHAPING THE FUTURE OF DIGITAL INFRASTRUCTURE

As the digital landscape continues to evolve, Black Box remains dedicated to leading the next era of digital infrastructure innovation. By embracing cutting-edge technologies and expanding the service portfolio, the Company is poised to redefine the digital landscape and empower businesses to unlock new opportunities for growth and success. Together with clients, Black Box is not just adapting to the future of digital infrastructure—it is actively shaping it, driving innovation and inspiring excellence in every endeavor.



Roadmap to

Building Digital Infrastructure



COMPREHENSIVE SOLUTIONS

Black Box offers a comprehensive suite of solutions and services designed to meet the diverse needs of clients. From network design and implementation to managed services and support, the Company provides end-to-end solutions that ensure seamless integration and optimal performance.



INNOVATIVE TECHNOLOGIES

Leveraging cutting-edge technologies is at the heart of the Company's strategy. Black Box continuously invests in the latest advancements to offer state-of-the-art solutions that future-proof the clients' infrastructure. The Company's portfolio also includes advanced networking, IoT integration and AI-driven analytics that empower businesses to stay ahead of the curve.



CUSTOMER-CENTRIC FOCUS

Understanding clients' unique challenges and goals is paramount. The Company collaborates closely with its clients to tailor solutions that align with their strategic objectives. The organization's customer-centric approach ensures that it delivers value at every stage of the infrastructure lifecycle, from planning and deployment to maintenance and optimization.



CUSTOMIZED SERVICES

Black Box's extensive range of professional and managed services ensures that every aspect of the clients' digital infrastructure is optimized for peak performance and aligned with their business objectives. With Black Box, clients receive a partner dedicated to understanding their unique challenges and delivering customized solutions that empower their business to succeed in an ever-evolving digital landscape.

Over the past year, Black Box has achieved significant milestones in building digital infrastructure for a wide range of industries. The Company's projects have enabled businesses to:

Enhance

network reliability and performance, reducing downtime and improving productivity.

Transition

to support cloud-based environments, offering scalability and flexibility to adapt to changing demands.

Integrate

the latest technologies like 5G, AI and IoT solutions that drive innovation and operational efficiency.

Implement

robust cybersecurity measures to protect critical assets and data.

ENVISIONING THE FUTURE

As the Company moves ahead, Black Box is dedicated to leading the charge in the next era of digital infrastructure innovation. With an evolving business strategy that embraces a Horizontal-Vertical approach, the Company is refining its focus to better serve customers while continuing to deliver unparalleled value across a diverse range of industries. Its commitment to exploring cutting-edge technologies, expanding its service portfolio and deepening its collaborations ensures the company remains poised to redefine the digital landscape. Black Box's vision is clear: to empower businesses to not only achieve their digital transformation goals but to unlock boundless opportunities for growth and success.

PIONEERING TOMORROW

Embracing transformative change and stepping boldly into an intelligent future, the Company remains at the forefront of shaping inclusive, forward-thinking solutions for a better world. By strategically aligning its efforts to focus on large accounts, the Company is building a resilient, scalable and secure ecosystem that meets the evolving needs of modern enterprises. Black Box takes pride in its role as a change agent in the industry, driving innovation and inspiring excellence in every endeavor. Black Box is empowering businesses to flourish in a constantly evolving digital era.





Message from the Chairman



Dear Shareholders,

I am pleased to present the Annual Report for the financial year ending 31st March 2024. Despite a challenging global economic environment, marked by inflation and geopolitical tensions, your Company has demonstrated resilience and adaptability, achieving significant milestones and laying a strong foundation for future growth.

The global economy showed remarkable resilience in 2023, with central banks tightening monetary policy to control inflation. Despite these challenges, employment and income growth remained steady, supported by favorable demand and supply dynamics. The global recovery from the Russia-Ukraine conflict, inflation and the cost-of-living crisis has been formidable, driven by pragmatic monetary policies, easing supply-side constraints and business moderation. However, the growth outlook for 2024 remains uncertain due to sluggish economic activity, tight financial conditions, geopolitical tensions and social strains. Global growth is projected at 3.2% in 2024 and 3.3% in 2025, with inflationary pressures and rising interest rates posing ongoing risks.

In the technology sector, global spending grew at a slower pace of 4.4% year-over-year in 2023, with enterprise software and IT services primarily driving growth. Digital transformation and infrastructure modernization remain key priorities, particularly in cloud computing and cybersecurity. As technological advancements like automation, AI, 5G and IoT gain traction, new opportunities for the services industry are emerging.

Your Company is well-positioned to capitalize on these opportunities, with a presence in over 35 countries and a vast, untapped addressable market. We continue to see increasing demand for our value-added services across digital infrastructure, driven by the growth of AI data, hybrid

productivity needs and ongoing cyber threats. Black Box's offerings span five key areas: Connectivity Infrastructure, Data Center Solutions, Modern Workplace, Enterprise Networking and Cybersecurity. Each of these areas offer tremendous growth opportunities as the world moves forward steadily and surely towards further digitization, automation and connectivity.

To respond to these industry shifts, the management initiated a strategic transformation of the Global Solutions Integration (GSI) business earlier this year. This transformation focuses on developing a customer-centric go-to-market strategy, creating industry-specific solutions and delivering exceptional service quality. We have reorganized our teams to align with industry-specific verticals and practice-led solutions, ensuring that our offerings are tailored to meet the unique needs of our customers.

For FY24, your Company reported revenues of ₹ 6,282 crores, with EBITDA surpassing the ₹ 400 crore mark, growing by 59% year-over-year to ₹ 428 crores. The emphasis on cost rationalization and enhanced productivity has resulted in a 250 basis points increase in EBITDA margins to 6.8%. The team remains focused on further improving margins through better procurement, subcontractor management, facility optimization and pricing strategies.

Strong operating performance has led to a 5.8 times year-over-year growth in profit after tax, despite higher interest costs. Your management is confident that the focus on profitability will continue to yield positive results in the future.

This success is a testament to the dedication of over 4,000 skilled professionals who serve more than 1,500 global customers, including 120 of the Fortune 500 companies. Your Company remains committed to enhancing customer relationships and integrating Environmental, Social and Governance (ESG) principles into its core strategies, recognizing the growing importance of ESG in driving sustainable growth and strengthening brand value.

As I end my term as Chairman of Black Box, I remain extremely confident about the future prospects of your Company. I am proud of the achievements the team has accomplished this far and believe, the Company is well-prepared to continue on its path of growth and innovation. I am sure that the management team will continue to uphold our core values and remain accountable to all stakeholders as the Company scales new heights.

I extend my thanks to our shareholders, employees and partners for their support during my tenure. I wish the team continued success as they drive the Company forward into its next phase of growth – with a strong determination to enhance contributions towards bolstering the digital infrastructure.

Best Wishes,
Sujay R. Sheth

Message from the Whole-time Director



Dear Shareholders,

In FY24, we navigated significant macroeconomic challenges including high inflation, elevated interest rates and geopolitical uncertainties, which slowed global technology spending and delayed client decisions. Despite these obstacles, the global economy showed impressive resilience.

Looking ahead, global economic growth is projected at a modest 3.2% in 2024. Emerging technologies like AI and Generative AI are poised to drive substantial investments in digital infrastructure despite a cautious approach about short-term returns from customers.

Over the past year, we have resiliently focused on productivity and profitability. We invested strategically in our go-to-market readiness to seize opportunities in building and supporting world-class digital infrastructure essential for accelerating our customers' businesses. As we move forward, our transformation journey emphasizes profitable growth. We have realigned our customer-facing teams and onboarded leaders across horizontal solutions and vertical industries to deepen engagement with existing and potential clients. Our expertise spans Data Centers, Connectivity, Networking, Modern Workplaces, Cybersecurity and Managed Services. By focusing on innovation, expertise and customer-centric solutions, we tailor our offerings to meet the evolving needs of our global clientele.

Our multi-vendor strategy ensures that we deliver customized solutions, developed in close collaboration with over 30 long-standing technology partners. For over a decade, our top 10 partners have worked in tandem with us, allowing us to offer high-quality, integrated solutions and maintain a competitive edge.

Significant advancements, particularly in our Data Center segment, reiterate our focus on strategic investments. Today, we are well-positioned for growth in the domain of hyperscale and cloud computing, with active projects involving three out of the five major hyperscalers. Moreover, our robust order backlog of US\$ 470 million and a record-high deal pipeline reflects our strength in a competitive market.

Our competitive advantages include:

- ◆ A diverse range of global integration services across Data Centers, Networking, Modern Workplaces and Cybersecurity.
- ◆ Our Capability Center in Bangalore, which supports international projects and enhances cost-efficiency.
- ◆ A network of 75 international delivery and support centers, including 21 in the U.S. and 14 in India.
- ◆ Over 3,000 certifications held by our qualified technicians and engineers across 35 countries.
- ◆ Long-term relationships with leading technology partners, ensuring access to cutting-edge solutions.

While decision-making delays impacted our topline growth last year, we expect positive outcomes from our focus on large clients and strategic customer shifts. Our emphasis on cost rationalization and improvement of operational efficiency have already enhanced our EBITDA margins and overall profitability.

Going forward, our strategy will focus on:

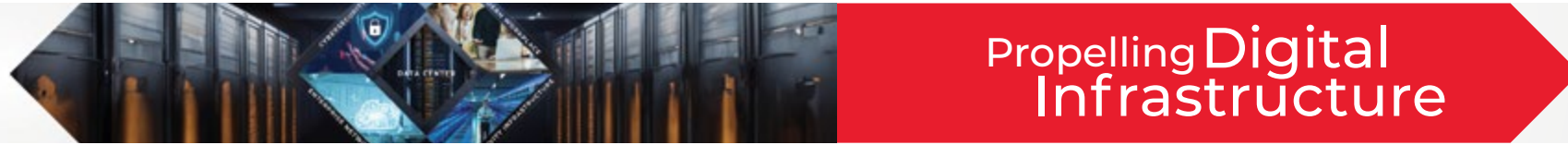
- ◆ Deepening relationships with our top 250 customers and increasing their wallet share.
- ◆ Acquiring new clients and exploring inorganic growth opportunities.
- ◆ Enhancing operational efficiency and optimizing operating costs.

Our transition to industry-specific verticals and practice-led solutions aims to better meet sector-specific needs and deliver superior service quality. Our 'GLOCAL' strategy—'Think Global, Act Local' further guides us in maintaining flexible, cost-effective customer offerings and promoting sustainability and diversity.

With a commitment to advancing the digital infrastructure, we will continue to innovate and upgrade our technology frameworks, including Data Centers, cloud solutions and networking systems. This dedication empowers us to support evolving client needs and positions us for long-term success.

Looking ahead, I am confident that our best days are yet to come. We remain dedicated to innovation, creating value and driving growth for all our stakeholders to step into an intelligent future powered by a robust digital infrastructure.

Thank you.
Warm Regards,
Sanjeev Verma



Accelerating digital transformation

WHO WE ARE

Black Box Limited is a global digital infrastructure integrator delivering network and system integration services and solutions, support services and technology products to businesses in the United States, Europe, India, Asia-Pacific, the Middle East & Africa, and Latin America.

With over four decades of expertise, the Company accelerates customer success by bringing people, ideas and technology together to solve real-world business problems. Its service offerings include Data Centers build-out, network integration, digital connectivity infrastructure, modern workplace and cybersecurity for businesses across various industries including financial services, technology, healthcare, retail, public services, manufacturing and other sectors. The Technology Products portfolio transforms operations for businesses with innovative products and solutions across AV, IoT, KVM, Networking, Infrastructure and Cables.

The Company is committed to driving digital acceleration for its clients, leveraging its global expertise and local insights to deliver tailored solutions that address the complex challenges of a rapidly evolving technological landscape.



Mission

Our mission is to provide cutting-edge technology solutions, deep global resources and world-class consulting services that accelerate customer success and drive stakeholder value.



Vision

Our vision is to be the leading global IT solutions provider known and trusted for our customer-centric approach, commitment to customer success and continuous innovation.



Values

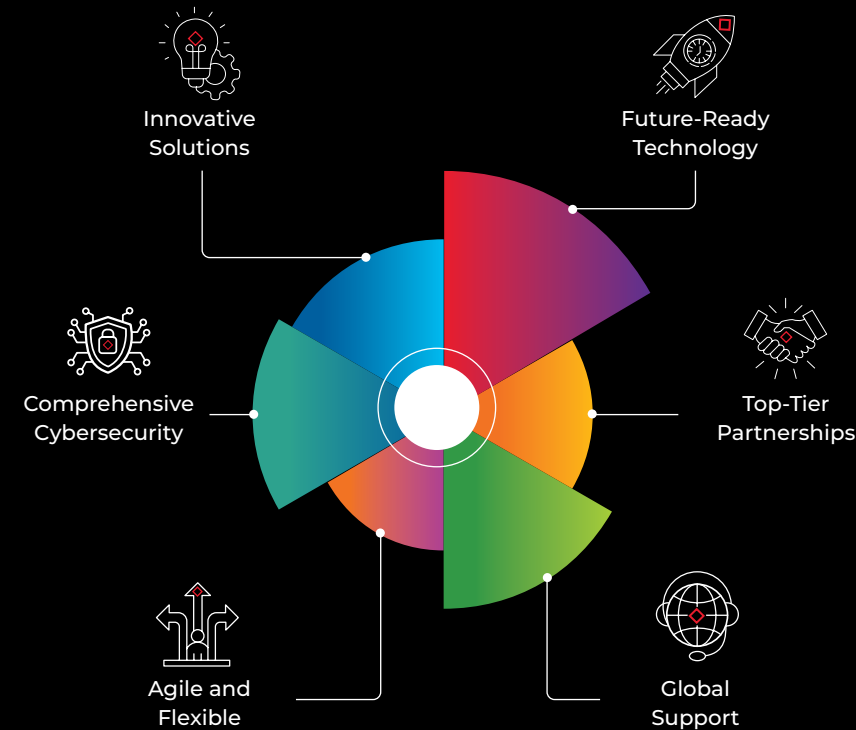
At Black Box, our values are our guiding principles.

- We believe in accountability and transparency with all stakeholders.
- We embrace global citizenship and respect our differences by nurturing diversity.
- We strive for continuous innovation that anticipates the ever-changing needs of our customers and accelerates their success.

WHAT WE DO

At the heart of Black Box's operations is the ability to provide seamless support services thereby being the customer's trusted Digital infrastructure partner of choice and a comprehensive solution integrator. This allows the Company to deliver holistic solutions that address the full spectrum of the clients' needs. By integrating cutting-edge technology with tailored services, the Company aims to offer innovative, secure and cloud-ready solutions to its clients.

The approach



120+
Fortune 500 Clients



30+
Global Technology Partnerships



3000+
Certifications



1,500+
Global Customers



4,000+
Global Employees



50+
System Integrators and Channel Partners



An enduring journey

Building on a rich legacy of innovation and excellence, the Company has attained significant milestones. Its pursuit of technological advancement and customer success has steered the Company to achieve remarkable growth and forge lasting partnerships with stakeholders from diverse industries; thereby further strengthening its presence as a global leader in digital infrastructure solutions.



One name. One brand. One language



1986

AGC was founded as Tata Telecom Ltd



1994

Tata Telecom forms JV with AT&T



1996

Tata-Avaya JV takes shape and AT&T exits



2004

Avaya Global Connect is formed and Tata exits



2010

Essar enters & AGC Networks is established; Avaya exits

2011

AGC goes global and expands into North America & MEA



2014

AGC establishes multi-alliances strategy delivering diverse solutions across multiple geographies



2019

Expanding its global presence, **AGC completes acquisition of Black Box Corporation**

2020

- ◆ Acquired a company in the Middle East, enhancing cloud computing and virtualization solutions
- ◆ Acquired communications technology Company in Australia and New Zealand, expanding customer experience cloud services
- ◆ Acquired an enterprise mobile enabler company in Singapore



2021

- ◆ Growing the global organization with key acquisitions to become One Name, One Brand, One Language
- ◆ Acquired a cybersecurity Cloud services company in UAE
- ◆ Acquired an IoT products and solution company in India
- ◆ Cybalt was launched to take ahead Cyber Security business across the globe

2022

- ◆ Black Box established an IoT practice in Asia that allows the company to embrace abundant IoT opportunities across Asia's manufacturing hubs
- ◆ Black Box recognized as the National Best Employer Brand for the Year 2022 by Times Ascent & World HRD Congress.
- ◆ Acquired a cybersecurity enterprise networking and automation company in Australia
- ◆ Multi-million dollar business deal with an American multinational technology conglomerate for Data Center and In-Building 5G solutions
- ◆ Multi-million dollar business deal with a leading American multinational investment bank and financial services company for a 5 Year IT infrastructure services contract renewal



2023

- ◆ Black Box strengthens India presence with a new **Center of Excellence**, creating an unparalleled environment for collaboration and optimizing business operations.

- ◆ Acquired a Cloud Contact Center and Digital Experience solutions Company in Australia
- ◆ Added another US\$ 100 million client in Data Centers / Social media space
- ◆ Multi-million dollar business deal with an American not-for-profit Catholic health system operating 92 hospitals in 22 American states for Connected Building and In-Building 5G solutions

2024 and Beyond

- ◆ Black Box Limited raises ₹410 Crore capital for expansion of Data Center build capabilities providing enhanced services to Hyperscalers, Multi-Tenant Data Center operators and Large Enterprise Data Centers
- ◆ Opened a new **Hyperscale Data Center of Excellence** in Minnesota, enhancing its capability to build Data Centers
- ◆ Multi-million dollar business deal with an American online social media and social networking service for Data Center and In-Building 5G solutions

Expansive global presence

Black Box believes in the mantra of 'Think Global, Act Local'. This 'GLOCAL' approach serves as the Company's guiding star, offering the flexibility to deliver seamless and cost-efficient solutions to customers worldwide.



Evolving in tandem with the digital era

In an era of rapid technological advancements, Black box is well-positioned to leverage emerging technologies to propel advanced digital infrastructure for delivering superior value to customers worldwide. Backed by a robust global footprint, innovative solutions, strategic partnerships, strong customer focus a proven track record, the Company effectively delivers personalized solutions to clients across the globe. Driven by a commitment to continuous innovation and service excellence, the organization has been a trusted partner in clients' digital journeys, helping them navigate a dynamic digital landscape.



EMERGING TECHNOLOGIES

Metaverse technology, projected to be worth US\$ 5 trillion by 2030, offers significant growth opportunities in the digital workplace and can profoundly change how businesses and consumers interact with products and services. Artificial Intelligence (AI) and Machine Learning are central to driving automation, predictive analytics and personalized experiences. In the years ahead, it is expected to play a crucial role in digital transformation.

With expertise and global reach spanning over 35 countries and 75 delivery and support centers, Black Box is capable of deploying advanced technologies at a larger scale. The Company's future-ready solutions including digital infrastructure, Data Centers, enterprise networking and cybersecurity allow it to remain at the forefront of technological shifts, delivering cloud-ready, secure solutions tailored to meet evolving customer needs.



INTERNET OF THINGS (IOT)

By 2025, 152,200 IoT devices will connect to the internet per minute, generating US\$ 4-11 trillion in economic value. IoT solutions enhance productivity and efficiency without necessarily changing business operations. The number of buildings globally deploying smart technologies will reach 115 million by 2026, improving efficiency by connecting operational systems and reducing costs.

The Company's innovative solutions, supported by its state-of-the-art incubation centers and Centers of Excellence drive the integration of global solutions and enhance productivity and efficiency in connected operational systems. Black Box's strategic partnerships with leading global technology partners further empower the organization to deliver comprehensive IoT solutions that streamline operations and optimize costs.



DIGITAL INFRASTRUCTURE AND CLOUD COMPUTING

Today's organizations require a hybrid digital infrastructure combining physical and virtual assets, functions and connections. About 42% of organizations prefer modifying their application interaction with Data Centers. Cloud services are essential for digital transformation, offering scalable, cost-effective solutions for remote work, data storage and communications. The cloud computing market is projected to grow significantly, driving overall digital transformation.

Black Box's comprehensive service offerings in digital infrastructure, data centers and enterprise networking ensure the delivery of scalable, cost-effective solutions for remote work, data storage and communications. The Company's strategic partnerships with leading OEMs allow multi-alliances for delivering specialized solutions across multiple geographies.



CYBERSECURITY

The cybersecurity market is expected to grow significantly due to the rise of cyber threats, particularly IoT cyberattacks. Strong cybersecurity measures are essential for protecting sensitive data and critical assets.

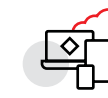
The Company's focus on advanced cybersecurity positions it to deliver secure solutions for safeguarding confidential data. The organization is ISO/ISE 9001:2015 and SOC-2 certified, reiterating its ability to deliver secure and reliable solutions to its customers.



ADVANCED ANALYTICS AND DATA

Advanced analytics is empowering businesses to make informed decisions by leveraging valuable insights from large data sets. Businesses globally are, therefore, increasing investments in data analytics.

The Company's innovative solutions offer AI-driven insights and predictive analytics to help businesses stay ahead of the curve. It also conducts upskilling programs for its teams to enhance their proficiency in leveraging advanced analytics and guiding clients with actionable insights that drive informed decision-making.



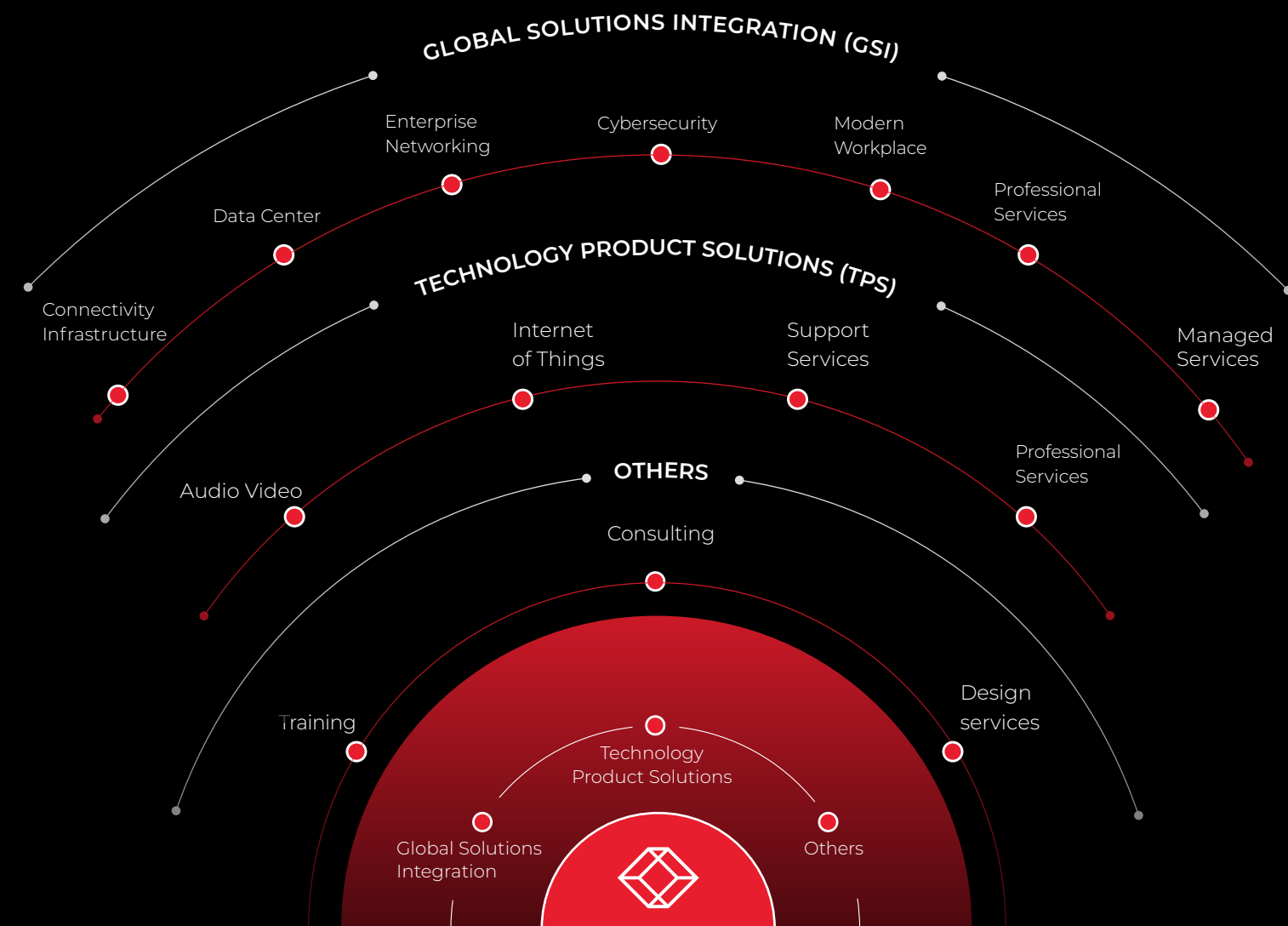
DIGITAL TRANSFORMATION DRIVERS

Government initiatives to promote digitalization across the country, growing internet usage and smartphone adoption are key drivers for digital transformation. These factors have propelled the need for digital adoption among businesses of all sizes and from all sectors. Enterprise networking, modern workplace and cybersecurity are critical for enabling and safeguarding digital transformation efforts.

The Company's customer-centric go-to-market (GTM) and sales strategy creates industry-specific solutions tailored to the unique requirements of its customers. By reorganizing its teams to transition towards industry-specific verticals and practice-led solutions, the Company strives to align its offerings with the unique needs of its clients. It, therefore, improves customer experience and elevates business performance.



Advancing digital infrastructure with a robust portfolio



INDUSTRIES THAT RELY ON BLACK BOX

The Company has forged strong partnerships with industry leaders from different sectors. Its dedication to delivering innovative solutions and exceptional service has earned the trust of some of the most prestigious organizations in the world.



Technology

Six out of the ten largest technology companies in the United States rely on Black Box for their critical IT needs.



Healthcare

Serving eight of the Fortune 500 healthcare companies.



Manufacturing

The Company's services are trusted by six of the Fortune 500 petroleum refining companies.



Utilities

Four of the top fifteen utility companies in the US depend on Black Box for their IT infrastructure.



Broadcasting

Serving two of the top five broadcasters globally highlights the Company's leadership in providing state-of-the-art broadcasting technology solutions.



Retail

Seven of the top thirty retail setups in the US rely on Black Box for their IT needs.



Hospitality

Serving seven of the Fortune 500 pharmaceutical companies.



Banking

Six of the Fortune 500 banks trust Black Box with their IT infrastructure.

Global Solutions Integration

During the year under review, Black Box's GSI business embarked on a strategic transformation journey. This shift has driven growth and enhanced the Company's capability to address evolving customer and industry demands. The organization has developed industry-specific solutions, precisely tailored to meet unique client requirements. The digital solutions developed by the Company offer a competitive edge to its customers and help them thrive in an evolving digital landscape.



This transformation is centered on the following key objectives:

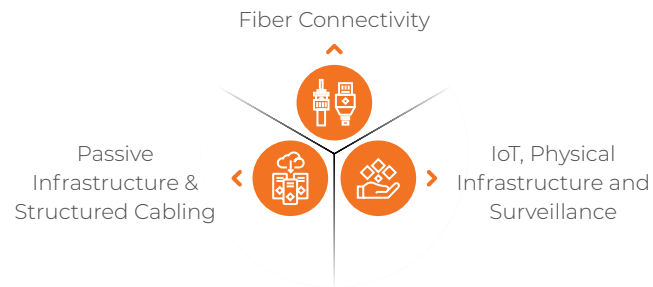
- Developing a customer-centric go-to-market and sales strategy.
- Creating industry-specific solutions tailored to customers' unique needs.
- Delivering superior service quality to meet and exceed industry standards.

GSI SOLUTIONS

Connectivity Infrastructure

By leveraging advanced technologies, the Company provides high-speed, secure and scalable connectivity solutions that are essential for seamless business operations. From structured cabling to wireless networks, Black Box's offerings are designed to support the dynamic needs of modern enterprises, ensuring uninterrupted connectivity and enhanced productivity.

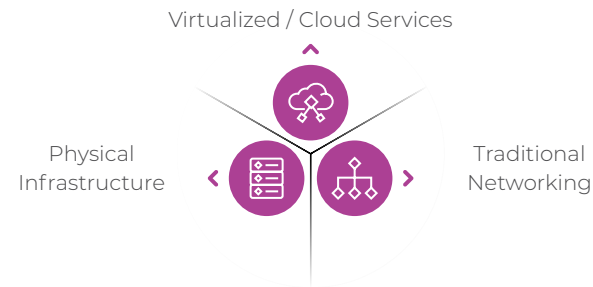
Solutions offered



Data Center

The Company's Data Center services encompass the full spectrum of design, implementation and management. It provides state-of-the-art facilities that offer secure, scalable and efficient data storage and processing capabilities. The solutions include data center modernization services, cloud integration and disaster recovery, ensuring every critical data is always protected and accessible.

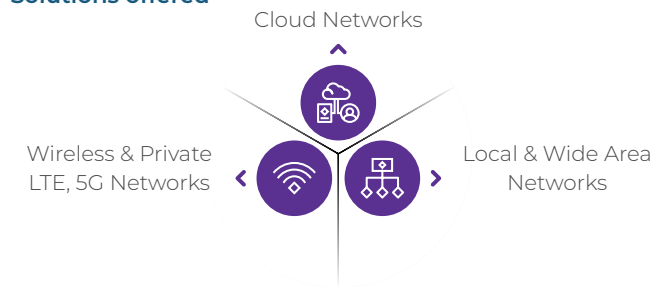
Solutions offered



Enterprise Networking

The Company's advanced Enterprise Networking solutions are designed specifically for AI and 5G environments, utilizing next-generation network technologies to optimize and secure infrastructure. Black Box provides a full spectrum of services, including network design, deployment and management, to ensure peak performance, resilience and seamless integration. The diversified solution portfolio encompasses traditional, software-defined and AI-driven networking, empowering businesses to thrive in a rapidly evolving digital landscape with cutting-edge connectivity and intelligence.

Solutions offered



Modern Workplace

Black Box provides innovative tools and technologies that enhance communication, collaboration and productivity to transform traditional work environments into dynamic, collaborative spaces. From modern workplace and collaboration platforms to workplace modernization services, the Company enables other organizations to create engaging and efficient workspaces. Its solutions are tailored to support hybrid work models, to empower employees to work seamlessly from anywhere in the world.

Solutions offered



Deploying Secure Digital Radio Networks for a Public Safety Leader

What the client needed?

A global leader in public safety communications needed to establish a secure and reliable nationwide mobile radio service in the UK. This project required a high-quality digital infrastructure capable of delivering resilient communication under stringent security conditions.

Solution delivered ✓

The project encompassed the installation of a cluster of 17 geographically distributed sites across the UK, interconnected via a Wide Area Network (WAN). Black Box was responsible for pre-wiring these sites with a structured cabling system, featuring approximately 800 shielded twisted pair (STP) CAT5e connections for the company's equipment.

Outcomes

- ◆ Entrusted with the deployment of a critical public safety network.
- ◆ Strengthened long-term partnership with a leading multinational on international projects.

Building Global Hyperscale Data Centers for a Data Center Giant

What the client needed?

A global data center service provider required the construction and maintenance of hyperscale data centers to support their expanding user base. The project demanded rapid delivery to meet aggressive go-live deadlines to ensure continuous operation amidst massive global traffic.

Solution delivered ✓

Black Box delivered a full suite of services, including the construction, deployment and management of hyperscale data centers. The project involved installing extensive cabling, server cabinets and networking devices. To ensure ongoing efficiency, Black Box provided RunOps and Day 2 support, along with rigorous quality control through an in-house BICSI-certified training facility.

Outcomes

- ◆ Efficient construction and implementation of data centers
- ◆ Seamless service delivery and enhanced operational efficiency
- ◆ Meeting aggressive deadlines while maintaining top industry standards

Technology Refresh for a Global IT Leader

What the client needed?

A global leader in IT services required a technology refresh for its wired and wireless network in India due to outdated infrastructure that lacked performance, reliability, security and scalability.

Solution delivered ✓

The Company upgraded the network infrastructure by implementing switches and deploying AP43s with WiFi 6 technology. It also rolled out IP telephony and AI to enhance user experience and reduce operational costs.

Outcomes

- ◆ Simplified network operations and configuration
- ◆ Faster repairs and better visibility into user experiences
- ◆ Enhanced user experience and reduced costs

Communications Continuity for a Public Utility

What the client needed?

A public utility in the Pacific Northwest needed to ensure communications continuity and top-tier customer service by upgrading its outdated wired communications system.

Solution delivered ✓

Black Box implemented a high-availability UC solution, offering redundancy for disaster recovery, modern functionality, mobility, scalability and transparency across multiple call centers.

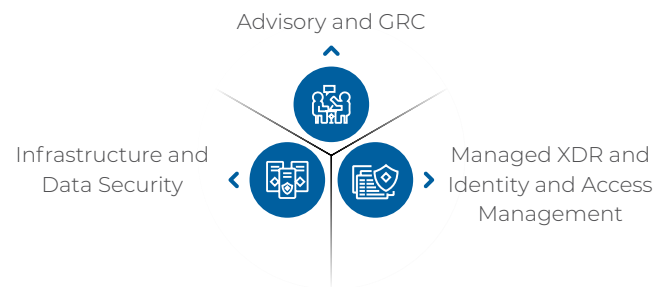
Outcomes

- ◆ Enhanced customer service with reduced wait times
- ◆ Modernized messaging and automated functions
- ◆ Maintained operations during power outages
- ◆ Achieved scalability and connectivity across locations

Cybersecurity

Cybersecurity is a critical focus area for Black Box. The Company's comprehensive cybersecurity solutions are designed to protect enterprises from ever-evolving cyber threats. The diversified range of services include threat detection and response, identification as well as access management and data protection.

Solutions offered



Cybersecurity Solution for Data Protection of a B2B Marketplace

What the client needed ?

India's first digital B2B marketplace needed to comply with Data Protection (DPDP) guidelines by securing critical data and implementing a data classification process.

Solution delivered ✓

The Company provided a Data Loss Prevention (DLP) solution for data flow analysis, classification, monitoring and protection, ensuring compliance with regulatory guidelines.

Outcomes

- ◆ Robust protection of customer and organizational data
- ◆ Prevention of potential reputational damage

SERVICE OFFERINGS

Professional Services

Black Box's professional services are designed to provide expert guidance and tailored solutions that help businesses navigate the complexities of digital transformation. The Company's team of seasoned consultants works closely with clients to understand their unique challenges and goals, delivering strategic insights and actionable plans that drive efficiency, innovation and growth.

Key service areas



Upgrading Store Security for a Major Home Improvement Retailer

What the client needed ?

A major home improvement retailer, with 2000+ stores across North America and the Caribbean, needed to enhance store security and improve operational efficiency.

Solution delivered ✓

Black Box upgraded the retailer's security with high-resolution IP cameras, replacing outdated analog systems. These new cameras, with advanced facial recognition and license plate capture, were strategically installed across all stores

Outcomes

- ◆ Enhanced loss prevention, saving the retailer an estimated US\$1 billion over three years.
- ◆ Streamlined price updates, improving associate efficiency and reducing errors.
- ◆ Ongoing support and maintenance across all store locations, ensuring long-term reliability.

Managed Services

Black Box offers comprehensive IT management and services, allowing businesses to focus on their core operations while it handles the complexities of their IT infrastructure. Black Box's managed services are designed to enhance operational efficiency, reduce costs and ensure the reliability and security of IT systems.

Key service areas



Optimizing Telecom Management for a Leading U.S. Automobile Manufacturer

What the client needed ?

A major U.S. automobile manufacturer needed to streamline its telecom management processes. The lack of proper documentation, duplicate services and an expanded inventory due to company consolidation led to inefficiencies and increased costs

Solution delivered ✓

Black Box stepped in with its Carrier Managed Services to optimize the management of voice and data services. This approach included organizing an inventory of telecom services, mapping them to monthly invoices and ensuring that all circuits were documented.

Outcomes

- ◆ Enhanced cost recovery.
- ◆ Increased visibility into telecom services, enabling better business decision-making.
- ◆ Freed up internal IT resources, allowing the focus on higher-priority business initiatives.

TECHNOLOGY PARTNERS*



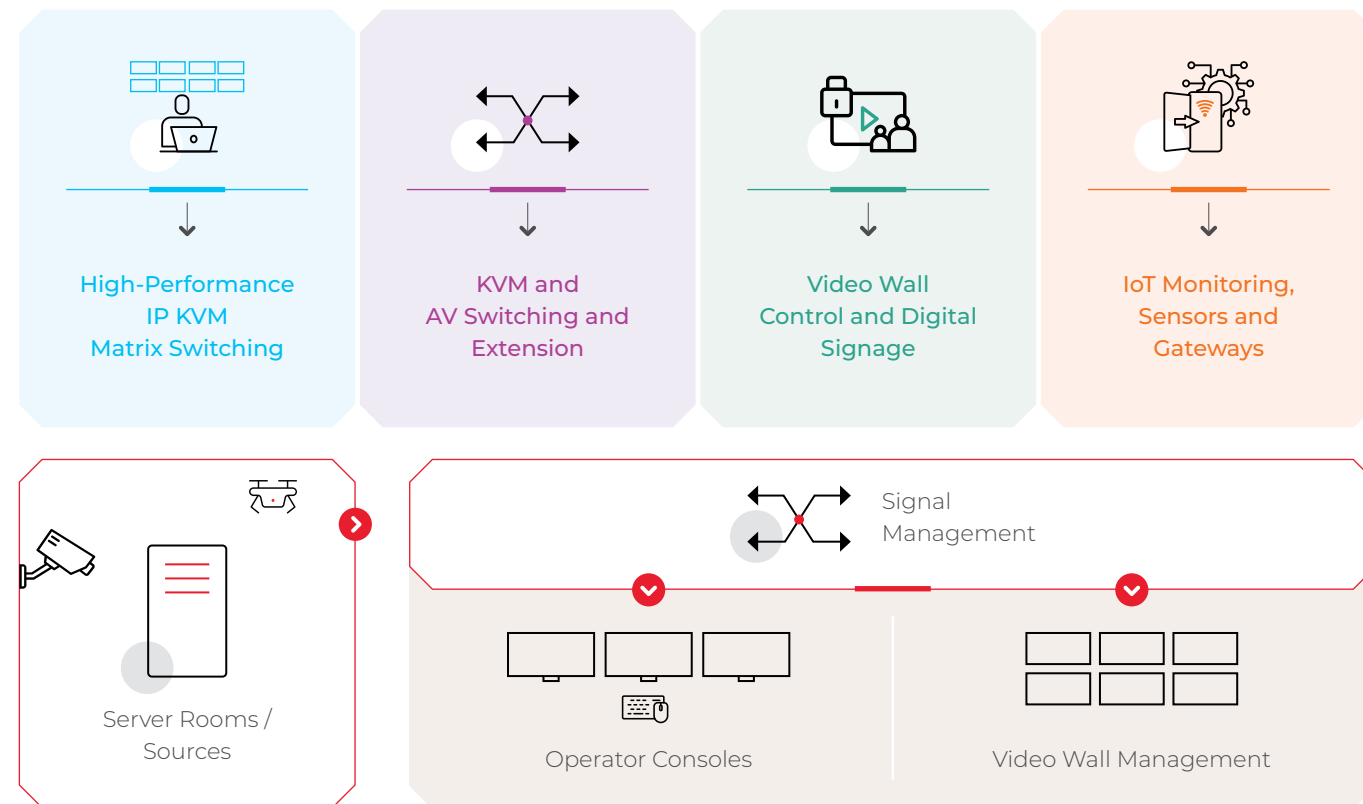
*In alphabetical order

#All the Logos belong to their respective owners



Technology Product Solutions

Black Box® TPS is a leading control room technology provider trusted by customers in mission-critical industries to master operations in the world's most demanding high-performance IT environments.



OUR EXPERTISE

Clarity That Commands

Action: By connecting operators with remote computers, servers and virtual machines, Black Box transforms control rooms into powerhouses of precision and speed, delivering operator-centric connectivity infrastructure and crystal-clear visualizations that drive swift, decisive action. It's not just about managing operations; it's about mastering them.

Invest Once, Scale Forever:

Black Box not only offers technology but also a future-proof infrastructure. The KVM/AV/IoT solutions empower users to control connections and instantly visualize data based on critical events from a convenient working environment that evolves with customer needs and pays dividends well into the future.

Non-Stop Reliability:

Black Box delivers more than performance. The KVM, AV and IoT solutions ensure secure access to critical sources and streams, standing guard over customer operations 24/7 for uninterrupted control with top-tier security and reliability. In a world where downtime is not an option, Black Box keeps operations up and running.

New Emerald® IP KVM System Delivers Fail-proof Broadcasting

What the client needed?

The customer needed to replace an aging KVM extension system. Operators in the control room and office areas had to access different computers and workstations, often separated by several building floors.

Solution delivered ✓

The new system includes Boxilla® Manager and Emerald® HD and 4K transmitters and receivers. The site successfully tested Boxilla Manager with an API integration to LAWO VSM (IP Broadcast Control and Workflow Solution), allowing the company to control the active connections for the Emerald KVM Receivers in the future.

Outcomes

- ◆ The installed system transports data over standard IP networks, with redundant connections using physically different paths/networks
- ◆ Supports 2K and 4K desktop resolutions, power redundancy and bespoke USB HID/control peripherals
- ◆ Central management provides the ability to operate without physical user intervention

Deployed Emerald PE and Central Power Hub in a Brand-New Control Room

What the client needed?

A customer was tasked with updating and unifying remote system access (KVM extension) in two Air Traffic Control Centers (ATCCs) that monitor the air space of a European country.

Solution delivered ✓

The ATCC control room features an open office design with multiple desks and monitors. Each operator desk is connected to the remote system through Emerald SE receivers in a redundant configuration. Additional Freedom KM switches allow operators error-free and fast switching simply by moving the mouse to the new target monitor.

Outcomes

- ◆ The installed system provides a standardized, secure and redundant connectivity infrastructure
- ◆ Unifies more than 100 systems and operator desks under the Emerald IP-platform
- ◆ Ensures power and network redundancy

PRODUCT PARTNERS*



*In alphabetical order

#All the Logos belong to their respective owners

The year at a glance

Launch of AlertWerks AW3000

Black Box released the AlertWerks AW3000 wireless gateway, a next-generation IoT solution for infrastructure monitoring that supports both long-range wireless communication via LoRaWAN and short-range via Bluetooth, optimizing modern infrastructure.

Expansion into India's data center market

Black Box aims to strategically enter India's expanding data center market, with plans to drive revenue growth over the next three years. This initiative will be funded by internal accruals or capital raising. The Company targets is to achieve a 10% operating margin while ensuring an increase in profitability throughout the period.

Partnership with Cognigy

The Company partnered with Cognigy to accelerate the deployment of Conversational AI solutions in enterprise contact centers, combining Cognigy's AI technology with its CX solution practice to deliver powerful AI-based customer experience solutions.

Strategic distribution agreement

Black Box entered into a distribution agreement with AVM Ltd., a leading distributor of technology solutions in the UK, to distribute the Company's networking and connectivity products, focusing on high-performance KVM switches.

Cybersecurity business growth

The Company's cybersecurity business unit onboarded 17 prominent clients in the United States, including a notable Fortune 500 company, strengthening its cybersecurity offerings with high-profile clients.

Hyperscale Data Center of Excellence

The Company opened a state-of-the-art Hyperscale Data Center of Excellence (DCoE) in Inver Grove Heights, Minnesota, offering services to optimize hyperscale data centers, including custom cable management, hyperscale-specific training, quality assurance and comprehensive networking support.

Acquisition of a Cloud company in Australia

The Company completed the acquisition of a cloud Company in Australia to offer a wider range of Cloud Contact Centers and Digital Experience solutions, strengthening its position in the Trans-Tasman markets and leveraging global customer expertise.

Strengthening India presence

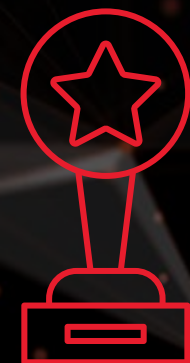
Black Box opened a new Center of Excellence in India, encompassing 50,000 square feet with cutting-edge R&D Labs, Command Centers, Offshore Delivery Centers and discussion rooms designed to foster teamwork.

WFMG-TV deploys Award winning DESKVUE KVM-Over-IP Receiver

WFMZ-TV, Pennsylvania, is deploying the award-winning Emerald@ DESKVUE receiver in its master control room to enable efficient operator interaction with more than a dozen sources across multiple screens.

Partnership with ARCET Global

Black Box partnered with ARCET Global to deliver AI-based solutions that drive exceptional customer experiences, combining both companies' CX practices and cutting-edge technology to offer advanced services to clients.



AWARDS

- ◆ **Juniper Networks** – Worldwide GSI AIDE **Partner of the Year 2023**
- ◆ **Best Organization (IT & ITes)** – **Corporate Titan Awards (India)**
- ◆ **Most Promising Managed IT Services Provider** – CIO Review (APAC)
- ◆ **Unify US Partner of the Year** – Mitel
- ◆ **Sound and Video Contractor 2024 Innovative Product Awards** – Emerald DESKVUE with AV WALL (EU)
- ◆ **Verizon** – **Wireline Subagent of the Year, 2023 (USA)**
- ◆ **Commscope** – **Partner of the Year '23 (LATAM)**
- ◆ **Verint** – **Partner Excellence Award 2023 (India)**
- ◆ **Emerald AV Wall for Best of Show** at ISE 2024 (EU)
- ◆ Outstanding Corporate Tax Management at the 7th **Tax Strategy and Planning Summit & Awards 2024 (India)**
- ◆ Juniper Networks – **MIST-AIDE Partner of the Year (India)**
- ◆ **Extreme Networks** – **Partner of the Year (India)**
- ◆ **AV Technology Best of Show ISE 2023** for Emerald DESKVUE (Global)
- ◆ **Platinum Award** – Best Booth – Automation Expo 2023 (India)
- ◆ Juniper – **Alliance Partner of the Year (APAC)**
- ◆ **Most Promising Tech Marketers Award 2023** from The Economic Times, India

Performance snapshot

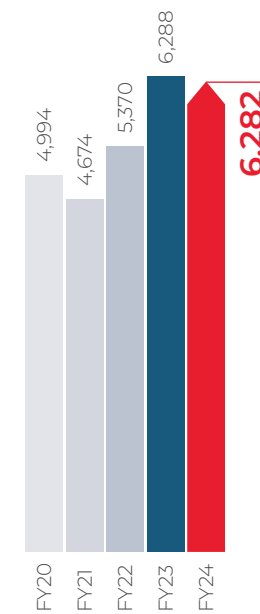
The Company's prudent financial management continues to retain the strength of its balance sheet, keeping the organization perfectly poised to capitalize on emerging opportunities in the digital landscape. During the year under review, Black Box experienced a substantial increase in both EBITDA and PAT. EBITDA rose by an impressive 59% year-on-year to ₹428 crores, while EBITDA margins improved by 250 basis points to 6.8%. Simultaneously, PAT saw a remarkable growth of 5.8 times, reaching ₹138 crores, compared to the previous year.

This robust operating performance has led to enhanced profitability despite the challenges posed by higher interest costs in the US markets. The Company continued to focus on increasing operating margins through strategic initiatives aimed at cost optimization and operational efficiency.

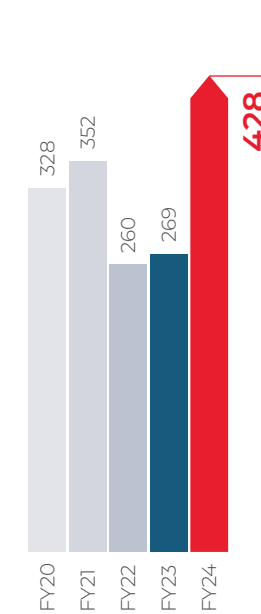
A ROADWAY TO MARGIN EXPANSION



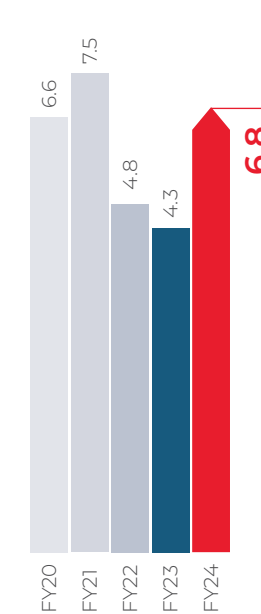
Revenue from operations
(₹ in Crores)



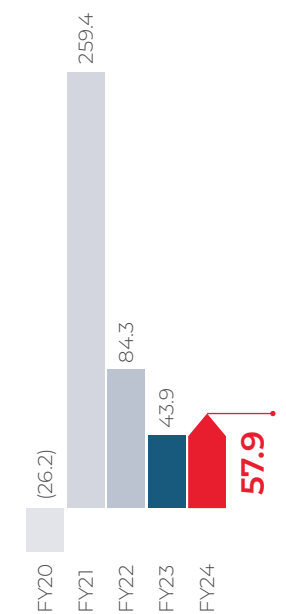
EBITDA
(₹ in Crores)



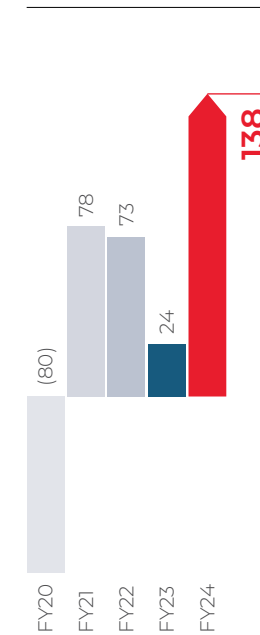
EBITDA Margin
(%)



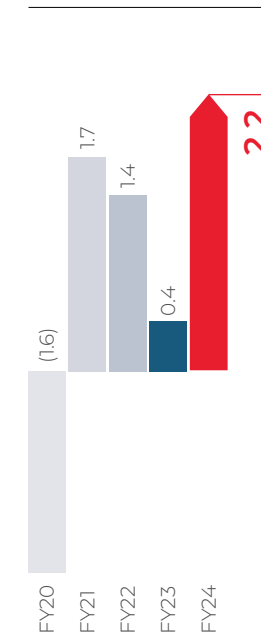
ROCE
(%)



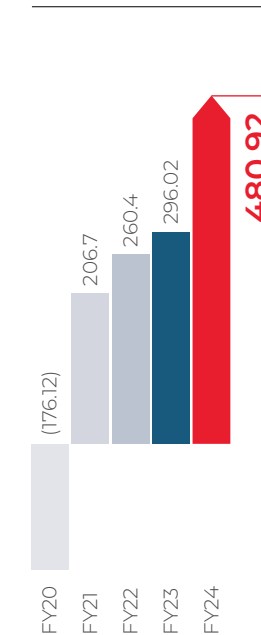
PAT
(₹ in Crores)



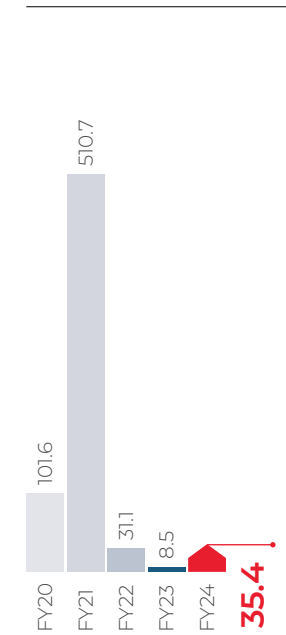
PAT Margin
(%)



Net Worth
(₹ in Crores)



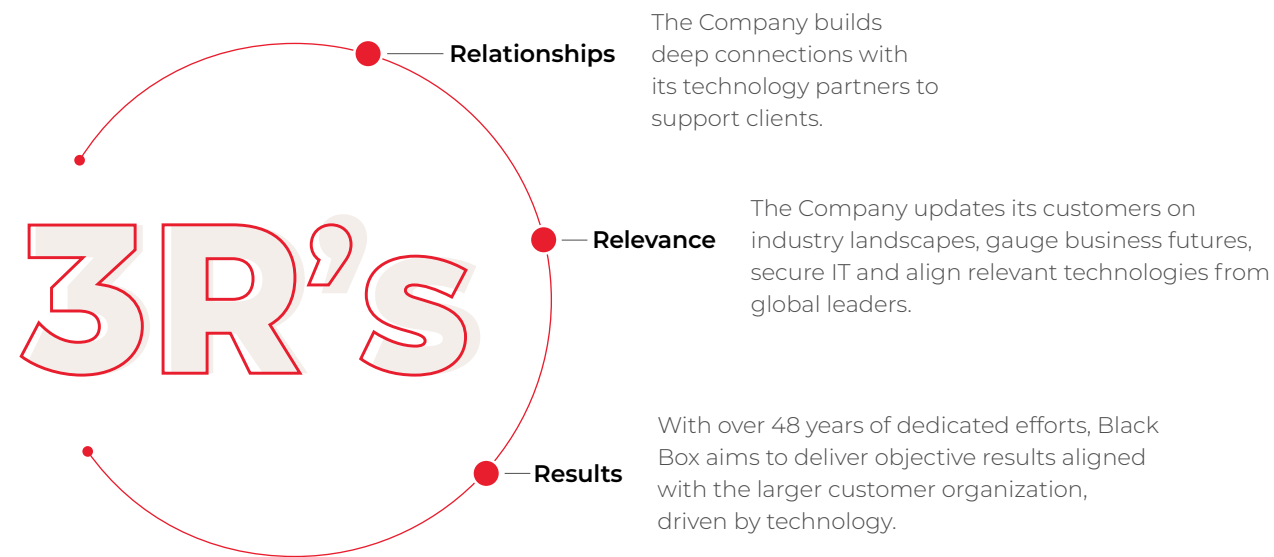
ROE
(%)






Customer-Centric Solutions

Black Box prioritizes delivering exceptional technology solutions and services tailored to meet the unique needs of its clients. This approach leverages a blend of extensive industry expertise, innovative practices, global reach and an in-depth understanding of the latest technological advancements. By leveraging global support infrastructure, high standards of quality and a continual focus on innovation, Black Box ensures that its clients receive the most effective and efficient solutions for their digital acceleration.




LAYERS OF TECH COMPETENCY

Black Box offers a comprehensive array of technology solutions to accelerate its client's digital transformation.




IT Landscape

The organisation's expertise businesses find a firm footing for digital acceleration.




Solutions Integration Layer

The Company's expertise spans cloud, CX, AI, modern workplace, IoT and more.




Networking Solutions Layer

The Company assists in advancing networking and cloud solutions, including wide-area networking (wireless and cellular).



Infrastructure Layer

Black Box provides robust digital infrastructure services for hyperscale data centers, contact centers and wired networking.



Base of Consulting

The Company's consulting and service expertise streamline digital acceleration through professional, field, multisite and support services.

EVOLUTION OF BEST PRACTICES

The Company's approach is client-first, focusing on best practices to ensure excellence in service delivery. The key areas include:



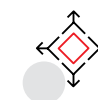
Global Support

Black Box operates Global Network Operation Centers (G-NoC) and Customer Experience Centers (CEC) across key locations such as Plano, Pittsburgh, Mumbai and Bengaluru. Additionally, its Global Security Operation Centers (G-SoC) are located in Plano, Bengaluru, Sydney and Mumbai.



Continuous Innovation

The Company has established a hyperscale data center in Minnesota and a Center of Excellence in Bengaluru to deliver the customers digital landscape. The Company's solutions align with global standards and cater to newer markets.



Quality Commitment

The Company's adheres to to rigorous quality standards, ensuring its services meet the highest certifications and compliance requirements.

- ◆ ISO/ISE 9001:2015 certified
- ◆ ISO 20001:2013 certified
- ◆ CERT-In Empaneled
- ◆ SOC-2 certified
- ◆ BICSI-certified team members
- ◆ RoHS2 compliant
- ◆ WEEE compliant





Building a future-ready workforce

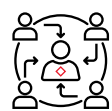
Black Box's unwavering commitment to its people and their success drives the Company's people strategy and fuels organizational transformation journey. A comprehensive HR strategy supports inclusive development, inspiring the team to contribute toward shared goals. The Company's people strategy is built on five key pillars aimed at driving accelerated business results.

4,000+ Total Workforce | **35** Countries | **5** Generations at Work

OUR FIVE KEY PILLARS



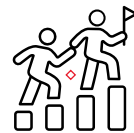
Organizational Effectiveness



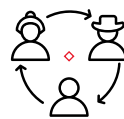
Employee Experience and Engagement



Attracting Top Talent



Upskilling and Development



Cohesive Culture



ORGANIZATIONAL EFFECTIVENESS

The Company embarked on a transformation journey, which required it to reorganize itself for profitable growth. By reimagining and redesigning the organizational framework, the Company has implemented strategic change management initiatives to support its leaders and employees through this transition.

ATTRACTING TOP TALENT

Talent at Black Box remains a critical competitive advantage. The Company has onboarded industry leaders and technology practitioners who bring fresh insights and industry-leading methodologies, propelling business growth. The Company has also recruited skilled labor across regions and technology spectrums to address customer needs and enhance customers' success.

900 New Hires

The talent attraction strategies expanded Black Box's talent pool and strengthened its employer brand to attract top talent. Comprehensive community outreach initiatives and multi-channel programs further enabled the Company to tap into diverse talent pools.

EMPLOYEE EXPERIENCE AND ENGAGEMENT

Black Box focuses on creating tailored, authentic experiences to strengthen employee purpose, ignite energy and elevate organizational performance. The Company has enhanced its Employee Value Proposition (EVP) to boost employer brand visibility and attract top talent by clearly articulating its organizational values. The Company's merit-based culture ensures fair recognition and rewards for exceptional performance and contributions. It is committed to fostering a highly engaged workforce through ongoing, multi-faceted initiatives and programs. Enhanced employee experience is enabled by automating HR processes and increased productivity, attracting top talent and strengthening organizational performance. Regular feedback and surveys provide insights for continuous improvement. The Company's culture of recognition includes frequent appreciation, iShine and spot awards, ensuring employees feel valued and motivated.

67% Employee survey participation rate

3,430 Appreciations in a week

248 Spot Awards

UPSKILLING AND DEVELOPMENT

Black Box is sharpening its focus on strengthening organizational capabilities to differentiate and create value through skill enhancement and talent development. Its learning initiatives combine strategic and purposeful actions to foster a culture of continuous learning. It has established academies focused on core competencies across functional areas. The Odyssey Learning Portal provides access to courses and personalized learning paths. The Company measures effectiveness using pre and post-training assessments, and individual development plans (IDP). Black Box's Learning Management System, Odyssey, offers analytics on training participation and completion. Regular feedback, surveys and stakeholder input ensure training programs remain effective and relevant. The training and development programs are designed to upskill employees, ensuring they possess the latest knowledge and competencies required to excel in their respective roles.

603 Learning sessions

15,081 Learning hours



COHESIVE CULTURE

The Company emphasizes active listening and open communication to ensure every employee feels heard and valued. By creating an inclusive environment with initiatives like 'Every Voice Matter' employee surveys, Black Box enhances engagement and fosters a strong sense of community within the organization.

The Company is dedicated to Diversity, Equity, Inclusion and Belonging (DEIB) and promotes equal opportunities for creating an inclusive workplace. These initiatives support balanced representation and encourage diverse perspectives, ensuring all employees to contribute to and benefit from a diverse and equitable work environment.

19% Gender Diversity



Putting ESG principles into practice

Black Box prioritises sustainable practices across operations, guided by comprehensive policies and procedures. The Company's ESG strategy is built around rigorous standards to ensure compliance with environmental, social and governance laws and regulations in all its operating regions. The ESG Core Committee, directed by the Board of Directors, is implementing several key programs to drive the Company's initiatives. Through these efforts, the Company remains committed to making a positive impact on the environment and society while maintaining the highest standards of governance. This approach reflects the organization's responsibility towards all stakeholders and a vision for shaping a sustainable future for all stakeholders.

Environment



REDUCING CARBON FOOTPRINT

By identifying and validating critical emission hotspots through consultations with internal stakeholders, the Company has collaboratively developed and implemented targeted emission reduction strategies. The Company's ESG Core Committee oversees these initiatives, ensuring consistent progress. The efforts have resulted in significant reductions, achieved by enhancing energy efficiency, optimizing our real estate footprint and modernizing the vehicle fleet. Building on these achievements, Black Box is now extending its sustainability initiatives to include its supply chain partners, aiming for a broader impact and driving collective progress towards its environmental goals.

WASTE MANAGEMENT

The Company prioritises responsible waste management by adhering to the Waste Electrical and Electronic Equipment (WEEE) Regulations. In regions like Austria, Finland, Luxembourg, Spain, Sweden and the UK, Black Box finances the treatment, recycling and recovery of electrical waste through established contracts with authorized recyclers. The Company consistently collect, treat, recycle and recover e-waste, striving to enhance its systems for better efficiency and environmental benefits. Additionally, the Company manages plastic and battery waste and are exploring biodegradable packaging solutions to further reduce its environmental footprint.

Pathway to Net Zero

Black Box is dedicated to achieving its net-zero target by adhering to the Science Based Targets Initiative (SBTi) protocol. The strategy includes mapping its Greenhouse Gas (GHG) emissions and setting clear reduction targets to reach Net Zero by 2050. The Company is improving energy efficiency across operations, optimizing its real estate to cut emissions and modernizing the vehicle fleet with sustainable alternatives. These initiatives are key to the Company's mission of significantly reducing its carbon footprint and making meaningful progress toward net-zero goals.



ENERGY MANAGEMENT

The Company's focus on energy management is integral to its sustainability strategy. It has adopted energy-efficient technologies to minimize the carbon footprint of its data centers, both for its own operations and those which the Company designs for its customers. By replacing outdated vehicles with fuel-efficient models and reducing unnecessary office space, the Company has significantly reduced its Scope 1 emissions. Black Box prioritizes sustainable procurement, choosing vendors committed to renewable energy, reducing packaging waste and eco-friendly manufacturing. The Company's efforts extend to energy efficiency in its offices, with LED lighting, sensor lights, cut-out timers and certification in IGBC-Gold buildings, ensuring the Company adheres to high environmental standards.



Social



The Company believes in making a meaningful difference in the community through its CSR projects. Its focus on Inclusivity and Sustainability guides its efforts to create a healthier, more enriched community. By empowering people with disabilities and supporting environmental sustainability, the Company aims to enhance lives and protect its planet. Black Box embraces diversity, ensuring everyone has the opportunity to reach their full potential, while also promoting initiatives that restore biodiversity and address the impacts of deforestation.



JOB ENTREPRENEURSHIP AND EMPOWERMENT TRAINING (JEET)

The Company's partnership with the Sarthak Foundation enables it to support People with Disabilities (PWDs) by sponsoring training programs that empower youth through skill-building and employment opportunities. The Sarthak JEET program is designed to address the needs of individuals aged 18-35, providing vocational training and sustainable employment paths. Through various interventions, including basic and sector-specific training, pre-employment preparation and practical knowledge in trades like IT, hospitality and retail, the Company aims to help youth with disabilities achieve financial independence and open doors to numerous economic opportunities.

MIYAWAKI PLANTATION DRIVE

The Company's partnership with SayTrees, a respected environmental NGO in India, helps it to engage in various eco-friendly initiatives such as agroforestry, urban forestry and water body rejuvenation. Its collective efforts aim to create greener spaces and improve livelihoods. The Company's collaboration with SayTrees helps it to achieve its aim to positively impact two million hectares of land and water bodies, touch two million livelihoods and sequester two million metric tonnes of carbon by 2035. By involving its employees in plantation drives, the Company cultivate a shared responsibility towards the planet.

Governance



The Company prioritizes maximizing its shareholders' value and safeguarding the interests of all stakeholders. The governance philosophy is built on a foundation of transparency, accountability and equity, guiding every aspect of the operations. By maintaining clear and open communication, the Company ensures that its actions align with the highest standards of ethical conduct.

CODE OF CONDUCT

The Company's comprehensive Code of Conduct covers the Board of Directors, employees, business partners, consultants, vendors and service providers. To ensure adherence to the Code of Conduct and Business Ethics across all levels of the organization, the Company has implemented robust policies and procedures.

The Company prioritizes maintaining the highest ethical standards in all its operations. By embracing these guidelines, Black Box creates a respectful and transparent workplace where integrity is the foundation of all interactions. To ensure adherence to good governance practices, the Company has established monitoring mechanisms and conducts regular audits.



[For more information on corporate governance, visit Corporate Governance Report]

Risk management

The Company's Risk Management Policy is designed to support sustainable growth by effectively evaluating, addressing and resolving various risks associated with our operations. By adopting a structured and disciplined approach, Black Box develops appropriate solutions for diverse risk-related challenges. The Board of Directors and Risk Management Committee oversee this framework, ensuring that its risk management system remains effective and robust. This oversight enables it to prepare for and mitigate both current and emerging risks, ensuring the operations remain resilient and forward-looking.

The Company's risk management framework encompasses the following key components:

RISK Identification

Conducting regular and comprehensive assessments to identify potential risks, informed by stakeholder consultations.

RISK Assessment

Evaluating the likelihood and potential impact of identified risks to effectively prioritize mitigation efforts.

RISK Mitigation

Implementing targeted strategies, including policies, procedures and controls, to mitigate identified risks.

RISK Monitoring

Continuously observing the effectiveness of mitigation measures, with adjustments made as necessary.

RISK Reporting

Providing regular updates to the Board of Directors and Risk Management Committee to maintain transparency and accountability.

Board of Directors



Sujay R. Sheth
Chairman -
Independent Director



Sujay is a Chartered Accountant and a Fellow member of the Institute of Chartered Accountants of India. He brings his expertise in the areas of audit, taxation, attestation and assurance functions across a wide selection of Indian and multinational clients in an independent capacity.



Dilip Thakkar
Independent Director



Dilip is a Chartered Accountant and a Fellow member of the Institute of Chartered Accountants of India. He is associated with several public and private companies in the capacity of a Director.



Naresh Kothari
Non-Executive
Director



Naresh is a seasoned financial services professional with over two and a half decades of experience. He has held various management positions including President of Edelweiss Capital, senior member of Management Committee, Co-Head of Edelweiss Alternative Asset Advisors, Head of Coverage & ECM and Co-Head of Institutional Equities.



Anshuman Ruia
Executive Director

Anshuman is part of the second generation of the Ruia family that founded Essar. Highly regarded for his financial expertise and project execution skills, he has made an invaluable contribution in Essar's value creation journey. He is a member of the YPO (Young Presidents' Organization).



Neha Nagpal
Independent Director



Neha has been a lawyer for over a decade and has vast experience as a commercial law and litigation expert at the Supreme Court of India as well as various High Courts. She also has the experience of working with National Company Law Tribunal, National Company Law, Appellate Tribunal and Competition Commission of India.



Munesh Khanna
Additional Independent
Director

Munesh is a seasoned Chartered Accountant with 30+ years of experience in strategic advisory and investment banking. He own an advisory firm and has been on the Board of numerous conglomerates like, Hinduja Global, Gulf Oil, JSW Energy, JM Financial, Arvind group and Indofil Organic etc.



Sanjeev Verma
Whole-time Director



Sanjeev is a technology veteran with over two and a half decades of rich global experience in the ICT domain. He is a natural leader with an extremely successful track record in business operations, consulting, M&A, start-up operations and sales & marketing domains at a global level.



Deepak Kumar Bansal
Executive Director

Deepak is a Chartered Accountant and a business enabler with over two and a half decades of extensive experience in large corporations. He has expertise in leading financial operations and strategic initiatives globally including fundraising, business control and corporate governance.

Board Composition

3

Executive Directors

1

Non-Executive Director

4

Independent Directors

Committee Composition

Chairman

Member

Audit Committee



Stakeholders Relationship Committee



Corporate Social Responsibility Committee



Ethics and Compliance Committee



Risk Management Committee



Nomination and Remuneration Committee





NOTICE OF 38TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the 38th Annual General Meeting of the Members of **BLACK BOX LIMITED** ("the Company") will be held on **Wednesday, September 25, 2024 at 11:00 A.M.** Indian Standard Time (IST) through Video Conferencing ("VC") to transact the following business(s):

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statement (Standalone and Consolidated) of the Company for the financial year ended March 31, 2024, the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Deepak Kumar Bansal (DIN: 07495199), Executive Director & Chief Financial Officer of the Company who retires by rotation and being eligible, offers himself for re-appointment.
3. **Appointment of M/s. M S K A & Associates, Chartered Accountants, as the Statutory Auditors of the Company**

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

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 ("**the Act**") read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), and pursuant to the recommendation of the Board, M/s. M S K A & Associates, Chartered Accountants (ICAI Registration No. 105047W) be and are hereby appointed as the Statutory Auditors of the Company in place of retiring Auditors, M/s. Walker Chandiook & Co. LLP, Chartered Accountants, to hold office for a period of Five (5) consecutive Years commencing from the conclusion of this 38th Annual General Meeting till the conclusion of the 43rd Annual General Meeting of the Company to be held in the financial year 2028-29, on such terms and conditions of appointment and at such remuneration as may be determined by the Board in consultation with the auditors."

SPECIAL BUSINESS:

4. **Re-appointment of Mr. Anshuman Ruia (DIN:00008501) as an Executive Director of the Company**

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Companies (Appointment and Qualifications of Directors) Rules, 2014 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and applicable provisions of Schedule V of the Act, (including any statutory modifications or re-enactments thereof, for the time being in force) and subject to the Articles of Association of the Company and such other approvals, permissions and sanctions, as may be required, the approval of the members be and is hereby given to re-appoint Mr. Anshuman Ruia (DIN: 00008501) as an Executive Director of the Company to hold office for a period of 5 (Five) years commencing from September 21, 2024, on such terms as set out in the Explanatory Statement annexed to the Notice convening this meeting.

RESOLVED FURTHER THAT Mr. Anshuman Ruia shall have the right to exercise such powers of management of the Company as may be delegated to him by the Board of Directors, from time to time.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to alter and vary the terms and conditions of the said appointment as it may deem fit and as may be acceptable to Mr. Anshuman Ruia, subject to the same not being in contravention of the conditions specified under the provisions of Schedule V to the Act or any statutory modification(s) or re-enactment thereof and subject to such approval(s) as may be required."

5. Appointment of Mr. Munesh Khanna (DIN: 00202521) as an Independent Director of the Company

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (**“the Act”**) read with Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), subject to the provisions of Schedule IV of the Act and Regulation 16(1)(b), Regulation 17 and other applicable regulations, if any, of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (**“LODR Regulations”**), as amended, and based on the recommendation of Nomination and Remuneration Committee of the Company, Mr. Munesh Khanna (DIN:00202521), who was appointed as an Independent Additional Director by the Board of Directors of the Company with effect from August 13, 2024 and who holds office only up to the date of this Annual General Meeting of the Company in terms of Section 161 of the Act and who is eligible for appointment as a Director and in respect of whom the Company has received a notice under Section 160 of the Act in writing proposing his candidature for the office of Director of the Company as well as a declaration that he meets the criteria for independence as provided under section 149(6) of the Act read with Regulation 16(1)(b) of LODR Regulations alongwith his consent to such appointment, be and is hereby appointed as an Independent Director of the Company to hold office for a period of 5 (Five) consecutive years commencing from the date of his original appointment i.e. August 13, 2024 and his term shall not be subject to retirement by rotation.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all the acts, deeds, matters and things as may be deemed necessary and / or expedient in connection therewith or incidental thereto, to give effect to the foregoing resolution.”

6. General approval for raising of funds by issuance of securities upto ₹ 1,500 Crores

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

“RESOLVED THAT pursuant to and in accordance with the applicable provisions of Sections 23, 41, 42, 62, 71 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder, including the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014, including any amendment(s) thereto or re-enactment(s) thereof for the time being in force (collectively the **“Companies Act”**), all other applicable laws, rules and regulations, the Foreign Exchange Management Act, 1999, and the rules and regulations made thereunder, including the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, each as amended from time to time (collectively **“FEMA”**), the relevant provisions of the Memorandum and Articles of Association of the Company, applicable provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (hereinafter referred to as **“SEBI ICDR Regulations”**), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (**“SEBI Listing Regulations”**), the listing agreements entered into by the Company with the BSE Limited (**“BSE”**), National Stock Exchange of India Limited (**“NSE”**, and together with BSE, the **“Stock Exchanges”**) where the equity shares of the Company of face value of ₹ 2/- each (**“Equity Shares”**) are listed and such other statutes, clarifications, rules, regulations, circulars, notifications, guidelines, if any, as may be applicable, as amended from time to time issued by the Government of India (**“GOI”**), the Ministry of Corporate Affairs (**“MCA”**), the Reserve Bank of India (**“RBI”**), BSE, NSE, Registrar of Companies (**“RoC”**), the Securities and Exchange Board of India (**“SEBI”**) and any other appropriate governmental or regulatory authority and subject to all other approval(s), consent(s), permission(s) and / or sanction(s) as may be required from various regulatory and statutory authorities, including the GOI, the RBI, SEBI, MCA, RoC and the Stock Exchanges (hereinafter singly or collectively referred to as **“Appropriate Authorities”**), and subject to such terms, conditions and modifications as may be prescribed by any of the Appropriate Authorities while granting such approval(s), consent(s), permission(s) and/or sanction(s), which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the **“Board”**), which term shall be deemed to mean and include any duly constituted committee thereof for the time being exercising the powers conferred by the Board), the



approval of the members of the Company be and is hereby accorded to create, offer, issue and allot (including with provisions on firm and/or competitive basis, or such part of issue and for such categories of persons as may be permitted) such number of Securities (as defined hereinafter), for cash, with or without green shoe option, by way of an issue of equity shares/ preference shares or by way of an issue of any instrument or security including by way of a composite issue of non-convertible debentures and warrants entitling the warrant holder(s) to apply for equity shares, issue of Global Depository Receipts ("GDRs"), American Depository Receipts ("ADRs"), Foreign Currency Convertible Bonds ("FCCBs"), fully convertible debentures/partly convertible debentures/non-convertible debentures, preference shares convertible into equity shares, and/or any other financial instruments convertible into equity shares (including warrants, or otherwise, in registered or bearer form) and/or any security convertible into equity shares with or without voting/special rights and/or securities linked to equity shares and/or securities with or without detachable warrants with right exercisable by the warrant holders to convert or subscribe to equity shares (all of which are hereinafter collectively referred to as "**Securities**") or any combination of Securities, with or without premium, in one or more tranches, whether Rupee denominated or denominated in foreign currency, in one or more foreign markets and/or domestic market, by way of one or more public and/or private and/or right offer, and/or on preferential allotment basis including Qualified Institutions Placement ("**QIP**"), private placement basis or any combination thereof, and/or any other permitted modes through issue of prospectus and/or placement document and/or an offer document or other permissible/requisite documents/writings/circulars/memoranda in such a manner, to any eligible person, including Qualified Institutional Buyers ("**QIBs**") as defined under the SEBI ICDR Regulations in accordance with Chapter VI of the SEBI ICDR Regulations, or otherwise, foreign/resident investors (whether institutions, incorporated bodies, mutual funds, individuals or otherwise), venture capital funds (foreign or Indian), alternate investment funds, foreign institutional investors, foreign portfolio investors, qualified foreign investors, Indian and/or multilateral financial institutions, mutual funds, insurance companies, non-resident Indians, stabilizing agents, pension funds and/or any other category of persons or entities who are authorised to invest in the Securities of the Company as per extant regulations/

guidelines or any combination of the above as may be deemed appropriate by the Board in its absolute discretion and, whether they be holders of equity shares of the Company or not (collectively called the "**Investors**"), for an aggregate amount not exceeding ₹ 1,500 Crores (Rupees One Thousand Five Hundred Crores Only) or equivalent thereof, in one or more foreign currency and/or Indian rupees, through public offer(s) or private placement(s) or a combination thereof at such time or times, at such price or prices, at a permissible discount or premium to market price or prices permitted under applicable laws, with authority to retain over subscription up to such percentage as may be permitted under applicable regulations, in such manner and on such terms and conditions including the discretion to determine the categories of Investors to whom the offer, issue and allotment of Securities shall be made to the exclusion of others, in such manner, including allotment to stabilising agent in terms of green shoe option, if any, exercised by the Company, security, rate of interest etc. as may be deemed appropriate by the Board and where necessary in consultation with the book running lead manager(s) to be appointed for the Issue ("**Lead Manager(s)**") and/or underwriters and/or stabilising agent and/or other advisors or otherwise on such terms and conditions, including issue of Securities as fully or partly paid, making of calls and manner of appropriation of application money or call money, in respect of different class(es) of investor(s) and/or in respect of different Securities, deciding of other terms and conditions like, without limitation, the total number of Securities to be issued, face value, fixing book closure terms if any, determining the categories of Investors to whom the offer, number of Equity Shares to be allotted on conversion/ redemption/ extinguishment of debt(s), rights attached to the warrants, terms of issue, period of conversion, fixing of record date or book closure terms if any, issue and allotment considering the prevailing market conditions and other relevant factors and wherever necessary in consultation with lead manager(s) and/or underwriter(s) and/or other advisor(s) appointed and / or to be appointed by the Company (the "Issue"), as the Board may in its absolute discretion decide, in each case subject to applicable laws and on such terms and conditions as may be determined and deemed appropriate by the Board in its absolute discretion and without requiring any further approval or consent from the members at the time of such issue and allotment considering the prevailing market conditions and other relevant factors in consultation

with the merchant banker(s) to be appointed by the Company' so as to enable the Company to list its Securities on any stock exchange in India or overseas jurisdictions.

RESOLVED FURTHER THAT in the event that Securities are offered to QIBs through a QIP in terms of Chapter VI of the SEBI ICDR Regulations (hereinafter referred to as "Eligible Securities" within the meaning rendered to such term under Regulation 171(a) of the SEBI ICDR Regulations), the following shall apply:

1. the allotment of Securities shall only be made to qualified institutional buyers as defined in the SEBI ICDR Regulations ("QIBs");
2. the Eligible Securities to be so created, offered, issued, and allotted, shall be subject to the provisions of the memorandum of association and articles of association of the Company;
3. the Eligible Securities, or any combination thereof, in one or more tranches as may be decided by the Board and subject to applicable laws, will be allotted within 365 days from the date of passing of the special resolution of the shareholders of the Company or such other time as may be allowed under the SEBI ICDR Regulations, at a price which is not less than the price determined in accordance with Regulation 176(1) of the SEBI ICDR Regulations (the "**QIP Floor Price**"), with the authority to the Board, in consultation with the book running lead managers may offer a discount of not more than 5% (five percent) on the QIP Floor Price or such other discount as may be permitted under SEBI ICDR Regulations to the QIP Floor Price;
4. the Equity Shares issued and allotted under the Issue or allotted upon conversion of the equity linked instruments issued in QIP shall rank pari passu in all respects including with respect to entitlement to dividend, voting rights or otherwise with the existing Equity Shares of the Company in all respects;
5. the number and/or price of the Eligible Securities or the underlying Equity Shares issued on conversion of Eligible Securities convertible into Equity Shares shall be appropriately adjusted for corporate actions such as bonus issue, rights issue, stock split, merger, demerger, transfer of undertaking, sale of division, reclassification of equity shares into other securities, issue of equity shares by way of capitalisation of profit or reserves, or any such capital or corporate restructuring;
6. the Eligible Securities (excluding warrants) under the QIP shall be issued and allotted as fully paid up securities;
7. the tenure of the convertible or exchangeable Eligible Securities issued through the QIP shall not exceed sixty months from the date of allotment;
8. the "**relevant date**" for the purpose of pricing of Equity Shares to be issued, shall be the date of the meeting in which the Board or the Committee of directors authorized by the Board decides to open the proposed QIP;
9. in case of allotment of eligible convertible securities, the "**relevant date**" for the purpose of pricing of such convertible securities shall be the date of the meeting in which the Board or the committee of directors authorized by the Board decides to open the proposed QIP, or the date on which the holders of the eligible convertible securities are entitled to apply for Equity Shares, as decided by the Board;
10. no single allottee shall be allotted more than 50% of the QIP size and the minimum number of allottees shall be in accordance with the SEBI ICDR Regulations;
11. no allotment shall be made, either directly or indirectly, to any QIB who is a promoter, or any person related to the promoters of the Company;
12. the Equity Shares and/ or other securities convertible into or exchangeable into Equity Shares (including warrants or otherwise) allotted in a QIP shall not be eligible for sale by the respective allottees, for a period of one year from the date of allotment, except on a recognized stock exchange or except as may be permitted from time to time by the SEBI ICDR Regulations; and
13. any subsequent QIP shall not be undertaken until the expiry of two weeks from the date of the prior QIP made pursuant to this special resolution.

RESOLVED FURTHER THAT in pursuance of the resolutions above:

1. the Equity Shares and/ or other securities convertible into or exchangeable into Equity



Shares (including warrants or otherwise) to be so created, offered, issued and allotted, shall be subject to the provisions of the memorandum and articles of association of the Company; and

2. the Equity Shares created, offered, issue or allotted by the Company shall rank pari passu in all respects with the existing Equity Shares of the Company, in all respects.

RESOLVED FURTHER THAT in the event of issue of GDRs/ADRs, the pricing shall be determined in compliance with principles and provisions set out in Companies (Issue of Global Depository Receipts) Rules, 2014, the Depository Receipts Scheme, 2014, the Framework for issue of Depository Receipts notified by SEBI vide circular dated October 10, 2019, and other applicable laws.

RESOLVED FURTHER THAT the Board be and is hereby authorised to enter into any arrangement with any agencies or bodies for the issue of GDRs and/or ADRs represented by underlying equity shares in the share capital of the Company with such features and attributes as are prevalent in international/domestic capital markets for instruments of this nature and to provide for the tradability and free transferability thereof in accordance with market practices as per the domestic and/or international practice and regulations and under the norms and practices prevalent in the domestic/international capital markets and subject to applicable laws and regulations and the Articles of Association of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions, the Board or a committee thereof be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things including but not limited to finalization and approval of preliminary placement documents and placement documents, determining the form and manner of the Issue, including the number of Securities to be allotted, issue price, date of the opening and closing of the Issue, or execution of various transaction documents, as the Board may in its absolute discretion deem fit and to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Equity Shares and/or other securities convertible into or exchangeable into Equity Shares (including warrants or otherwise) and utilization of the proceeds as it may in its absolute discretion deem fit, subject to applicable laws.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board, or a duly authorized committee, in consultation with the Lead Manager(s), advisors and/or other intermediaries as may be appointed in relation to the Issue, is authorized to take all actions and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient for the Issue and listing thereof with the Stock Exchanges or otherwise as may be required in relation to the Issue and to resolve and settle all questions and difficulties that may arise in the Issue, including finalization of the number of Securities to be issued in each tranche thereof, form, terms and timing of the Issue, utilization of Issue proceeds, to enter into and execute (and amend from time to time, as may be deemed appropriate by the Board in its sole discretion (subject to the conditions set forth in the resolutions herein), all such arrangements/ agreements with any Lead Managers, placement agents, managers, underwriters, lawyers, advisors, guarantors, depositories, custodians, registrars, Statutory Auditors and all such agencies and intermediaries as may be involved or concerned in the Issue, including any amendments or supplements thereto, as necessary or appropriate and to remunerate all such agencies including by way of payment of commissions, brokerage, fees or the like and also to reimburse them out of pocket expenses incurred by them, and to finalize, approve and issue any document(s) or agreements including, but not limited, to placement documents, and filing such documents (in draft or final form) with any Indian or foreign regulatory authority or Stock Exchanges including, but not limited, to making the application to the Stock Exchange(s) for obtaining in-principle approvals, listing of the Securities, filing of requisite documents/making declarations with the MCA, RoC, RBI, SEBI and/or any other statutory/regulatory authority(ies), and any other deed(s), document(s), declaration(s) as may be required under the applicable laws, sign all deeds, documents and writings, settle all questions, difficulties or doubts that may arise in regard to the Issue and other related, incidental or ancillary matters as the Board may deem fit in its absolute discretion, to make such other applications to concerned statutory or regulatory authorities as may be required in relation to the Issue and to agree to such conditions or modifications that may be imposed by any relevant authority or that may otherwise be deemed fit or proper by the Board or a duly authorised committee in relation to the Issue.

RESOLVED FURTHER THAT the Statutory Auditors of the Company are duly appointed and authorised to provide financial statements and certifications as may be required by the Company and/or the Lead Managers from time to time in relation to the Issue.

RESOLVED FURTHER THAT the Board of Directors or a duly authorised committee thereof be and is hereby authorised to delegate all or any of the powers herein

conferred to any Director(s) or Officer(s) of the Company and to generally do all such acts, deeds, matters and things as may be required in connection with the aforesaid resolutions, including making necessary filings with the Stock Exchange(s) and statutory / regulatory authorities and execution of any deeds and documents for and on behalf of the Company and to represent the Company before any governmental authorities, to give effect to this resolution.”

By Order of the Board of Directors
For **Black Box Limited**

Sd/-

Aditya Goswami

Company Secretary & Compliance Officer
Membership No. A27365

Place: Navi Mumbai
Date: August 13, 2024

Registered Office:-
501, 5th Floor, Building No.9,
Airoli Knowledge Park, MIDC Industrial Area,
Airoli, Navi Mumbai - 400 708
www.blackbox.com

**NOTES**

1. The Ministry of Corporate Affairs ('MCA') vide its General Circular No. 14/2020 dated April 08, 2020, No. 17/2020 dated April 13, 2020, No. 22/2020 dated June 15, 2020, No. 33/2020 dated September 28, 2020, No. 39/2020 dated December 31, 2020, No. 10/2021 dated June 23, 2021, No. 20/2021 dated December 08, 2021, No. 3/2022 dated May 5, 2022, No. 11/2022 dated December 28, 2022 and No. 09/2023 dated September 25, 2023 issued by Ministry of Corporate Affairs (collectively referred to as 'MCA Circulars') and Securities and Exchange Board of India ('SEBI') vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 read with Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, Circular no. SEBI/HO/CFD/CMD2/ CIR/P/2022/62 dated May 13, 2022 and Circular no. SEBI/HO/ CFD/Pod-2/P/ CIR/2023/4 dated January 5, 2023 and the Circular No. SEBI/HO/DDHS/P/CIR/2023/0164 dated October 6, 2023 (collectively referred to as 'SEBI Circulars') have permitted the holding of Annual General Meeting (AGM) by companies through Video Conferencing ("VC") or through Other Audio-Visual Means ("OAVM"), during the Calendar Year 2021, 2022, 2023 and upto September 30, 2024, without the physical presence of the Members. Accordingly, in compliance with the provisions of the Companies Act, 2013 ('Act'), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), MCA Circulars and SEBI Circulars, the AGM of the Company is being conducted through VC.
2. Pursuant to the MCA Circulars and SEBI Circulars, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC and participate there at and cast their votes through e-voting. Institutional and Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by E-mail through its registered E-mail address to skjaincs1944@gmail.com with a copy marked to evoting@nsdl.com on or before **September 21, 2024**.
3. In accordance with the Secretarial Standard-2 on General Meetings issued by The Institute of Company Secretaries of India (ICSI) read with Clarification / Guidance on applicability of Secretarial Standards-1 and 2 dated April 15, 2020 issued by the ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the venue of the AGM.
4. The relevant Explanatory Statement pursuant to Section 102(1) of the Act, setting out the material facts concerning special business(s) as set out above in Item No. 3 to 6 is annexed hereto. The relevant details required to be disclosed in respect to Directors seeking appointment /re-appointment at this AGM pursuant to Regulation 36(3) of Listing Regulations and Secretarial Standards on General Meeting ("SS-2") issued by the Institute of Company Secretaries and other applicable provisions of the Act, have been provided in **Annexure I** to this notice.
5. Pursuant to the applicable provisions of the Companies Act 2013 ("the Act") and Secretarial Standard on General Meetings (SS-2) in conjunction with the relevant Circulars, the Register of Directors and Key Managerial Personnel and their shareholding, maintained in accordance with Section 170 of the Act and Register of Contracts or Arrangements in which Directors are interested, maintained in accordance with Section 189 of the Act ("Statutory Registers") will be available for inspection by the members at the website of NSDL <https://www.evoting.nsdl.com> during the AGM.
6. M/s. Datamatics Business Solutions Limited ("Datamatics") is the Registrar and Share Transfer Agent ("RTA") of the Company. All members and investors are hereby advised to contact Datamatics Business Solutions at the below mentioned contact details for any assistance, request or instruction regarding transfer or transmission of shares, dematerialization of shares, change/update of residential address/E-mail address/contact number, non-receipt of annual report, dividend payments or any other query/grievance relating to the shares of the Company:

M/s. Datamatics Business Solutions Limited
Plot No. B-5, Part B, Cross Lane,
MIDC, Andheri (East), Mumbai – 400093
Tel: +91 22 6671 2001 to 6671 2006
Fax: +91 22 6671 2209
E- mail: investorsqry@datamaticsbpm.com
7. The Register of Members and Share Transfer Books of the Company will remain closed from **Thursday,**

September 19, 2024 to Wednesday, September 25, 2024 (both days inclusive) for the purpose of this AGM.

8. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Datamatics for assistance in this regard.
9. To support the 'Green Initiative', Members who have not yet registered their E-mail addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with Datamatics in case the shares are held by them in physical form.
10. Members are requested to intimate changes, if any, pertaining to their name, postal address, E-mail address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs (in case the shares are held by them in electronic form) as well as to Datamatics in **Form no. ISR-1** quoting their folio number and enclosing the self-attested supporting document.
11. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to Datamatics in case the shares are held in physical form.
12. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send the details of such folios together with the share certificates to Datamatics, for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
13. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
14. Members who wish to seek any information with regard to the Company's Annual Report for FY2024, Financial Statements (Standalone and Consolidated) along with the Directors' Report and Auditors' Report thereon or any matter to be placed at the AGM, are requested to address their query(ies) to the Company Secretary of the Company through E-mail on investors@blackbox.com well in advance, i.e. at least 10 days before the Meeting. This will enable the Management to keep the information readily available at the Meeting.
15. Members who would like to express their views/ask questions as a speaker at the Meeting may preregister themselves by sending a request from their registered E-mail address mentioning their names, DP ID and Client ID/folio number, PAN, and mobile number at investors@blackbox.com between **September 10, 2024 and September 21, 2024**. Only those Members who have pre-registered themselves as a speaker on the dedicated E-mail id i.e. investors@blackbox.com will be allowed to express their views/ask questions during the AGM.

When a pre-registered speaker is invited to speak at the meeting but he/she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/camera along with good Internet speed. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, for smooth conduct of the AGM.
16. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, the Company has transferred all the unpaid Dividends and relevant shares to the IEPF authority. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in e-Form No. IEPF-5 available on www.iepf.gov.in.
17. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020 read with Circular dated May 13, 2022, Notice of the AGM along with the Annual Report FY2023-24 is being sent only through electronic mode to those Members whose E-mail addresses are registered with the



Company/Depositories. Members may note that the Notice and Annual Report FY2024 will also be available on the Company's website <https://www.blackbox.com/en-in/investors>, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively.

18. Members attending the AGM through VC shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
19. The Scrutinizer will submit his report to the Chairman of the Company ("the Chairman") or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting), 2 (Two) working days from the date of AGM. The result declared along with the Scrutinizer's report shall be communicated to the stock exchanges, NSDL and RTA, and will also be displayed on the Company's Website at www.blackbox.com.

20. Since the AGM will be held through VC, the Route Map is not annexed with this Notice.

INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING AGM THROUGH VC:

In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI Listing Regulations, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all the resolutions set forth in this Notice.

The remote e-voting period begins on **Sunday, September 22, 2024 at 9:00 A.M.** and ends on **Tuesday, September 24, 2024 at 5:00 P.M.** The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members as on the record date (cut-off date) i.e. **Wednesday, September 18, 2024** may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the aforesaid cut-off date.

HOW DO I VOTE ELECTRONICALLY USING NSDL E-VOTING SYSTEM?

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

Step 1: Access to NSDL e-Voting system

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

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

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

| Type of shareholders | Login Method |
|---|---|
| Individual Shareholders holding securities in demat mode with NSDL. | Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on Company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |

| Type of shareholders | Login Method |
|----------------------|---|
| | <ol style="list-style-type: none"> <li data-bbox="544 354 1489 528">If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nSDL.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp <li data-bbox="544 528 1489 901">Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nSDL.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. <li data-bbox="544 901 1489 1000">Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. |

NSDL Mobile App is available on



| | |
|--|--|
| Individual Shareholders holding securities in demat mode with CDSL | <ol style="list-style-type: none"> <li data-bbox="544 1398 1489 1605">Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. <li data-bbox="544 1605 1489 1873">After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by Company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. |
|--|--|



| Type of shareholders | Login Method |
|--|---|
| | <ol style="list-style-type: none"> If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers. |
| Individual Shareholders (holding securities in demat mode) login through their depository participants | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |

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

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

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

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

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

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: www.evoting.nsdl.com either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

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

4. Your User ID details are given below :

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

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - i. If your E-mail ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your E-mail ID. Trace the E-mail sent to you from NSDL from your mailbox. Open the E-mail and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - ii. If your E-mail ID is not registered, please follow steps mentioned below in

process for those shareholders whose E-mail ids are not registered.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password? (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.****How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

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

GENERAL GUIDELINES FOR SHAREHOLDERS

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to skjaincs1944@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com. or call on: 022 - 4886 7000 or send a request to (Name of NSDL Official) at evoting@nsdl.com.

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by E-mail to investors@blackbox.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to (Company E-mail id). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and E-mail ID correctly in their demat account in order to access e-Voting facility.

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

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/shareholders, who will be present in the AGM through VC facility and have not casted their vote on the Resolutions through remote e-Voting

and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the AGM through VC through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC link" placed under "Join meeting" menu against Company name. You are requested to click on VC link placed

under Join Meeting menu. The link for VC will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.



EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3

Pursuant to the provision of Section 139 of the Companies Act, 2013 (the "Act") the Company can appoint a firm as its Statutory Auditor for not more than 2 (Two) terms of consecutive 5 (Five) years.

M/s. Walker Chandiook & Co. LLP, Chartered Accountants (ICAI Registration No. 001076N/N500013) were appointed as the Statutory Auditor of the Company for their second term of 5 (Five) years at the 33rd AGM of the Company to hold office till the conclusion of 38th AGM. Considering the expiry of tenure of M/s. Walker Chandiook & Co. LLP, Chartered Accountants at the forthcoming AGM, the Board of Directors ("the Board") at their meeting held on August 13, 2024, has proposed to appoint M/s. M S K A & Associates, Chartered Accountants (FRN: 105047W), an Independent member firm of BDO International, as the Statutory Auditors of the Company for a period of 5 (Five) consecutive years commencing from the conclusion of this AGM till the conclusion of the 43rd AGM of the Company scheduled to be held in the FY2028-29.

Further, the Company has received consent and eligibility certificate from M/s. M S K A & Associates, Chartered Accountants, (FRN: 105047W), to the effect that their appointment, if made, would be in accordance with the Companies Act, 2013 and the Rules framed there under and that they satisfy the criteria provided under section 141 of the Companies Act, 2013.

Brief Profile of M/s. M S K A & Associates

Established in 1978, M S K A & Associates, Chartered Accountants (ICAI Firm Registration No. 105047W), is an Indian partnership firm registered with the Institute of Chartered Accountants of India (ICAI) and the US Public Company Accountancy Oversight Board (PCAOB) having offices across 12 cities in India at Mumbai, Gurugram, Chandigarh, Kolkata, Ahmedabad, Chennai, Goa, Pune, Bengaluru, Kochi, Hyderabad and Coimbatore. The audit firm has a valid peer review certificate.

M S K A & Associates is an Independent member firm of BDO International.

The Firm primarily provides Audit & Assurance services, tax and advisory services, to its clients. The Firm's Audit & Assurance practice has significant experience across various industries, markets and geographies.

In terms of Regulation 36(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR

Regulations"), the following are the requisite disclosures with respect to the proposed appointment of M/s. M S K A & Associates, Chartered Accountants, as the Statutory Auditors of the Company:

| Sr. No. | Particulars | Details of Proposed Appointment |
|---------|--|---|
| 1 | Name of the proposed Auditor | M/s. M S K A & Associates, Chartered Accountants ("MSKA") |
| 2 | Basis of recommendation of appointment | Due to requirement of rotation of Auditors as per Section 139 of the Act, the Company had invited interest from other firms and has shortlisted MSKA considering their understanding of the business of the Company and agility to seamlessly work in all overseas geographies. |
| 3 | Period of appointment | 5 consecutive Years |
| 4 | Proposed Remuneration/ Fees | Not exceeding ₹ 2 Crores for first year of Audit and as may be mutually agreed for rest of the term. |
| 5 | Any material change in the fee payable to the proposed auditor from that paid to the outgoing auditor along with the rationale for such change | No Material Change |

Accordingly, the Board recommends the resolution as set out at Item No. 3 of the accompanying notice for the approval of the members as an **Ordinary Resolution**.

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

Item No. 4

Mr. Anshuman Ruia (DIN: 00008501) was appointed as an Executive Director on the Board of the Company by the shareholders at their meeting held on October 27, 2021 for a period of 3 years effective from September 20, 2021, liable to retire by rotation.

The Nomination and Remuneration Committee of the Company at its meeting held on August 13, 2024 recommended for the re-appointment of Mr. Anshuman Ruia as Executive Director for a further period of 5 (Five) years commencing from September 21, 2024, which was duly approved by the Board at its meeting held on the same date i.e. August 13, 2024, subject to the approval of the shareholders and other regulatory approval as may be required.

Further, the Company has received a notice from him proposing his candidature under Section 160 of the Companies Act, 2013 and consent to act as Director in the Form DIR 2 under Section 152 read with rule 8 of Companies (Appointment and Qualification of Directors) Rules, 2014 and intimation in Form DIR 8 to the effect that he is not disqualified under sub-section (2) of section 164 of the Companies Act, 2013.

The proposed terms of appointment of Mr. Anshuman Ruia, as an Executive Director of the Company are as follows:

- I. Salary, Allowances and Commission ("Remuneration"): **None**
- II. Perquisites: **None**
- III. Re-imbursements: **Mr. Anshuman Ruia may be provided reimbursement of reasonable expenses incurred by him while rendering his services to the Company.**
- IV. Stock Options: **None.**
- V. Other Terms:

Subject to the superintendence, control and direction of the Board of Directors, Mr. Ruia shall manage and conduct the business and affairs of the Company as an Executive Director of the Company. He shall not be paid any sitting fee for attending the meetings of the Board or Committee thereof. The appointment can be terminated by any party giving Three (3) calendar months' notice in writing.

In accordance with the provisions of Section 196(4) read with the applicable provisions of Schedule V of the Act and the rules made thereunder, the Company is required to obtain approval of the shareholders by way of an Ordinary Resolution for the appointment of Mr. Ruia as an Executive Director of the Company. A brief resume of Mr. Ruia along with the disclosures pursuant to Regulation 36(3) of LODR Regulations, Secretarial Standards on General Meeting

("SS- 2") and other applicable disclosures, if any, have been provided in **Annexure I** to this Notice.

Considering his vast experience of business, deep financial expertise and strong project execution skills, the Board considers that Mr. Ruia's presence on the Board would be of immense benefit to the Company and accordingly, recommends the resolution as set out at Item No. 4 of the notice for approval of the members as an **Ordinary Resolution.**

Save and except Mr. Anshuman Ruia and his relatives, none of the Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution set out at Item No. 4 of this accompanying Notice.

Item No. 5

The Board of Directors of the Company had at its meeting held on August 13, 2024, approved the appointment of Mr. Munesh Khanna (DIN: 00202521) as an Additional Independent Director of the Company with effect from August 13, 2024, in accordance with the provisions of Section 161 of the Act, basis the recommendation of the Nomination & Remuneration Committee of the Company ("the Committee") and further recommended his re-appointment as an Independent Director for a term of 5 (Five) years commencing from the date of his original appointment i.e. August 13, 2024, subject to the approval of the shareholders at the ensuing 38th AGM. Mr. Khanna will not be liable to retire by rotation.

The Company has received the consent to appointment and declaration of fulfilment of criteria of independence as per Section 149(6) of the Act & Regulation 25(8) of LODR Regulations as well as a notice pursuant to the provisions of Section 160 of the Act from Mr. Khanna, proposing his candidature for the office of Independent Director of the Company. Further, he is not disqualified from being appointed as a Director in terms of Section 164 of the Act and the Board is of the opinion that, he fulfils the conditions specified in the Act and the rules made thereunder and is independent of the management of the Company.

Further, with respect to the proposed appointment of Mr. Khanna, brief profile/resume, requisite disclosure pursuant to Regulation 36(3) of LODR Regulation, Secretarial Standards on General Meeting ("SS-2") and other applicable disclosures have been provided in **Annexure I** to this Notice.

Considering Mr. Khanna's rich experience of being on the Board of various listed/non-listed Companies and



his expertise in providing strategic advice to corporates, business, owners and seniors managers for enhancing the value of their businesses, the Board of Directors are of the opinion that his appointment as an Independent Director on the Board would be of immense benefit to the Company. Accordingly, the Board recommends the resolution for appointment of Mr. Munesh Khanna as the Independent Director of the Company for approval of Shareholders as an **Ordinary Resolution** as set out as Item no. 5.

Save and except Mr. Munesh Khanna, being the proposed appointee and his relatives none of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution at Item No. 5.

Item No. 6

The Company, with a view to capitalize on available growth opportunities, continues to evaluate avenues for organic and inorganic growth and had received commitment of ₹ 410 Crores approved in the meeting of the Board of Directors held on August 2, 2024 via preferential issue to existing promoters, foreign institutional investors, high-net-worth individuals and key managerial personnel, subject to approval of shareholders. While Company will utilize proceeds from preferential issue for organic and inorganic growth opportunities, Company will require further capital in the future to grow more to achieve its stated vision to achieve revenues of US\$ 2 billion in next 4 years. Further, the funds will be utilized for augmenting long term cash resources, funding the organic or inorganic growth opportunities in the area of the Company's operations and adjacencies, making investments in companies including in subsidiaries or otherwise (either through debt or equity or any convertible securities), growing existing businesses or entering into new businesses in line with the strategy of the Company, pre-payment and/or repayment of outstanding borrowings, or for any other general purposes as may be permissible under the applicable law and approved by the Board of directors of the Company or a duly constituted committee of the Board.

In line with the above, the Company proposes to raise funds by way of one or more public and/or private offerings, through equity/equity linked instruments/debentures/preference shares including on Preferential allotment basis, Private Placement basis, Qualified Institutions Placement ("QIP"), Rights Offer, Global Depository Receipts ("GDRs"), American Depository Receipts ("ADRs"), Foreign Currency Convertible Bonds ("FCCBs") fully convertible debentures/partly convertible debentures/non-convertible debentures, preference shares convertible into Equity Shares, and/or any other financial instruments convertible into Equity

Shares (including warrants, or otherwise, in registered or bearer form) and/or any security convertible into Equity Shares with or without voting/special rights and/or securities linked to Equity Shares and/or securities with or without detachable warrants with right exercisable by the warrant holders to convert or subscribe to Equity Shares etc. or any combination thereof to Qualified Institutional Buyers ("QIBs") as defined under the SEBI ICDR Regulations in accordance with Chapter VIII of the SEBI ICDR Regulations, or otherwise, foreign/resident investors (whether institutions, incorporated bodies, mutual funds, individuals or otherwise), venture capital funds (foreign or Indian), alternate investment funds, foreign institutional investors, foreign portfolio investors, qualified foreign investors, Indian and/or multilateral financial institutions, mutual funds, insurance companies, non-resident Indians, stabilizing agents, pension funds and/or any other categories of investors up to an amount not exceeding ₹ 1,500 Crores (Rupees One Thousand Five Hundred Crores Only) as deemed appropriate by the Board, subject to applicable laws, in terms of (a) the SEBI ICDR Regulations; (b) applicable provisions of the Companies Act, 2013 and the applicable rules made thereunder (including the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014), each including any amendment(s), statutory modification(s), or re-enactment(s) thereof ("**Companies Act**"); and (c) other applicable law (the "**Issue**").

Pursuant to Sections 23, 42, 71 and 62 of the Companies Act, 2013, as amended read with applicable rules notified thereunder, including Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended and the SEBI ICDR Regulations, a company offering or making an invitation to subscribe to Securities is required to obtain prior approval of the shareholders by way of a special resolution.

In terms of Section 62(1)(c) of the Companies Act, 2013, shares may be issued to persons who are not the existing shareholders of a company, if the Company is authorised by a special resolution passed by its members. Therefore, consent of the members is being sought for passing the special resolution, pursuant to applicable provisions of the Companies Act and other applicable law. The Securities offered, issued, and allotted by the Company pursuant to the Issue in terms of the resolution would be subject to the provisions of the memorandum of association and articles of association of the Company and any Equity Shares and/or other securities convertible into or exchangeable into Equity Shares (including warrants or otherwise) that may be created, offered, issued and allotted by the Company shall rank, in all respects, pari-passu with the existing Equity Shares of the Company.

The pricing of the Securities shall be determined in accordance with the relevant provisions of the SEBI ICDR Regulations, the Companies Act, and any other applicable law. In the event that Securities are issued through a QIP, the resolution enables the Board or its duly constituted committee, in accordance with applicable law and in consultation with the Lead Managers/ placement agents/ underwriters or any such other intermediary, to offer a discount of not more than 5% or such percentage as may be permitted under applicable law on the floor price determined in accordance with the SEBI ICDR Regulations.

In the event that Equity Shares are issued through a QIP, the 'relevant date' for the purpose of the pricing of the Equity Shares to be issued and allotted in the proposed QIP shall be decided in accordance with the applicable provisions of the SEBI ICDR Regulations, which shall be either the date of the meeting in which the Board / its duly constituted committee decides to open the QIP, as decided by the Board, which shall be subsequent to receipt of members' approval in terms of provisions of Companies Act, 2013 and other applicable laws, rules, regulations and guidelines in relation to the proposed issue of the Equity Shares. Further, in the event that eligible convertible securities are issued through a QIP, the "relevant date" for the purpose of pricing of such convertible securities shall be the date of the meeting in which the Board or the committee of directors authorized by the Board decides to open the proposed QIP, or the date on which the holders of the eligible convertible securities are entitled to apply for Equity Shares.

As and when the Board does take a decision on matters on which it has discretion (subject to the compliance with the conditions set forth herein), necessary disclosures will be made to the stock exchanges as may be required under the SEBI Listing Regulations.

The resolution proposed, is an enabling resolution and the exact price, proportion and timing of the issue of the Securities in one or more tranches and the remaining detailed terms and conditions for the fund raising, including issuance of Securities through the Issue will be decided by the Board or its duly constituted committee, in accordance with the SEBI ICDR Regulations, in consultation with book running lead managers and/or other advisor(s) appointed in relation to the Issue and such other authorities and agencies as may be required to be consulted by the Company.

Further, the Company is yet to identify the investor(s) and decide the quantum of Equity Shares to be issued to them. Hence, the details of the proposed allottees, percentage of their post-Issue shareholding and the shareholding pattern of the Company are not provided. The proposal, therefore, seeks to confer upon the Board or its duly constituted

committee the absolute discretion and adequate flexibility to determine the terms of the Issue, including but not limited to the identification of the proposed investors in the Issue and quantum of Equity Shares to be issued and allotted to each such investor, in accordance with the provisions of the SEBI ICDR Regulations, the SEBI Listing Regulations as amended, the Companies Act, 2013, the Foreign Exchange Management Act, 1999 and the regulations made thereunder, including the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, the Consolidated FDI Policy issued by the Department for Promotion of Industry & Internal Trade, Ministry of Commerce and Industry, Government of India from time to time, each as amended, and other applicable law.

The approval of the members is being sought to enable the Board or its duly constituted committee, to decide on the Issue, to the extent and in the manner stated in the special resolution, as set out in Item no. 6 of this notice, without the need for any fresh approval from the members of the Company in this regard.

Pursuant to the above, the Company may, in one or more tranches, issue and allot Equity Shares and/ or other eligible Securities on such date as may be determined by the Board but not later than 365 days from the date of passing of the resolution or such other period as may be permitted under applicable law. The aforesaid issue of Securities will be subject to receipt of requisite approvals from appropriate authorities, as may be applicable.

In the event that such issuance of Securities is undertaken by way of a QIP, the allotment of Securities shall be completed within a period of 365 days from passing the special resolution by the members of the Company. Further, the Equity Shares offered, issued, and allotted by the Company pursuant to any such QIP in terms of the resolution would be subject to the provisions of the memorandum of association and articles of association of the Company. Further, the Promoters will not participate in the Issue.

Equity Shares, proposed to be issued, shall in all respects, rank *pari passu* with the existing Equity Shares of the Company.

Accordingly, the Board recommends the resolution as set out at Item No. 6 of the notice for the approval of the members as a **Special Resolution**.

None of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution set out at Item No. 6 of this accompanying Notice.



Annexure I

Details of the Directors seeking appointment/re-appointment in forthcoming Annual General Meeting

[Pursuant to regulation 36(3) of SEBI (LODR) Regulations, 2015 & Secretarial Standards on General Meeting ("SS-2")]

| Name of Director | Mr. Deepak Kumar Bansal | Mr. Anshuman Ruia | Mr. Munesh Khanna |
|--|--|--|--|
| DIN | 07495199 | 00008501 | 00202521 |
| Date of Birth | July 31, 1975 | March 11, 1971 | May 12, 1962 |
| Age | 49 years | 53 years | 62 years |
| Date of first appointment | August 14, 2019 | September 10, 2020 | August 13, 2024 |
| Qualifications | Bachelor's Degree in Commerce with honors in Accountancy & Business Statistics, Chartered Accountant and Cost & Management Accountant | Bachelor's degree in Commerce | Bachelor's degree in Commerce and Chartered Accountant |
| Expertise in specific functional areas; Qualifications and Brief Resume/ Profile | <p>Mr. Deepak Kumar Bansal is currently serving as Executive Director & Chief Financial Officer (CFO) of the Company. He is a business enabler with over 27 years of extensive experience in large corporations. As global chief financial officer, he has expertise in leading financial operations and strategic initiatives globally including fund raising, business control, and corporate governance.</p> <p>He held management positions at Reliance Industries Limited, Coca-Cola India, Vedanta Group, Sujana Group, Aegis and Essar's few new age investments.</p> | <p>Mr. Anshuman Ruia is part of the second generation of the Ruia family that founded Essar.</p> <p>Mr. Anshuman is known for his financial expertise and project execution skills that have been invaluable in Essar's value creation journey. He was involved in the construction of the 20 million tons Essar Oil refinery in Vadinar, which is one of India's most advanced refineries. The refinery was acquired in financial year 2017-18 by Rosneft and the Trafigura-UCP consortium following a landmark US\$ 12.9 billion transaction that was also the largest FDI in India's Energy sector. Additionally, Anshuman led the construction of Essar's coal-based and gas-based power plants in Gujarat, Madhya Pradesh and Odisha. A strong believer in adopting a modular approach in project management, he has ensured that these assets of national importance were completed within committed timelines.</p> <p>Mr. Anshuman has always been a trenchant advocate for business turnaround and growth by taking bold decisions.</p> <p>He was instrumental in overseeing Aegis, Essar's erstwhile BPO business, which expanded more than tenfold within a short span of time. In 2014 and 2017, the Aegis business was monetised in two tranches at a value that was almost 20 times the amount invested in the business. He was also responsible for the Power business' entry into the transmission segment.</p> | <p>Over the past thirty years, he has built a wealth of experience in corporate finance, restructuring, and strategic decision making through his involvement in numerous significant transactions spanning various industries. His engagements have not only provided him with substantial industry knowledge but also valuable insights in specific sectors. As a corporate advisory professional, he specializes in providing strategic advice to corporates, businesses, owners and seniors managers for enhancing the value of their businesses through initiatives such as, raising resources from Capital Markets and Private Equity, Mergers & Acquisitions, divestitures and corporate restructuring. He has worked closely, both with large conglomerates, mid-sized companies as well as with start-ups. His extensive industry experience and knowledge spans across Infrastructure, Energy, Telecom, Airline and Airports, Entertainment and Media, Pharma, Healthcare, Financial Services, Payments, and Fintech.</p> <p>Mr. Munesh has served and advised as a member of the Boards of various renowned listed and unlisted Companies for over 2 decades which includes, Hinduja Global, Gulf Oil, JSW Energy, JM Financial, Arvind group and Indofil Organic etc. He is also serving as a trustee for Balaji Medical and Diagnostic Research Centre (Society), which operates a 550-bed hospital at Patparganj, NCR.</p> |

| Name of Director | Mr. Deepak Kumar Bansal | Mr. Anshuman Ruia | Mr. Munesh Khanna |
|---|--|---|---|
| | | <p>Currently, Mr. Anshuman is leading Essar's investment in asset-light, new age businesses in the technology and fintech domains. He is also involved in the Ports business where he is driving higher efficiencies and developing an international footprint.</p> <p>Mr. Anshuman's deep knowledge of finance and corporate structure has earned him the respect of his peers. He is a member of the YPO (Young Presidents Organisation).</p> | <p>He is a member of the Young Presidents Organization (YPO). He has been a Member of CII, a member of the Executive Committee of FICCI (Federation of Indian Chambers of Commerce and Industry) and served as Co-Chairman of the Finance & Capital Market committee of FICCI. He has also been a member of Business India's Panel for selection of India's Best Bank and Business Man of the Year as also a member of Business Today's Panel for the Businessman of the Year.</p> <p>Mr. Munesh currently runs his own corporate & strategic advisory and investment banking firm, Backbay Advisors Private Limited.</p> <p>He reads voraciously, travels extensively and occasionally blogs in the business press about his travel experiences.</p> |
| Remuneration proposed to be paid | NIL | NIL | Except sitting fees for attending Board and Committee meetings no remuneration is proposed to be paid. |
| Remuneration drawn during FY 2023-24 | NIL (excluding the stock options) | NIL | Not Applicable* |
| Directorship held in other Listed Companies as on date | None | None | <ul style="list-style-type: none"> • JSW Energy Limited • NDL Ventures Limited • Hinduja Global Solutions Limited • Gulf Oil Lubricants India Limited |
| Name/s of other Listed Companies in which the Director holds membership in the Committees | None | None | <ul style="list-style-type: none"> • JSW Energy Limited • NDL Ventures Limited • Gulf Oil Lubricants India Limited |
| Name/s of Listed entities in which director has resigned in the past three years | None | None | None |
| Shareholding in the Company | 3,90,480 Equity Shares of ₹ 2/- each as on August 13, 2024 (including shares held by relative) | NIL | NIL |
| Relation with other Director, Managers and Key Managerial Personnel | Unrelated, except being on the Board of the Company | Unrelated, except being on the Board of the Company | Unrelated, except being on the Board of the Company |
| No. of Board Meetings attended during FY 2023-24 | 5 (Five) | 3 (Three) | Not Applicable* |
| Skills and capabilities required for the role and the manner in which the Independent Directors meet the requirements | Not Applicable | Not Applicable | Refer the Explanatory Statement annexed to the Notice |

*Mr. Munesh was appointed as Independent Additional Director w.e.f. August 13, 2024.



Directors' Report

Dear Members,

The Directors are pleased to present the Thirty Eight (38th) Annual Report along with the Audited Financial Statements (Consolidated and Standalone) of the Company for the Financial Year ("FY") ended March 31, 2024.

FINANCIAL RESULTS

The summary of the Company's financial performance, both on a consolidated and standalone basis, for the FY2024 as compared to the previous FY2023 is given below:

(₹ in Crores)

| | Standalone | | Consolidated | |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | Year ended 31 March 2024 | Year ended 31 March 2023 | Year ended 31 March 2024 | Year ended 31 March 2023 |
| Revenue from operations | 386.65 | 363.37 | 6,281.58 | 6,287.56 |
| Other income | 13.11 | 2.22 | 19.17 | 21.63 |
| Total income | 399.76 | 365.59 | 6,300.75 | 6,309.19 |
| Profit before finance costs, depreciation, exceptional items and tax | 12.61 | 18.40 | 445.37 | 294.80 |
| Less: Finance costs | 6.68 | 7.75 | 141.25 | 111.28 |
| Less: Depreciation | 7.91 | 6.51 | 114.34 | 107.48 |
| Profit / (loss) before impact of foreign currency transactions and translations, loss / (gain) on financial liability, exceptional items and tax | (1.98) | 4.14 | 189.78 | 76.04 |
| Add/(less): Gain / (loss) on foreign currency transactions and translations (net) | 0.87 | 1.65 | 1.67 | - |
| Add: Gain on settlement of financial liability | - | - | 4.60 | 16.27 |
| Less: Loss on fair valuation of deferred purchase consideration | - | - | - | (10.55) |
| Less: Exceptional item | - | - | (39.66) | (52.31) |
| Profit/(loss) before tax | (1.11) | 5.79 | 156.39 | 29.45 |
| (Add)/Less: Tax | 13.87 | (0.05) | 18.72 | 5.75 |
| Profit/(loss) after tax | (14.98) | 5.84 | 137.67 | 23.70 |
| Add/(less): Other Comprehensive Income/(loss) | (0.31) | 0.14 | 46.68 | (26.05) |
| Total Comprehensive Income/(loss) for the year | (15.29) | 5.98 | 184.35 | (2.35) |
| Earnings/(loss) per share of ₹ 2/- each after exceptional items: | | | | |
| Basic (in ₹) | (0.89) | 0.35 | 8.20 | 1.42 |
| Diluted (in ₹) | (0.89) | 0.35 | 8.18 | 1.41 |

FINANCIAL PERFORMANCE

Black Box Limited's financial performance in FY24 highlights its resilience and strategic focus on profitability and operational efficiency. The Company has successfully navigated challenges and is well-positioned for future growth with a robust pipeline and strong order book. The strategic initiatives undertaken by the management are yielding positive results, enhancing the Company's financial stability and growth prospects.

Revenue and Income

The Company reported consolidated revenue from operations of ₹ 6,282 Crores, which remained relatively flat compared to ₹ 6,288 Crores in the previous year. This stability in revenue was achieved despite delays in project execution and a strategic

decision to exit low-value and long-tail customers. The Company has maintained a robust pipeline, which is expected to yield positive results in the coming quarters. Other income decreased to ₹ 19 Crores from ₹ 22 Crores, reflecting a reduction in non-operational income streams.

Profitability

The Company achieved a significant 59% YoY increase in consolidated EBITDA, reaching ₹ 428 Crores, with EBITDA margins improving to 6.8% from 4.3% in the previous year. This growth was driven by a strategic emphasis on margin improvement and operational productivity.

Profit Before Tax (PBT) saw a substantial increase to ₹ 156 Crores from ₹ 29 Crores, reflecting improved operational performance despite higher finance costs. Profit After Tax (PAT) for FY24 increased by 5.8 times to ₹ 138 Crores compared to ₹ 24 Crores in FY23. This growth in PAT was achieved due to higher operating profits despite increase in finance costs.

Costs and Expenses

Finance costs rose to ₹ 141 Crores from ₹ 111 Crores, mainly due to higher interest rate environment. Depreciation expenses increased to ₹ 114 Crores from ₹ 107 Crores, reflecting higher capital expenditure and an expanded asset base.

Earnings Per Share (EPS)

The basic earnings per share for FY24 was ₹ 8.20, compared to ₹ 1.42 in the previous year, highlighting the significant improvement in profitability.

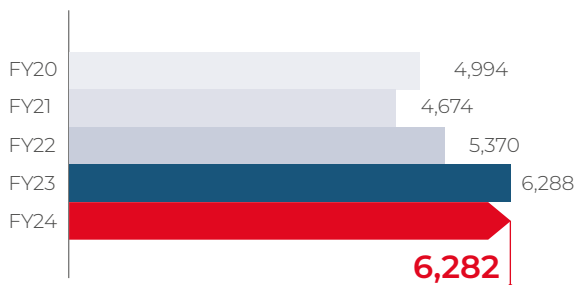
Balance Sheet Overview

Balance Sheet continue to reflect strong financial stability and better ratios. Total liabilities excluding equity reduced by ₹ 411 Crores in FY24 as compared to FY23 primarily due to reduction in trade payables from business cash flows throughout the year. Total equity increased to ₹ 481 Crores from ₹ 296 Crores, majorly due to increase in profitability during the year.

Consolidated Performance

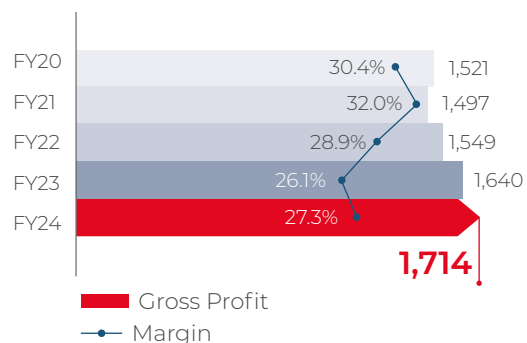
Revenue from Operations

(₹ in Crores)



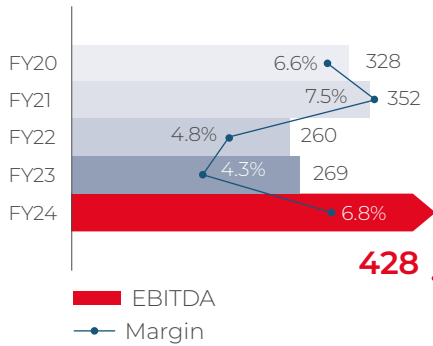
Gross Profit Margin

(₹ in Crores)

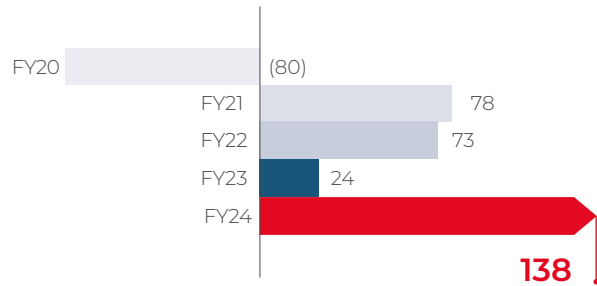




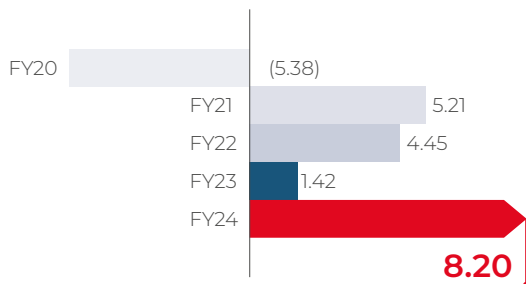
EBITDA Margin (₹ in Crores)



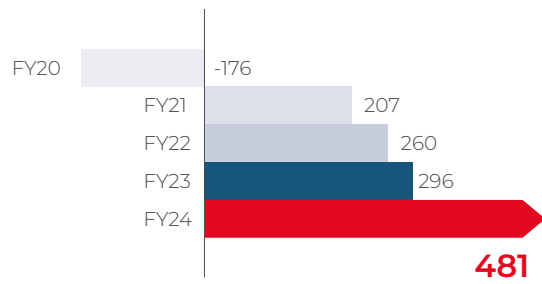
Profit After Tax (₹ in Crores)



EPS (₹ per share)



Total Equity (₹ in Crores)



NATURE OF BUSINESS AND STATE OF AFFAIRS OF THE COMPANY

During the year under review, there have been no changes in the nature of business of the Company. The information on the affairs of the Company has been covered under the Management Discussion & Analysis forming part of the Annual Report.

MATERIAL CHANGES AND COMMITMENTS

There have been no material changes and commitments affecting the financial position of the Company, which have occurred between the end of the FY2024 and the date of this Report.

SHARE CAPITAL

The paid-up equity share capital of the Company as on March 31, 2023 was ₹ 33,58,09,220/- (Rupees Thirty Three

Crores Fifty Eight Lakh Nine Thousand Two Hundred and Twenty only) consisting of 16,79,04,610 Equity Shares of ₹ 2/- (Rupees Two only) each.

During the year, the Company has issued and allotted 1,20,980 Equity Shares of face value of ₹ 2/- each pursuant to exercise of stock options. The equity shares so allotted rank pari-passu with the existing shares of the Company.

Consequently, as on March 31, 2024, the Paid-up Capital of the Company got increased to ₹ 33,60,51,180 (Rupees Thirty Three Crores Sixty Lakh Fifty One Thousand One Hundred and Eighty only) consisting of 16,80,25,590 Equity Shares of ₹ 2/- (Rupees Two only) each.

The Company has not made any issue of Sweat Equity Shares or Equity Shares with Differential Voting Rights during the year under review.

DIVIDEND

With a view to conserve resources for future growth, your Directors have not recommended any dividend for the Financial Year ended March 31, 2024.

Pursuant to Regulation 43A of SEBI LODR Regulations, 2015, the Company has formulated a Dividend Distribution Policy. The said policy is accessible on the Company's website at <https://cdn.blackbox.com/cms/docs/investors/policies/dividend-distribution-policy.pdf>

TRANSFER TO RESERVE

With a view to facilitate the growth of the Company's business over the coming years, the Board of Directors have recommended that the entire profits generated in the current financial year should be transferred to the reserves of the Company.

HUMAN RESOURCE MANAGEMENT AND HR INITIATIVE

At Black Box, our unwavering commitment to our people and their success drives our people strategy and fuels our transformation journey. We focus on delivering business value through our people strategy. Our strategy is built on Five Key Pillars designed to accelerate business results.

The first pillar is Organizational Effectiveness. We embarked on a transformation journey, requiring us to reorganize the organization for profitable growth. We have reimagined and redesigned our organizational structure, implementing well-planned change management interventions to guide our leaders and employees through the transition and transformation.

The second pillar is Attracting Top Talent. Talent at Black Box remains a critical competitive advantage. This year, we have onboarded industry leaders with extensive experience in various domains, advanced technology practices, and specialized functional areas. These new leaders bring fresh insights and industry-leading approaches, propelling our business growth. We have also recruited skilled labor across regions and technology spectrums to address customer needs and enhance customers' success. Our Talent Acquisition team has employed advanced recruitment methodologies, expanded our talent pool, and strengthened our employer brand to attract top talent. In this financial year, we on boarded over 900 new hires, including strategic positions aligned with the Company's growth agenda. Our talent attraction strategies include job fairs, hiring events, community outreach to colleges and the military, social media campaigns, specialized recruiting

programs, contingent worker hiring processes, and referrals. This multi-channel approach ensures we tap into diverse talent pools and remain competitive in the market.

The third pillar is Employee Experience and Engagement. We focus on creating tailored, authentic experiences to strengthen employee purpose, ignite energy, and elevate organizational performance. Our targeted strategies for employee retention and satisfaction have successfully reduced global attrition rates. We have enhanced our Employee Value Proposition (EVP) to boost our employer brand visibility and attract top talent by clearly articulating our organizational values and HR offerings. Our merit-based culture ensures fair recognition and rewards for performance and contributions. We are committed to fostering a highly engaged workforce through ongoing, multi-faceted initiatives and programs. This holistic approach to EVP strengthens our market position and enhances employee loyalty.

Automation is central to our operational improvements. We have streamlined HR processes to ensure efficiency and adherence to best practices, including implementing a HR ticketing tool that enhances productivity and accuracy in operational workflows. By embracing automation, we ensure our HR functions are effective, scalable, and responsive to future needs.

We celebrate accomplishments and milestones through iShine, our Reward & Recognition platform. This program empowers managers to recognize team achievements on-the-go and drives a culture of celebrating success. The program enables leaders to reward exceptional performances, boosts morale and reinforces our high performance-driven culture.

The fourth pillar focuses on Upskilling and Development. We are building organizational capability to differentiate and create value through skill enhancement and talent development. Black Box's learning and development initiatives combine strategic and purposeful actions to foster a culture of continuous learning. We have established academies focused on core competencies across various functional areas: Sales Excellence Academy, Program Management Academy, Professional Excellence Academy, and Leadership Excellence Academy. These academies drive our efforts in talent development and provide a positive employee experience through diverse learning opportunities.

We continue to invest in developing skilled resources. Our training and development programs are designed to upskill our employees, ensuring they possess the latest knowledge and competencies required to excel in their roles.



The fifth pillar is fostering a Cohesive Culture. Effective communication and a unified culture enable employees to unleash their full potential. Our people communication strategy emphasizes the transparent, timely, and effective dissemination of information at all organizational levels. Our annual "Every Voice Matters" Employee Survey is a key indicator of employees' connection to and pride in the Company's vision, their workplace experience, and their well-being. The recent survey showed significant improvements across various touchpoints, reflecting the effectiveness of our engagement efforts.

Regular communications about organizational priorities through channels such as town halls and targeted campaigns have been well received by employees. These efforts foster a strong sense of inclusion and belonging.

Our diverse workforce currently stands at 4,500, encompassing both permanent employees and workers across 30 countries. This global talent presence enables us to harness a broad range of skills and perspectives, driving innovation and growth. Our international footprint not only enhances our business capabilities but also enriches our organizational culture with diverse viewpoints and experiences.

As an equal opportunity employer, we are committed to Diversity, Equity, Inclusion, and Belonging (DEIB). Our initiative is focused on creating a workplace where everyone feels valued and included, with equal opportunities for all employees. Guided by our values of global citizenship and respect for differences, we nurture diversity and inclusion through our recruitment programs and strategies. These DEIB efforts help build a resilient and innovative workforce that reflects the diverse markets we serve.

In summary, Black Box's comprehensive people strategy, supported by our five key pillars, drives organizational effectiveness, talent development, and a cohesive culture. By focusing on growth, engagement, continuous learning, and diversity, we enhance our global workforce and foster an environment where innovation and success thrive.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis for the year under review, in terms of the provisions of Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("LODR Regulation"), is set out as a separate section, forming an integral part of this Annual Report.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls for ensuring 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 with reference to financial statements.

During the year under review, these internal controls have been subject to audit. For details with regard to reportable material weaknesses in the said controls, if any, please refer the Statutory Auditors' Report forming part of this Annual Report.

DEPOSITS

During the year under review, the Company has not accepted any deposits covered under Chapter V of the Act. Accordingly, no disclosure or reporting is required in respect of details relating to deposits.

SUBSIDIARIES/HOLDING COMPANY

During the year under review, the following changes took place in Subsidiaries and Holding Company of the Company:

Holding Company

As on March 31, 2024, Essar Telecom Limited holds 11,94,41,430 Equity shares of ₹ 2/- (Rupees Two Only) each of the Company, constituting 71.09% Promoter shareholding in the Company. Essar Global Fund Limited remains the ultimate Holding Company of the Company.

Dissolution(s)/Deregistration(s)/Divestment(s)/Merger(s)

1. Nu-Vision Technologies, LLC merged with and into Norstan Communications, Inc. w.e.f March 31, 2024.
2. Service Journey Strategies Inc. merged with and into COPC Holdings Inc. w.e.f. March 31, 2024.

As on March 31, 2024, the following are the Subsidiary(s), Step-down subsidiary(s) and Associate Company(s) of the Company:

A. Subsidiary(s)

| Sr. No. | Name of the Entity | Registration Geos |
|---------|----------------------------------|-------------------|
| 1. | Black Box Technologies Pte. Ltd. | Singapore |

B. Step-down Subsidiary(s)

| Sr. No. | Name of the Entity | Registration Geos |
|---------|--|-------------------|
| 1. | Black Box Technologies Group B.V. | Netherlands |
| 2. | AGC Networks Philippines Inc. | Philippines |
| 3. | AGC Networks & Cyber Solutions Limited | Kenya |

| Sr. No. | Name of the Entity | Registration Geos |
|---------|--|-------------------|
| 4. | Black Box Products FZE | Dubai |
| 5. | AGC Networks LLC | Dubai |
| 6. | AGC Networks LLC | Abu Dhabi |
| 7. | BBX Main Inc. | USA |
| 8. | Cyball LLC | USA |
| 9. | BBX Inc. | USA |
| 10. | Black Box Bangladesh Technologies Pvt. Ltd. | Bangladesh |
| 11. | Black Box Corporation | USA |
| 12. | Black Box Chile S.A | Chile |
| 13. | Black Box Network Services (UK) Limited | England |
| 14. | Black Box Finland OY | Finland |
| 15. | Black Box Network Services India Private Limited | India |
| 16. | Black Box Network Services (Dublin) Limited | Ireland |
| 17. | Black Box Network Services SDN. BHD. | Malaysia |
| 18. | Black Box de Mexico, S. de R.L. de C.V. | Mexico |
| 19. | Black Box Norge AS | Norway |
| 20. | Black Box Network Services Singapore Pte Ltd | Singapore |
| 21. | Black Box Network Services AB | Sweden |
| 22. | Black Box Network Services Corporation | Taiwan |
| 23. | BBOX Holdings Puebla LLC | USA |
| 24. | Black Box Corporation of Pennsylvania | USA |
| 25. | Black Box Network Services Inc. – Government Solutions | USA |
| 26. | Black Box Services LLC | USA |
| 27. | COPC Holdings Inc. | USA |
| 28. | Delaney Telecom Inc. | USA |
| 29. | Norstan Communications Inc. | USA |
| 30. | ACS Investors LLC | USA |
| 31. | AGC Network LLC | USA |
| 32. | Norstan Canada Ltd. / Norstan Canada LTÉE | Canada |
| 33. | ACS Dataline LP | USA |
| 34. | Black Box Technologies Australia Pty Ltd. | Australia |
| 35. | Black Box Network Services Australia Pty Ltd | Australia |
| 36. | Black Box GmbH | Austria |
| 37. | Black Box Network Services NV | Belgium |
| 38. | Black Box do Brasil Industria e Comercio Ltda. | Brazil |
| 39. | Black Box Canada Corporation | Canada |
| 40. | Black Box Holdings Ltd. | Cayman Islands |

| Sr. No. | Name of the Entity | Registration Geos |
|---------|---|-------------------|
| 41. | Black Box A/S | Denmark |
| 42. | Dragonfly Technologies Pty Ltd | Australia |
| 43. | AGCN Solutions Pte. Limited | Singapore |
| 44. | Black Box Network Services New Zealand Limited | New Zealand |
| 45. | Black Box Technologies New Zealand Limited | New Zealand |
| 46. | Black Box France | France |
| 47. | Black Box Network Services S.r.l. | Italy |
| 48. | Black Box Network Services Co., Ltd. | Japan |
| 49. | Black Box Network Services Korea Limited | Korea |
| 50. | Black Box International Holdings B.V. | Netherlands |
| 51. | Black Box P.R. Corp. | Puerto Rico |
| 52. | Black Box Comunicaciones, S.A. | Spain |
| 53. | Black Box Network Services AG | Switzerland |
| 54. | BB Technologies LLC | USA |
| 55. | Black Box Deutschland GmbH | Germany |
| 56. | Black Box Software Development Services Limited | Ireland |
| 57. | Black Box International B.V. | Netherlands |
| 58. | Black Box Network Services Philippines Inc. | Philippines |
| 59. | BBOX Holdings Mexico LLC | USA |
| 60. | Black Box Network Services Colombia S.A.S. | Colombia |
| 61. | Black Box Costa Rica S.R.L | Costa Rica |
| 62. | Servicios Black Box S.A. deC.V. | Mexico |
| 63. | Black Box E-Commerce (Shanghai) Co., Ltd. | China |
| 64. | Black Box Network Services Hong Kong Limited | Hong Kong |
| 65. | Black Box Technologies LLC | Abu Dhabi |
| 66. | Black Box Technologies LLC | Dubai |
| 67. | Fujisoft Security Solutions LLC | Dubai |
| 68. | COPC Inc. | USA |
| 69. | COPC International Inc. | USA |
| 70. | COPC Asia Pacific Inc. | USA |
| 71. | COPC Consultants (Beijing) Co. Ltd | China |
| 72. | COPC International Holdings LLC | USA |
| 73. | COPC (India) Pvt Limited | India |
| 74. | Global Speech Networks Pty Ltd | Australia |
| 75. | Global Speech Networks Limited | New Zealand |

C. Associate Company(s)

| Sr. No. | Name of the Entity | Registration Geos |
|---------|--------------------|-------------------|
| 1. | Black Box DMCC | Dubai |



PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

The particulars of loan(s) given, investment(s) made, guarantee(s) given and/or securities provided by the Company along with the purpose for which such amount of loan, guarantee or security is proposed to be utilized by the recipient, has been provided in the notes to financial statements.

STATUTORY AUDITORS AND THEIR REPORT

M/s. Walker Chandiok & Co. LLP, Chartered Accountants (ICAI Registration No. 001076N/N500013) were re-appointed as the Statutory Auditor of the Company for their second term of 5 (Five) consecutive years at the 33rd AGM of the Company to hold office till the conclusion of 38th AGM.

Pursuant to the provision of Section 139 of the Companies Act, 2013 (the "Act") the Company can appoint a firm as an Auditor for not more than 2 (Two) terms of 5 (Five) consecutive years.

Considering the expiry of tenure of M/s. Walker Chandiok & Co. LLP, Chartered Accountants at the forthcoming AGM, the Board of Directors ("the Board") at their meeting held on August 13, 2024, has proposed to appoint M/s. M S K A & Associates, Chartered Accountants (FRN: 105047W), an Independent member firm of BDO International, as the Statutory Auditors of the Company for a period of Five (5) consecutive years commencing from the conclusion of this AGM till the conclusion of the 43rd AGM of the Company scheduled to be held in the FY2028-29.

Statutory Auditors' Report

The Statutory Auditors' Report on the financial statements of the Company (Standalone & Consolidated) for the financial year ended March 31, 2024, has been annexed to the financial statements contained in this Annual Report. The Statutory Auditors have expressed their Emphasis of Matter (EOM) on the Standalone & Consolidated financial statements of the Company in the said report. Further, the said EOM along with the management's response on the same is given below:

A. Standalone Audit Report:

Emphasis of Matters – Non-compliances with laws and regulations

We draw attention to Note 46 to the accompanying standalone financial statements which describes the

delay in remittance of import payments, repatriation of proceeds of export of goods and services and settlement of advance, outstanding as at 31 March 2024 beyond the timelines stipulated under the Foreign Exchange Management Act, 1999, as amended from time to time. The management of the Company has filed necessary applications with the appropriate authority for extension of time period and condonation of such delays. The management is of the view that the fines/ penalties, if any, that may be levied, are currently unascertainable but not expected to be material and accordingly, no adjustments have been made to the accompanying standalone financial statements in respect of aforesaid delays. Our opinion is not modified in respect of this matter.

Management's views on the above:

The outstanding balance of trade payables, other current liabilities, trade receivables and other financial assets as at 31 March 2024 includes amount payable and advances received aggregating to ₹ 3.02 Crores and ₹ 0.07 Crores, respectively and amount receivable aggregating to ₹ 3.48 Crores and ₹ 13.06 Crores, respectively, to/ from the companies situated outside India. These balances are pending for settlement and have resulted in delay in remittance/collection beyond the timeline stipulated under the Foreign Exchange Management Act, 1999. The Company has filed necessary application with AD Category – I bank ('AD Bank') for extension of time limit on payables aggregating to ₹ 2.77 Crores during the current period and on payables aggregating to ₹ 0.25 Crores subsequent to 31 March 2024. For the advances amounting to ₹ 0.07 Crores where extension has not been filed, management of the Company is planning to approach AD Bank or RBI with write off request. Similarly, the Company has filed application with AD Bank for extension of time limit for the aforementioned receivables aggregating to ₹ 9.72 Crores during the current period and on receivables aggregating to ₹ 6.82 Crores subsequent to 31 March 2024. For all the relevant cases, approval is pending from AD Bank.

Pending conclusion of the aforesaid matter, the amount of penalty, if any, that may be levied, is not ascertainable but not expected to be material and accordingly, the Statement does not include any adjustments that may arise due to such delays.

B. Consolidated Audit report

Emphasis of Matter – Non-compliance with laws and regulations

We draw attention to note 48 to the accompanying consolidated financial statements, which describes the delay in remittance of import payments, repatriation of proceeds from export of goods and services and settlement of advances, by the Holding Company and its subsidiary companies incorporated in India, outstanding as at 31 March 2024 beyond the timelines stipulated under the Foreign Exchange Management Act, 1999 as amended from time to time. The respective management of companies, as aforesaid, are in the process of recovering the outstanding dues and making the payments for outstanding payables and have filed/in the process of filing necessary applications with the appropriate authority for extension of time period/ write off and condonation of such delays. The management is of the view that the fines/ penalties, if any, that may be levied pursuant to delay, are currently unascertainable but is not expected to be material and accordingly, no adjustments have been made to the accompanying consolidated financial statements in respect of aforesaid delays. Our opinion is not modified in respect of this matter.

Management's view on the above:

The outstanding balance (before eliminating inter-company balances) of trade payables, other current liabilities, trade receivables, other financial assets and other current assets as at 31 March 2024 includes amount payable and advances received aggregating to ₹ 22.84 Crores and ₹ 0.07 Crores, respectively, and amount receivable and advances paid aggregating to ₹ 11.12 Crores, ₹ 13.06 Crores and ₹ 0.01 Crores, respectively, to/ from the companies situated outside India. These balances are pending for settlement and have resulted in delay in remittance/ collection beyond the timeline stipulated under the Foreign Exchange Management Act, 1999. The Holding Company and its subsidiary companies, incorporated in India, have filed necessary application with AD Category – I bank ('AD Bank') for extension of time limit on payables aggregating to ₹ 16.24 Crores during the current period and on payables aggregating to ₹ 1.10 Crores subsequent to 31 March 2024. Similarly, the Holding Company and its subsidiary companies, incorporated in India, have filed application with AD Bank for extension of time limit for the aforementioned receivables aggregating to ₹ 17.14 Crores during the current period and on receivables aggregating to

₹ 6.82 Crores subsequent to 31 March 2024. For all these relevant cases, approval is pending from AD Bank. Further, for the remaining payables/ advances and receivables/ advances amounting to ₹ 5.57 Crores and ₹ 0.23 Crores, respectively, where extension has not been filed, management is planning to approach AD Bank or RBI with write off request.

Pending conclusion of the aforesaid matter, the amount of penalty, if any, that may be levied, is not ascertainable but not expected to be material and accordingly, the consolidated financial statement does not include any adjustments that may arise due to such delays.

SECRETARIAL AUDITORS AND THEIR REPORT

Pursuant to Section 204(1) of the Act and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Secretarial Audit of the Company was carried out by Dr. S. K. Jain, Practicing Company Secretary (FCS No. 1473) & Proprietor of M/s. S. K. Jain & Co., (Secretarial Auditor) for FY2024. The Report given by the Secretarial Auditor is annexed as **Annexure - I** and forms an integral part of this Board's Report.

REPORTING OF FRAUDS BY THE AUDITORS

During the year under review, neither the Statutory Auditor nor the Secretarial Auditor has reported to the Audit Committee or Board, pursuant to the provisions of Section 143(12) of the Act, any fraud committed against the Company by its employees or officers.

COST RECORDS AND COST AUDIT

The maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Act, are not applicable for the business and activities carried out by the Company.

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by SEBI. The Company has also implemented several benchmark corporate governance practices as prevalent globally. The Corporate Governance Report, as stipulated under the SEBI LODR Regulations, forms an integral part of this Annual Report. Further, in accordance with the applicable provisions of Schedule V of the said Regulations, a compliance certificate issued by M/s. S. K. Jain & Co.,



Practicing Company Secretaries (ICSI Certificate of Practice No. 3076), confirming that the Company has complied with the conditions of corporate governance is annexed herewith and marked as **Annexure II**.

NUMBER OF BOARD MEETINGS

During the FY2024, 5 (Five) Board meetings were held. Further detail on the same is available in the Corporate Governance Report, which forms part of this Annual Report.

The Company has complied with the requirements prescribed under the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) read with the MCA Circulars granting exemptions.

EMPLOYEES' STOCK OPTION SCHEME

Pursuant to the shareholders' approval dated April 21, 2015, the Nomination and Remuneration Committee of the Board of Directors of the Company has granted stock options as per the terms of "AGC Networks Employee Stock Option Scheme 2015" from time to time, to the employees and executive directors of the Company and its subsidiary(s). The following table shows detailed information with regards to the same:

| | |
|--|-----------|
| Total options granting eligibility of the Company (A) | 71,16,615 |
| Total options granted as on 31.03.2023 (B) | 77,94,565 |
| Total options lapsed as on 31.03.2023 (C) | 47,08,390 |
| Options available for grant as on 31.03.2023 (D) = (A-B+C) | 40,30,440 |
| Options granted during the FY 2023-24 (E) | - |
| Options lapsed/cancelled during the FY 2023-24 (F) | - |
| Options available for grant as on 31.03.2024 (H) = (D-E+F) | 40,30,440 |

Disclosures on ESOP Scheme of the Company for the FY2024, pursuant to Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014:

| Sr. No. | PARTICULARS | FY2024 |
|---------|---|-----------|
| 1 | Total No. of Shares covered by ESOP Scheme approved by the Shareholders | 71,16,615 |
| 2 | Options Granted | NIL |
| 3 | Options Vested | 2,75,930 |
| 4 | Options Exercised | 1,20,980 |

| Sr. No. | PARTICULARS | FY2024 |
|---------|--|------------------------------------|
| 5 | The total no. of shares arising as a result of exercise of options | 1,20,980 |
| 6 | Options Lapsed | NIL |
| 7 | Pricing Formula | 10% discount on last closing price |
| 8 | Variation of terms of Options/Exercise Price | ----- |
| 9 | Money realized by exercise of Options | ₹ 25,88,972 |
| 10 | Total No. of Options in force | 4,15,500 |

Diluted Earnings per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard (AS) 20: Kindly refer note no. 31 forming part of notes to accounts of Standalone Financials.

Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options: Kindly refer note no. 32 forming part of notes to accounts of Standalone Financials.

The details pursuant to the SEBI ESOP Regulations have been placed on the website of the Company and web link of the same is <https://www.blackbox.com/en-in/investors/corporate-governance/esop>

TRANSFER OF UNPAID AND UNCLAIMED DIVIDEND/SHARES TO IEPF

The dividends which remained unpaid/unclaimed for a period of more than seven consecutive years from the date of transfer to respective unpaid dividend account, have been transferred on due dates by the Company to the Investor Education and Protection Fund ("IEPF") established by the Central Government.

Pursuant to the applicable provisions of Section 124 of the Companies Act, 2013 (the "Act") read with applicable provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the Rules"), the Company is required to transfer all amounts of dividend that has remained unpaid or unclaimed for a period of seven years from the date of transfer to respective unpaid dividend account, to the IEPF Fund. Further, according to the applicable provisions of the said section read with the rules made thereunder, the Company is also required to transfer the corresponding

shares with respect to the unpaid/unclaimed dividend, which has not been paid or claimed for seven consecutive years or more, to the demat account of the IEPF Authority.

Accordingly, the Company has transferred unpaid/unclaimed dividends alongwith the corresponding shares to IEPF Fund within the time limits prescribed under the said section and rules. The details of the shares already transferred and the shares which are due for transfer have been uploaded on the website of the Company and can be accessed at <https://www.blackbox.com/en-in/investors/investor-services/iepf>

As per SEBI Circular dated December 30, 2022, the Company has opened Suspense Escrow Demat Account and it is disclosed that there were no shares lying in the said account at the beginning/during/at the end of the FY2024.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

All Directors of the Company, including the Independent Directors, are provided with necessary documents/brochures, reports and internal policies to facilitate their familiarization with the procedures and practices followed by the Company. Further, periodic presentations are made at the meetings of the Board of Directors and its various Committees, on business and performance updates of the Company, global business environment, business strategy and risks involved. Quarterly updates, new amendments, circulars and notifications issued by the regulatory authorities including ROC, RBI and SEBI which mandates further compliances for the Company and landmark judicial pronouncements encompassing important laws are regularly circulated to the Directors.

Further, at the time of appointment of any Independent Director the Company issues a formal letter of appointment outlining his/her role, function, duties and responsibilities alongwith Code of Conduct to be adhered by the Directors. The Familiarization Policy for Independent Directors is accessible on the website of the Company at <https://cdn.blackbox.com/cms/docs/investors/corporate-governance/policies/familiarization-policy-of-independent-directors.pdf>

VIGIL MECHANISM

The Vigil Mechanism of the Company in terms of the LODR Regulations, has been established through the Whistle Blower Policy/Policy on Vigil Mechanism of the Company. Protected disclosures can be made by a Whistle Blower through an e-mail or a letter to the Chief Ethics Officer or to the Chairman of the Audit Committee. The Policy on Vigil

Mechanism/Whistle Blower Policy may be accessed on the Company's website at the link <https://cdn.blackbox.com/cms/docs/investors/corporate-governance/policies/whistle-blower-policy.pdf>

PERFORMANCE EVALUATION

In terms of the requirement of the Companies Act, 2013 and LODR Regulations, annual performance evaluation of the Board, the Chairman of the Board, Independent and Non-Independent Directors and various Committees of the Board for the FY2024, was undertaken by the Company.

The evaluation was carried out through questionnaire based rating assessment mechanism where the evaluators were requested to give rating for each criteria set for evaluating the performance of the Director or the Committee of which, the performance was being evaluated. The board evaluation process was focused around how to make the Board more effective as a collective body in the context of the business and the external environment in which the Company functions. From time to time during the year, the Board was appraised of the business issues and the related opportunities and risks. The Board discussed various aspects of the functioning of the Board and its Committees such as structure, composition, meetings, functions and interaction with management.

Additionally, during the evaluation process, the Board also focused on the contribution being made by the Board as a whole as well as through Committees. The overall assessment of the Board was that it was functioning as a cohesive body including the Committees of the Board that were functioning effectively.

ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2024 will be uploaded on the website within 60 days of 38th Annual General Meeting on the Company's website on <https://www.blackbox.com/en-in/investors/financials/annual-returns>

DIRECTORS AND KEY MANAGERIAL PERSONNEL ("KMP")

Appointment/Re-appointment

The shareholders of the Company at the 35th Annual General Meeting had appointed Mr. Anshuman Ruia (DIN: 00008501) as Executive Director for a period of 3 years effective from September 20, 2021. Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors at its meeting held on August 13, 2024, has



approved the re-appointment of Mr. Anshuman Ruia (DIN: 00008501) for a further period of 5 (Five) years effective from September 21, 2024. The re-appointment of Mr. Anshuman Ruia as Executive Director is subject to approval of the shareholders at the ensuing AGM of the Company.

As a part of Board expansion strategy of the Company, the Board at its meeting dated August 13, 2024 has considered and approved the appointment of Mr. Munesh Khanna (DIN: 00202521) as an Additional Independent Director with effect from August 13, 2024 to hold office up to the ensuing Annual General Meeting of the Company.

Further, the Board has recommended Mr. Munesh Khanna's re-appointment as an Independent Director of the Company for the period of 5 years from the date of his original appointment i.e. August 13, 2024, to the Members of the Company for their approval.

Pursuant to Section 152 of the Act, Mr. Deepak Kumar Bansal (DIN:07495199) Executive Director & Chief Financial Officer of the Company shall retire by rotation at the ensuing AGM and being eligible has offered himself for re-appointment.

The above proposals will be considered for approval by the shareholders of the Company at the ensuing AGM scheduled on September 25, 2024.

Cessation

Mrs. Mahua Mukherjee, (DIN: 08107320) Executive Director & Chief People Officer of the Company stepped down from the Board w.e.f. November 9, 2023.

The Board places on record its deep appreciation for the invaluable contribution and guidance provided by Mrs. Mahua Mukherjee during her tenure on the Board.

Key Managerial Personnel (KMP)

In terms of Section 203 of the Act, the following are the Key Managerial Personnel of the Company as on March 31, 2024 and on the date of this report:

- Mr. Sanjeev Verma, Whole-time Director (DIN:06871685)
- Mr. Deepak Kumar Bansal, Executive Director & Chief Financial Officer (DIN:07495199)
- Mr. Anshuman Ruia, Executive Officer (DIN:00008501)
- Mr. Aditya Goswami, Company Secretary & Compliance Officer

Except as stated above, there were no other changes in the directors and key managerial personnel of the Company during the year under review since the last report.

Detailed information on the directors is provided in the Corporate Governance Report, which forms part of this Annual Report.

DECLARATION BY INDEPENDENT DIRECTORS

In terms of the provisions of section 149 of the Act and the Listing Regulations, 2015, the Independent Directors on the Board of your Company as on the date of this report are Mr. Sujay Sheth, Mr. Dilip Thakkar, Ms. Neha Nagpal and Mr. Munesh Khanna.

The Company has received declaration pursuant to section 149(7) of the Act and regulation 25 of the Listing Regulations, 2015 from all the independent directors stating that they meet the criteria of independence as provided in section 149(6) of the Act read with regulations 16 and 25 of the Listing Regulations, 2015.

The independent directors have also confirmed compliance with the provisions of section 150 of the Act read with rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, relating to inclusion of their name in the independent director's databank of the Indian Institute of Corporate Affairs.

The Board of Directors of your Company have taken on record the said declaration and confirmation submitted by the independent directors after undertaking due assessment of the veracity of the same in terms of regulation 25 of the Listing Regulations, 2015.

In the opinion of the Board, the independent directors fulfil the conditions specified in the Act as well as the Rules made thereunder read with the Listing Regulations, 2015 and have complied with the code for independent directors prescribed in Schedule IV to the Act.

For detailed composition of Board of Directors and various Committees, kindly refer the Corporate Governance Report forming part of the Annual Report.

REMUNERATION POLICY

The Nomination and Remuneration Committee of the Company has devised a policy for performance evaluation of Directors, Board and Senior Management which includes the criteria for performance evaluation as well as the remuneration policy for the Directors, Senior Management and Employee of the Company. These policies are accessible on the Company's website at the link [https://cdn.blackbox.com/cms/docs/investors/corporate-governance/policies/performance-evaluation-policy-\(ver-01-09-2022\).pdf](https://cdn.blackbox.com/cms/docs/investors/corporate-governance/policies/performance-evaluation-policy-(ver-01-09-2022).pdf) and <https://cdn.blackbox.com/cms/docs/investors/policies/remuneration-policy-v2023.pdf> respectively.

COMMITTEES OF THE BOARD

The details relating to various Committees constituted by the Board of Directors of the Company are mentioned in the 'Corporate Governance Report', which forms a part of the Annual Report.

CODE OF CONDUCT FOR DIRECTORS & SENIOR MANAGEMENT

Pursuant to the provisions of Regulation 17(5) of the LODR Regulations, a Code of Conduct for the Directors & Senior Management of the Company has been formulated & approved by the Board of Directors. Further, in accordance with the provisions of Regulation 26(3), all Directors & members of Senior Management of the Company have affirmed compliance with the said Code of Conduct during the FY2024.

The said Code of Conduct is accessible on the Company's website at the link:

<https://cdn.blackbox.com/cms/docs/investors/corporate-governance/policies/code-of-conduct-directors-senior-management.pdf>

Further, pursuant to the provisions of Regulation 34(3) read with Schedule V Part D of the LODR Regulations, Mr. Sanjeev Verma, Whole-time Director of the Company, has issued a declaration stating that all the Directors and members of Senior Management of the Company have complied with the Code of Conduct of the Company during the FY2024. The said declaration has been disclosed in the Corporate Governance Report forming part of the Annual Report.

PERSONNEL

The Board places on record its appreciation for the hard work and dedicated efforts put in by all the employees. The relations between the management and employees continue to remain cordial on all fronts.

The statement of particulars of appointment and remuneration of managerial personnel and employees of the Company as required under Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this Report as **Annexure III**.

Having regard to the provisions of the second proviso to Section 136(1) of the Act and as advised, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the registered office of the Company during

working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

POLICY ON PREVENTION OF GENDER HARASSMENT AT WORKPLACE AND INTERNAL COMPLAINTS COMMITTEE ("ICC")

The Company has in place a policy for prevention, prohibition and redressal of gender harassment at workplace. Appropriate reporting mechanisms are in place for ensuring protection against gender harassment and the right to work with dignity.

Further, in accordance with the applicable provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company had constituted an Internal Complaints Committee ("ICC") to consider and resolve sexual harassment complaints raised by the employees of the Company. The constitution of the ICC is in accordance with the applicable provisions of the said Act.

During the year under review, no complaints were received from any of the employee(s) of the Company.

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

- (i) Part A pertaining to conservation of energy is not applicable to the Company.
- (ii) Part B pertaining to particulars relating to technology absorption is as per **Annexure IV** to this report.
- (iii) Part C pertaining to foreign exchange earnings and outgoings is as mentioned below:

| (₹ In Crores) | | |
|---|--------------|--------------|
| Earnings in foreign currency (accrual basis) | FY2024 | FY2023 |
| Sale of goods and services (Including sale from overseas branch and to Export Oriented Units) | 24.13 | 32.38 |
| Interest and commission income | - | 0.11 |
| Expenses Reimbursement Received | 8.73 | 15.41 |
| Total | 32.86 | 47.90 |



(₹ In Crores)

| Expenditure in Foreign Currency (on accrual basis) | FY2024 | FY2023 |
|---|-------------|-------------|
| Service charges | 0.20 | 0.31 |
| Travelling and conveyance expenses | 0.22 | 0.50 |
| Expenses reimbursement paid | 0.12 | 0.12 |
| Total | 0.54 | 0.93 |

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Corporate Social Responsibility Committee (CSR Committee) has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board. The CSR Policy is accessible on the Company's website at the link <https://cdn.blackbox.com/cms/docs/investors/corporate-governance/policies/corporate-social-responsibility-policy.pdf>

The Report on CSR activities is annexed herewith marked as **Annexure V**.

RISK MANAGEMENT POLICY

The Company has a comprehensive Risk Management Policy in place which clearly indicates all the risks that the organization faces such as strategic, financial, credit, market, liquidity, security, property, IT, legal, regulatory, reputational and other risks that have been identified and assessed and there is an adequate risk management infrastructure in place capable of addressing those risks. The Risk Management Policy is accessible on the Company's website at <https://cdn.blackbox.com/cms/docs/investors/corporate-governance/policies/risk-management-policy.pdf>

In terms of Regulation 21(5) of SEBI (LODR) Regulations, 2015, the Board of Directors of the Company has constituted the Risk Management Committee (the "Committee" or "Risk Committee") on April 02, 2021. The Committee's constitution and terms of reference meet with the requirements of the Regulations. The Risk Committee dwells upon the potential risks associated with the business and their possible mitigation plans and is responsible for Framing, Overseeing and Monitoring implementation of Risk Management Policy.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the Company's policy of on materiality of related party transactions. Most of these are purchase/sales transactions and maintenance services transactions which are of the duration of 3 months to 12 months. Your Directors draw attention of the members to Note no. 38 (Consolidated) and Note no. 35 (Standalone) to the financial statement which sets out related party disclosures.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessible on the Company's website at the link: [https://cdn.blackbox.com/cms/docs/investors/related-party-transaction-\(rpt\)-policy-\(ver-01-04-2022\).pdf](https://cdn.blackbox.com/cms/docs/investors/related-party-transaction-(rpt)-policy-(ver-01-04-2022).pdf)

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors state that:

- in the preparation of the annual accounts for the year ended March 31, 2024, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2024 and of the profit/(loss) of the Company for the financial year ended on the said date;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors have prepared the annual accounts on a 'going concern' basis;

- e. the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company; work performed by the internal, statutory and secretarial auditors and external consultants, including audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant board committees, including the audit committee; the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY2024.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONG WITH THEIR STATUS AS AT 31 MARCH, 2024

There are no proceedings initiated/pending against the Company under the Insolvency and Bankruptcy Code, 2016 which materially impact the business of the Company.

SCEHEME OF CAPITAL REDUCTION

The Board of Directors, in its meeting dated November 11, 2022, and the shareholders in the Extraordinary General Meeting held on July 25, 2023, approved the scheme of reduction of share capital between the Company and its shareholders under Section 66, read with Section 52 and other

applicable provisions of the Companies Act, 2013. In view of the above, a petition under Section 66 of the Companies Act, 2013, was submitted to the Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench, for their approval.

Following multiple hearing dates granted by the Hon'ble NCLT, Mumbai Bench, the NCLT, vide its order dated June 21, 2024 ("Order"), approved the Scheme of Reduction of Share Capital under Section 66, read with Section 52 and other applicable provisions of the Companies Act, 2013 ("the Scheme").

The Company received a certified true copy of the order passed by the Hon'ble NCLT on June 25, 2024. Copies of the said Order and Scheme were furnished to both the stock exchanges, i.e., BSE and NSE, on June 27, 2024.

ACKNOWLEDGEMENTS

The Board is thankful to the Shareholders, Bankers and Customers of the Company for their continued support. It also takes this opportunity to express gratitude to its various suppliers and its partners for their continued co-operation, support and assistance. Above all, the Board expresses its appreciation to each and every employee for his / her contribution, dedication and sense of commitment to the Company's objectives.

For and on behalf of the Board of Directors

Sanjeev Verma
Whole-time Director
DIN: 06871685
Dallas, USA
August 13, 2024

Anshuman Ruia
Executive Director
DIN: 00008501
Mumbai
August 13, 2024



ANNEURE I TO DIRECTORS' REPORT

FORM NO. MR - 3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members
Black Box Limited,
501,5th Floor, Building No.9,
Airoli Knowledge Park,
MIDC Industrial Area,
Airoli, Navi Mumbai- 400708

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on 31st March, 2024 has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company as given in '**Annexure-I**' for the financial year ended on 31st March, 2024 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the Rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (The Company has complied with Foreign Exchange Management (Transfer or Issue of Any Foreign Security) (Amendment) Regulations, 2004);
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (Not applicable to the Company during the Audit Period);
 - g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (Not applicable to the Company during the Audit Period);
 - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable to the Company during the Audit Period)
 - i) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018; (Not applicable to the Company during the Audit Period)

vi. The Management has identified and confirmed the following Laws as specifically applicable to the Company:

- a) Information Technology Act, 2000 as amended up to date and the rules made thereunder;
- b) The Trade Marks Act, 1999;

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

- i. Secretarial Standards with regards to Meeting of Board of Director (SS-1) and General Meeting (SS-2) issued by The Institute of Company Secretaries of India.
- ii. The Equity Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited read with (Listing Obligations and Disclosures Requirements) Regulations, 2015.

We have relied on the Representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The compliance of the provisions of corporate and other applicable Laws, Rules, Regulations, and Standards is the responsibility of the Management. Our examination was limited to the verification of procedure on test basis. The list of major head/groups of Acts, Laws and Regulations as generally applicable to the Company is as per **Annexure II**.

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

We further report that during the audit period the Company has specific events as under:-

1. The shareholders of the Company through Extra Ordinary General Meeting has approved Scheme of Reduction of Share Capital between the Company and it's Shareholders.
2. Allotment of 1,20,980 Equity Shares to eligible ESOP Holders pursuant to exercise of ESOP Options granted under Employee Stock Option Scheme 2015 of the Company. Consequently, as on February 08, 2024

the Issued, Subscribed and Paid-up Capital of the Company stands increased to ₹ 33,60,51,180/- divided into 16,80,25,590 Equity Shares of ₹ 2/- each.

We have also examined the books, papers and returns filed and other records maintained by Black Box Limited for the Financial Year ended on 31st March, 2024 according to the provisions of various other Laws applicable, including the Rules made is, and amended from time to time, to the Company, as informed by the Company.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in Compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the Meeting.

All decision at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the Meeting of the Board of Directors or Committee of the Board, as the case may be.

The circular resolutions passed by the Board of Directors of the Company were approved with requisite majority.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliances with the applicable Laws, Rules, Regulations and Guidelines.

In case of Direct and Indirect Tax Laws like Income Tax Act, Goods and Service Tax Act, I have relied on the Reports given by the Statutory Auditors of the Company.

We further report that during the audit period, the Company has not undertaken event/action having a major bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards etc. referred to above.

For S. K. Jain & Co

Dr. S. K. Jain

Practicing Company Secretary

FCS No.:1473

COP No.: 3076

Date: 08.05.2024

Place: Mumbai

UDIN: F001473F000329801

This report is to be read with our letter of even date which is annexed as "**Annexure - III**" and forms an integral part of this report.

**ANNEXURE-I****List of documents verified**

1. Memorandum & Articles of Association of the Company.
2. Annual Report for the Financial year ended 31st March, 2023
3. Minutes of the Meetings of the Board of Directors, Audit Committee, Nomination & Remuneration Committee, Ethics Compliance Committee, Stakeholder Relationship Committee and Corporate Social Responsibility Committee along with Attendance Register held during the Financial Year under review.
4. Minutes of General Body Meetings held during the Financial Year under review.
5. All Statutory Registers.
6. Agenda papers submitted to all the Directors /Members for the Board Meetings and Committee Meetings.
7. Declarations received from the Directors of the Company pursuant to the provisions of Section 184 of the Companies Act, 2013 and attachments thereto during the Financial Year under review.
8. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under review.

For S. K. Jain & Co**Dr. S. K. Jain**

Practicing Company Secretary

FCS No.: 1473

COP No.: 3076

Date: 08.05.2024

Place: Mumbai

UDIN: F001473F000329801

ANNEXURE-II

List of applicable laws to the Company

1. The Payment of Bonus Act, 1965;
2. The Employees Provident Funds and Miscellaneous Provisions Act, 1952;
3. The Payment of Gratuity Act, 1972;
4. The Profession Tax Act, 1975;
5. The Bombay Shops and Establishment Act, 1948;
6. The Maternity Benefit Act, 1961;
7. The Sexual Harassment at Workplace (Prohibition, Prevention and Redressal) Act, 2013;
8. The Bombay Stamp Act. 1958.

ANNEXURE-III

To,
The Members
Black Box Limited

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

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

For S. K. Jain & Co

Dr. S. K. Jain

Practicing Company Secretary
FCS No.:1473
COP No.: 3076

Date: 08.05.2024
Place: Mumbai
UDIN: F001473F000329801



ANNEURE II TO DIRECTORS' REPORT

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE REPORT

To,
The Members
Black Box Limited,
501,5th Floor, Building No.9,
Airoli Knowledge Park,
MIDC Industrial Area,
Airoli, Navi Mumbai- 400708

We have examined the compliance of conditions of Corporate Governance by Black Box Limited, for the year ended on **31st March, 2024.**

We certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 17 to 27 and clause (b) and (i) of Regulation 46(2) and Para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Managements Responsibility

The Compliance of conditions of Corporate Governance is responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring Compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Opinion

Based on our examination of the relevant records and according to the information and explanations provided to us and the representation provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clause (b) to (i) of Regulation 46(2) and Para C and D of Schedule V of the Listing Regulations during the year ended 31st March, 2024.

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

Restriction on Use

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

For S. K. Jain & Co

Dr. S. K. Jain

Practicing Company Secretary
FCS No.:1473
COP No.: 3076

Date: 08.05.2024
Place: Mumbai
UDIN: F001473F000329801

ANNEURE III TO DIRECTORS' REPORT

Particulars of employees as per Rule 5 (1) of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Ratio and Relationships

- Ratio of the remuneration to each Director to the median remuneration of the employees of the Company for the financial year:

| Name and Designation of the Director | Ratio of the remuneration to the median remuneration of the employees |
|---|---|
| Mrs. Mahua Mukherjee, Executive Director* | 7.31:1 |
| Mr. Sujay R. Sheth, Independent Director | 1.19:1 |
| Mr. Dilip Thakkar, Independent Director | 0.71:1 |
| Ms. Neha Nagpal, Independent Director | 0.48:1 |

* Mrs. Mahua Mukherjee ceased to be the Director with effect from November 9, 2023.

Notes:

- Median remuneration of the employees of the Company for the FY2024 was ₹ 12,59,000/-
 - Directors other than those mentioned above, did not receive any remuneration from the Company during the FY2024.
 - Independent Director's remuneration comprises of the sitting fee paid for attending the meetings of the Company.
- Percentage increase in remuneration of each Director, CFO and CS during the year:

| Name and Designation of the Director/KMP | % increase/(decrease) in remuneration |
|--|---------------------------------------|
| Mr. Sujay R. Sheth, Independent Director | NA |
| Mr. Dilip Thakkar, Independent Director | NA |
| Mr. Anshuman Ruia, Executive Director | NIL |
| Mr. Naresh Kothari, Non-Executive Director | NA |
| Mrs. Mahua Mukherjee, Executive Director* | NIL |
| Ms. Neha Nagpal, Independent Director | NA |
| Mr. Sanjeev Verma, Whole-time Director | NIL |
| Mr. Deepak Kumar Bansal, Executive Director and CFO | NIL |
| Mr. Aditya Goswami, Company Secretary & Compliance Officer | 38% |

* Mrs. Mahua Mukherjee ceased to be the Director with effect from November 9, 2023

Note: Non-Executive Director do not receive any remuneration. Independent Directors receive only sitting fee for attending meetings of the Board and its Committees.

- % increase in median remuneration of the employees for the year: 6.5%
- Total permanent employees on the rolls of Black Box Limited as on March 31, 2024: 373
- Average percentile increase already made in the salary of employees during FY24 in comparison with the percentile increase in the remuneration of MD/WTD/Manager/other Directors, alongwith justification:



The remuneration increase outlook has been linked to the Company performance and market trend. The approach for salary increment during the pandemic period has been to recognize effort of employees in achievement of business continuity in the challenging times. The average increase in the remuneration of individual employee is guided by factors like performance, criticality of skills, retention and new / emerging business groups.

6. Information as per Rule 5 (2) of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

A. Top 10 employees of Black Box Limited in terms of remuneration drawn during the year:

| Sr. No. | Name | Designation | Remuneration Received (₹ In Crores) | Qualification & Experience | Date of Commencement | Age (Years) | The last employment held by such employee before joining the Company | Nature of Employment (Permanent or Contractual) |
|---------|---------------------|--|-------------------------------------|----------------------------|----------------------|-------------|--|---|
| 1. | Jayantha Prabhu | Business Head - India & SAARC | 1.37 | MBA (ITM), 29 Years | 15-Jan-99 | 51 | Essar Services India Pvt. Ltd. | Permanent |
| 2. | Abhinav Sharma | Vice President & Head - Sales (India & SAARC) | 0.88 | PGDBM, 27 Years | 21-Feb-11 | 52 | CS Infocomm Pvt. Ltd. | Permanent |
| 3. | Jagdeesh Mhalgi | Vice President - Service Delivery | 0.77 | BE (Electrical), 34 Years | 16-Jul-14 | 56 | Servion Global Solution Ltd. | Permanent |
| 4. | Sanjeev Kumar Gupta | Vice President & Head - Finance (India & MEA Business) | 0.67 | CA, 26 Years | 7-May-19 | 56 | Arya Iron & Steel Co. | Permanent |
| 5. | Rajat Varma | Vice President - West Region | 0.64 | BE (Mechanical), 25 Years | 4-Apr-16 | 49 | Passionkart Services Private Limited | Permanent |
| 6. | Prasad Subramaniam | Vice President - Finance & Corporate Controller | 0.60 | ICWA, B.Com, 35 Years | 1-Feb-94 | 58 | Gujarat Steel Tubes Limited | Permanent |
| 7. | Deepak Mallick | Associate Vice President - Sales | 0.69 | MBA (Marketing), 27 Years | 20-Aug-20 | 49 | Sify Technologies Ltd. | Permanent |
| 8. | Sanjay Ahlawat | Associate Vice President - North Region | 0.60 | BE (EXTC), 32 Years | 10-Jan-06 | 55 | Reliance Infocomm Limited | Permanent |

| Sr. No. | Name | Designation | Remuneration Received (₹ In Crores) | Qualification & Experience | Date of Commencement | Age (Years) | The last employment held by such employee before joining the Company | Nature of Employment (Permanent or Contractual) |
|---------|--------------------|-------------------------------|-------------------------------------|---------------------------------------|----------------------|-------------|--|---|
| 9. | Mehul Ramesh Shah | Associate Vice President | 0.51 | BE (EXTC), 17 Years | 8-Oct-21 | 40 | Amtrust Mobile Solutions India Pvt. Ltd. | Permanent |
| 10. | Suresh Subramaniam | Vice President - South Region | 0.46 | PGDBA, Diploma (Mechanical), 30 Years | 11-Jul-18 | 50 | Sify Technologies Ltd. | Permanent |

B. Employed for part of the year with an average salary above ₹ 8.5 lakhs per month: None

Affirmation:

The remuneration paid by the Company to its employees including members of the Senior Managements, MD/WTD/ Manager and other Directors, if any, is in accordance with the Remuneration Policy adopted by the Company.

Notes:

Employees mentioned above are neither relatives of any Directors, nor hold 2% or more of the Paid-up Equity Shares Capital of the Company as per Clause (iii) of sub-rule (2) of Rule of 5 of the Companies (appointment and Remuneration of Managerial Personnel) Rules, 2014.



ANNEURE IV TO DIRECTORS' REPORT

DISCLOSURE RELATING TO RESEARCH AND DEVELOPMENT (R&D) & TECHNOLOGY ABSORPTION

RESEARCH & DEVELOPMENT:

1. Specific areas in which Development carried out by the Company: None
2. Benefits derived as a result: NA
3. Future Plan on Development: NA
4. Expenditure on Development (₹ in Crores)
 - a. Capital: NIL
 - b. Recurring: NIL
 - c. % to Revenue: NIL

Total (a+b): NIL

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

1. Efforts in brief, made towards, technology absorption, adaptation and innovation: None
2. Benefits derived as a result of the efforts e.g. product improvement, cost reduction, product development, import substitution, etc.: None
3. (i) Technology Imported : None
 - (ii) Year of Import : NA
 - (iii) Has technology been fully absorbed: NA
 - (iv) If not fully absorbed, areas where this has not taken place, reasons thereof & future plan : NA

ANNEURE V TO DIRECTORS' REPORT

REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR)

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs –

At Black Box we believe an organisation's growth has to be in sync with social, economic growth of communities around us. This belief translates into our purpose and commitment to promote a culture of care, inclusiveness, responsibility and trust through our **CSR objective and goals**. It is an attempt in making our society inclusive by providing opportunities for economically, socially and physically disadvantaged sections through programs around education and healthcare.

2. The Composition of the CSR Committee of the Company is as follows:

| Sr. No. | Name of the Director | Designation | Number of meetings of CSR Committee held during FY 2024 | Number of meetings attended |
|---------|-----------------------|------------------------------------|---|-----------------------------|
| 1. | Mr. Sujay R. Sheth | Independent Director (Chairperson) | 2 | 2 |
| 2. | Mr. Sanjeev Verma | Whole-time Director (Member) | 2 | 2 |
| 3. | Mrs. Mahua Mukherjee* | Executive Director | 2 | 2 |
| 4. | Ms. Neha Nagpal# | Independent Director (Member) | Nil | Nil |

*Mrs. Mahua Mukherjee ceased to be a member of the Committee w.e.f. November 9, 2023

#Ms. Neha Nagpal was appointed as a member of the Committee w.e.f. November 9, 2023

The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of 'Corporate Social Responsibility (CSR) Policy', observe practices of Corporate Governance at all levels, and to suggest remedial measures wherever necessary. The Board has also empowered the Committee to look into matters related to sustainability and overall governance.

The Committee's constitution and terms of reference meet with the requirements of the Act.

3. The CSR policy of the Company, as approved by the Board is available on website of the Company at the link <https://cdn.blackbox.com/cms/docs/investors/corporate-governance/policies/corporate-social-responsibility-policy.pdf>
4. Details of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report) : **Not Applicable**
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:
 - a. amount available for set-off : **₹ 1.55 Lacs**
 - b. amount required for set off for the financial year: **NIL**
6. Average net profit/(loss) of the Company for last 3 Financial Years (after tax): **₹ 3.25 Crores**
7.
 - (a) Two percent of average net profit of the Company as per section 135(5): **₹ 6.50 Lacs**
 - (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **NIL**
 - (c) Amount required to be set off for the financial year: **NIL**
 - (d) Total CSR obligation for the financial year (7a+7b-7c): **₹ 6.50 Lacs**



8. Details of CSR spent during FY2024:

- a. Total amount to be spent for the Financial Year: ₹ **6.50 Lacs**
- b. Total amount spent during the year: ₹ **8.00 Lacs**
- c. Amount unspent, if any: **Not Applicable**
- d. Details of CSR amount spent against ongoing projects for the financial year:

| CSR project activity identified | Sector in which the project is covered | Projects or programs (1) Local area or others (2) State and District where project/ program undertaken | Amount outlay (budget) – plan or project wise (In ₹) | Amount spent on the project or programs Sub-heads (₹) Direct expenditure on project or programs; Overheads | Cumulative expenditure upto reporting period (In ₹) | Amount spent: Direct or through implementing agency |
|--|---|--|--|--|---|---|
| Job Entrepreneurship and Empowerment Training (JEET) with Sarthak Foundation | Inclusivity: Empowering people with disabilities | Mumbai, Gurgaon, Bangalore | 4,75,000 | 4,75,000 | 4,75,000 | Through implementing Agency i.e. Sarthak foundation |
| Urban Conventional Plantation with Green Yatra | Sustainability: Promoting environmental sustainability. | Mumbai | 3,25,000 | 3,25,000 | 3,25,000 | Through implementing Agency i.e. Green Yatra |
| Total | | | 8,00,000 | 8,00,000 | 8,00,000 | |

- e. Details of CSR amount spent against **other than ongoing projects** for the financial year: **Not Applicable**

9. Details of Unspent CSR amount for the preceding three financial years: **Not applicable**

10. Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **Not applicable**

11. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: **Not applicable**

12. Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per section 135(5): **Not applicable**

For and on behalf of the Board of Directors

Sujay R. Sheth

Chairman and Independent Director
DIN: 03329107
Singapore

Sanjeev Verma

Whole-time Director
DIN: 06871685
Dallas, Texas, USA

Management Discussion and Analysis

Economic overview

Global economy¹

The global economy showcased remarkable resilience in CY 2023, despite navigating various headwinds. The economic landscape is significantly influenced by social and political factors, particularly the looming U.S. presidential election in 2024 and economic shock of war between Russia and Ukraine. The ongoing geopolitical tensions, in the Middle East and the strategic decisions of major oil-producing countries continue to influence

global energy markets, which have significant implications for inflation rates, consumer spending and economic growth across both developed and emerging economies. However, central banks worldwide implemented aggressive monetary tightening measures to curb rising inflation. While the policies weighed upon the global growth, it proved to be successful in averting a recession. Additionally, strong labor markets and healthy corporate balance sheets further contributed to the overall resilience of the global economy.

In CY 2023, the global economy achieved a growth rate of 3.3%. Advanced economies such as the United States surpassed its pre-pandemic growth, supported by increased consumer spending and government expenditure. On the other hand, the European Union recorded moderate growth, owing to internal policies and external geopolitical risks. Emerging markets experienced relatively faster growth rates, driven by diverse economic strategies and foreign investments.

¹ <https://www.imf.org/en/Publications/WEO/Issues/2024/07/16/world-economic-outlook-update-july-2024>

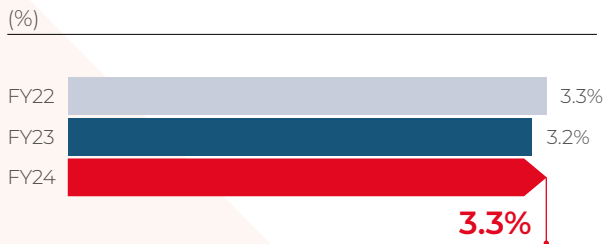


Key regional challenges include high inflation rates in some countries, political uncertainties and vulnerability to global commodity price fluctuations.

Outlook

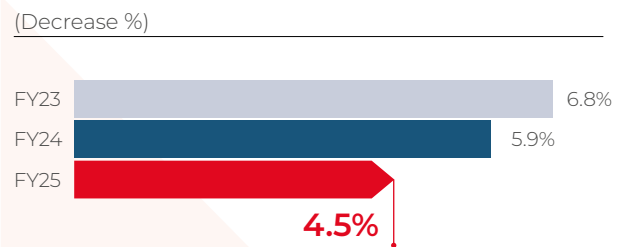
The global growth is anticipated to sustain its momentum at 3.2% in CY2024 and 3.3% in CY2025. Looking ahead, global inflation is anticipated to gradually decrease, falling from 6.8% in 2023 to 5.9% in 2024 and further to 4.5% in FY25. As inflation eases more rapidly-than-anticipated across most regions, central banks worldwide are aiming to ease monetary policies. This is anticipated to boost economic growth, providing a more favourable environment for investment and development. High-frequency economic indicators suggest favourable momentum for most major economies. With decline in inflation and increased government spending, it is projected to ease fiscal pressures and attract investments for future growth. The global economic outlook remains cautiously optimistic, with growth opportunities driven by demographic trends, technological advancements, and rising consumer spending.

Global GDP growth rate



[Source: IMF World Economic Outlook, July 2024]

Global headline inflation forecast



[Source: IMF World Economic Outlook]



Geographic focus

North America

The United States economy has demonstrated remarkable resilience, with GDP growth of 2.5% in 2023, outperforming earlier projections. This robust performance was driven by strong consumer spending, business investments and government stimulus measures. Key factors shaping the U.S. economic outlook include the Federal Reserve's monetary policy stance, ongoing fiscal measures, geopolitical tensions and the upcoming 2024 presidential election, which could influence economic policies and business sentiment. Canada's economy is expected to grow at a moderate pace, with GDP growth projected at 1.3% in 2024. The country faces challenges from high household debt levels and a cooling housing market but benefits from strong commodity exports.



Europe

Europe's economic growth is projected to slow down slightly in 2024, with a GDP growth rate of 1.3% compared to 1.5% in 2023.² The region faces challenges such as weakening manufacturing sectors and ongoing geopolitical tensions, particularly due to the Russia-Ukraine conflict. The European Central Bank's monetary policy decisions will be crucial in balancing inflation control and supporting economic growth.



Middle East & Africa

The Middle East and Africa region is expected to experience steady economic growth, driven by investments in infrastructure, digital transformation and natural resources. Oil-exporting countries are benefiting from relatively high oil prices, allowing for increased government spending and economic diversification efforts. Saudi Arabia, the region's largest economy, is projected to grow by 1.7% in 2024, driven by its ambitious Vision 2030 economic transformation plan. In Africa, growth prospects vary significantly across countries. South Africa is expected to see modest growth of 0.9% in 2024, constrained by energy shortages and structural challenges.



Asia Pacific

The Asia Pacific region continues to lead global economic growth, with China and India at the forefront. China's GDP growth is expected to decelerate to 5.0% in 2024 from 5.2% in 2023, influenced by challenges in the real estate sector and weak consumer confidence. However, fiscal stimulus and infrastructure spending are expected to support growth. Key factors include the government's efforts to rebalance the economy towards consumption-led growth and ongoing tensions with the United States.

India is projected to maintain the highest growth rate among major economies, driven by robust manufacturing and services sectors, significant infrastructure investments and a growing middle class. Japan's economy is expected to grow by 0.7% in 2024, facing challenges from an aging population and the need for structural reforms. The country's monetary policy stance and efforts to boost productivity will be crucial for its economic outlook. Other key economies in the region include South Korea, which is projected to grow by 0.9% in 2024, benefiting from its strong technology sector but facing headwinds from global trade tensions. The region's economic outlook is also shaped by the ongoing digital transformation across economies, regional trade agreements such as the Regional Comprehensive Economic Partnership (RCEP), geopolitical tensions and climate change impacts.



Latin America

Latin America's economic growth is expected to remain moderate, with regional variations influenced by political stability, commodity prices and fiscal policies. Brazil and Mexico, the largest economies in the region, are projected to experience steady growth driven by manufacturing and services sectors. Brazil's economy is forecast to grow by 2.2% in 2024, supported by robust agricultural exports and recovering domestic demand. The country is also benefiting from high commodity prices, which have bolstered its fiscal position. Mexico is expected to grow by 2.1% in 2024, benefiting from strong economic ties with the United States and ongoing nearshoring trends. However, policy uncertainties and infrastructure constraints may limit growth potential.

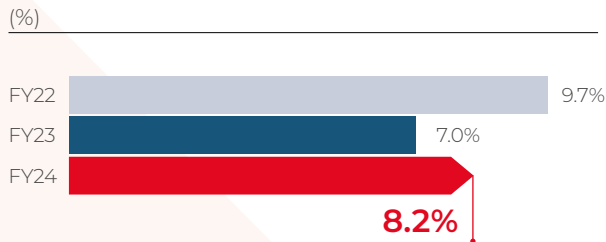
² <https://www.spglobal.com/ratings/en/research/articles/240326-economic-research-economic-outlook-eurozone-q2-2024-labor-costs-hinder-disinflation-as-rate-cuts-loom-13042917>



Indian economy

Markets were volatile during the year due to intensified geopolitical turmoil, aggressive interest rate hikes by the US Fed, and a worsening global outlook, which led to reduced investor confidence. Despite a sluggish global economy, India maintained its position as one of the world's fastest growing economies, clocking a real GDP growth of 8.2% during FY2024 up from 7.0% in FY 2022-23. This robust growth can be primarily attributed to strong fiscal management, effective tax collections and prudent fiscal consolidation measures.³

India GDP growth rate



[Source: PIB Press Release, May 2024]

In FY2024, India ranked fifth in the world in terms of GDP, fuelled by key industries such as manufacturing, services, information technology and agriculture. With a young and tech-savvy workforce, a growing middle class and a large domestic market, India is well-positioned for sustained success. Additionally, with the Government increasing capital expenditure, reaching ₹12.7 lakh crore in FY2024, this has played an instrumental role in the growth of the Indian economy.⁴ This strategic investment in infrastructure and development projects stimulated private investment and

fuelled domestic demand, propelling the economy forward. In FY 2024, the effective initiatives by the Government of India and strategic implementations by the Reserve Bank of India (RBI) played an instrumental role in cushioning the Indian economy from global headwinds.

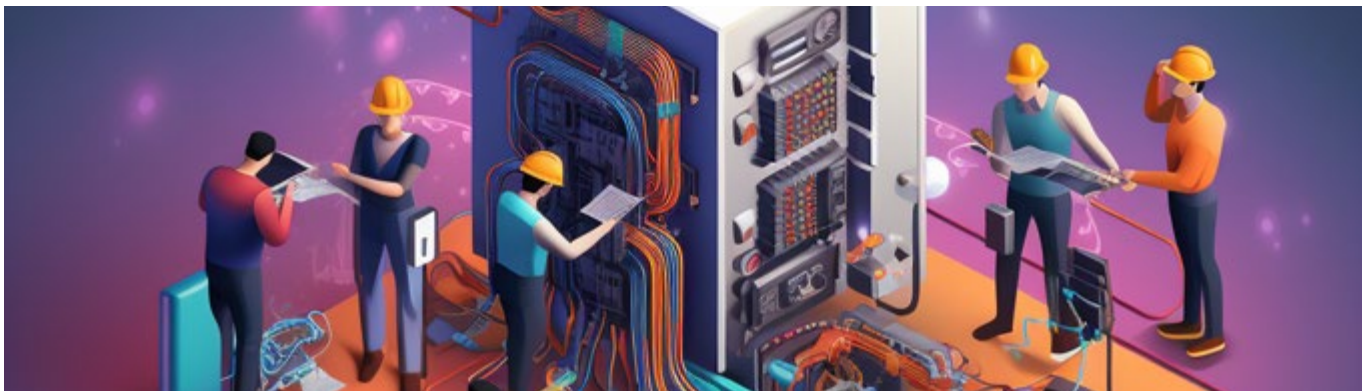
Outlook

India's economic outlook is promising, driven by strong domestic demand, digital transformation, entrepreneurship, and consistent policy direction. The country has set ambitious goals to become the world's third-largest economy by 2047 and reach a GDP of US\$ 5 trillion by 2027, indicating a bright future. This continued economic expansion is supported by India's inherent strengths, ongoing sectoral reforms, and a commitment to sustainable and inclusive growth, all aimed at enhancing the quality of life for its citizens.⁵

Industry overview

Global IT Services Industry

The global IT services industry is a cornerstone of the modern digital economy, playing a critical role in empowering businesses to leverage technology for enhancing operational efficiency, sharpen innovation expertise and gain competitive advantage. As organisations worldwide continue to invest in digital transformation, the IT services market is poised for robust growth. According to industry reports, the market size was valued at approximately US\$ 1,310 billion in CY 2023 and is projected to reach US\$ 1,793 billion by 2027, growing at a compound annual growth rate (CAGR) of 8.2% between CY 2023 and CY 2027. This growth is driven by the increasing reliance on digital solutions to streamline business processes, increase customer engagement and boost overall operational efficiency.⁶



³ <https://pib.gov.in/PressReleaseDetailm.aspx?PRID=2022323>

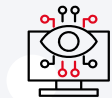
⁴ https://www.indiabudget.gov.in/doc/Budget_at_Glance/budget_at_a_glance.pdf

Industry-Specific Trends



Banking, Financial Services and Insurance (BFSI)

- The BFSI sector continues to be a major driver of IT services demand, with several trends shaping the industry. Banks and financial institutions have embarked on their digital transformation journey to enhance customer experiences and streamline operations. This includes the development of mobile banking apps, AI-powered chatbots for customer service and the implementation of blockchain technology for secure transactions.
- With the increasing frequency and sophistication of cyberattacks, financial institutions are prioritising investments in advanced cybersecurity solutions. This includes implementing multi-factor authentication, AI-driven threat detection systems and robust data encryption technologies to protect sensitive financial data and ensure compliance with regulatory requirements.
- Enterprise networking is being enhanced to manage the growing complexity and volume of financial transactions, while cybersecurity remains a top priority to protect sensitive financial data and prevent fraud. The integration of technologies like artificial intelligence and machine learning is also driving innovations in customer service, fraud detection and personalised financial products.



Technology Sector

- The technology sector continues to lead in the adoption and innovation of cutting-edge technologies. Connectivity infrastructure, including high-speed internet and advanced networking solutions, is critical for supporting the digital transformation of various industries. Data Centers are being upgraded with the latest technologies to handle the massive influx of data generated by digital activities.
- Modern workplace solutions are at the forefront, enabling companies to maintain productivity and collaboration in hybrid work environments. Enterprise networking solutions are evolving to support the increasing demand for high-performance and reliable networks. Cybersecurity is a key focus, with the industry developing advanced tools and techniques to safeguard against sophisticated cyber threats. Trends such as the rise of generative AI, blockchain and quantum computing are set to revolutionise the technology landscape, offering new opportunities for innovation and efficiency.

⁵ [Industry Reports, Economic Times](#)

⁶ Frost & Sullivan Analysis Report April, 2024



Industry-Specific Trends



Healthcare

- IT plays a crucial role in the healthcare sector, improving patient care and operational efficiency. Telemedicine has seen significant growth over the years, facilitating remote consultations and monitoring. In addition to this, telemedicine platforms have become increasingly sophisticated, offering varied features and improving access to healthcare in remote areas.
- Electronic Health Records (EHR) systems are another area of focus, as healthcare providers aim to improve data accessibility, reduce errors and enhance care coordination. The implementation and optimisation of EHR systems are essential for achieving interoperability and seamless data exchange across different healthcare settings. Furthermore, AI and machine learning are being leveraged for various applications, including diagnostic assistance, personalised treatment plans and predictive analytics for patient outcomes.
- Given the increasing digitisation of health records and connected medical devices, healthcare organisations are investing in robust cybersecurity measures to protect sensitive patient data and ensure compliance with regulations such as HIPAA. Additionally, the Internet of Medical Things (IoMT) is growing trend in healthcare. With the integration of IoT devices in healthcare settings, from wearable health monitors to smart hospital equipment, it enables better patient monitoring and data collection.



Consumer and Public Sector

- The consumer and public sector is embracing technology to enhance service delivery, improve customer experiences and drive operational efficiency. Government initiatives towards digitalisation are driving digital transformation by enabling the widespread adoption of digital technologies and practices. According to industry estimates, digitisation has the potential to unlock over US\$ 3.5 trillion of economic value for governments. Streamlining processes through digital tools saves time, reduces paperwork and minimises errors, leading to significant cost reductions.
- Through policies, incentives and investments, governments aim to modernise infrastructure, improve service delivery and enhance citizen engagement. Governments worldwide are increasingly prioritising the delivery of digital services and integrating them with cloud communications to enhance citizen experience and boost staff productivity.
- Data Centers are being developed to manage the growing volumes of data generated by consumer transactions and public records. Modern workplace solutions are enabling government agencies and businesses to operate efficiently and provide services remotely.
- Enterprise networking is being enhanced to support the increased demand for online services and digital interactions. Cybersecurity is a critical concern, with efforts focused on protecting consumer data and maintaining the integrity of public systems. Trends such as the adoption of smart technologies, IoT and digital identity solutions are reshaping the consumer and public sector, offering new ways to engage with citizens and customers.

Industry-Specific Trends



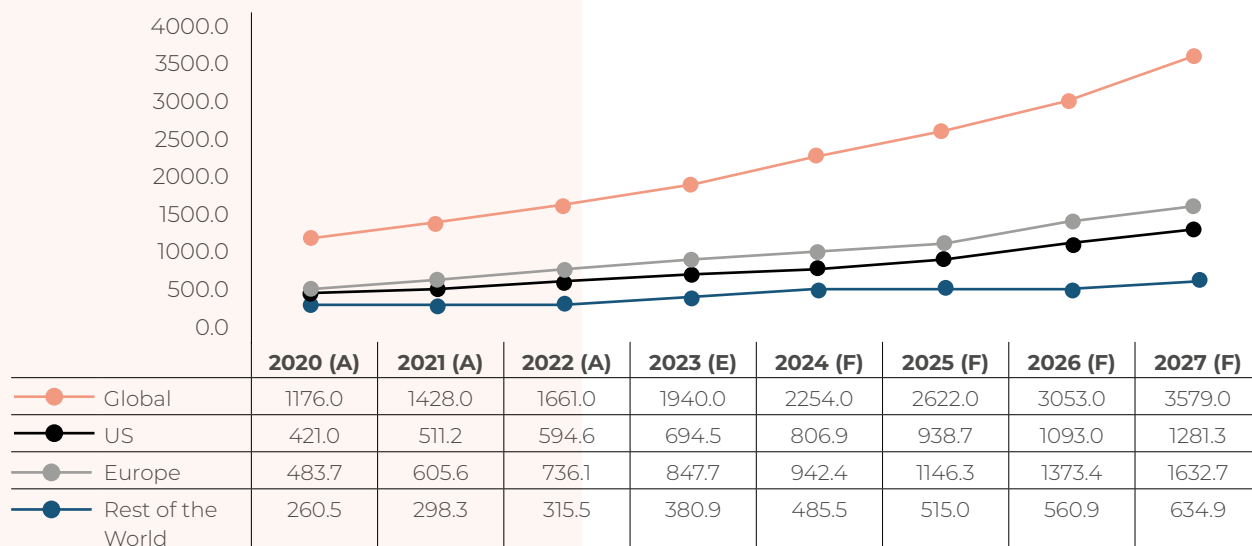
Industrial Sector

- ▶ The industrial sector is embracing technology to drive efficiency, innovation and sustainability. Generative AI is used to create realistic prototypes, optimise supply chains and automate quality control processes. With the manufacturing sector transforming itself into Industry 4.0, IT is playing a central role. IoT devices and sensors enable real-time monitoring and predictive maintenance of machinery, reducing downtime and improving productivity. Advanced robotics and automation are transforming manufacturing processes, enhancing precision and reducing labour costs.
- ▶ Supply chain management is another critical area where IT is making a significant impact. Advanced analytics and AI are being used to enhance supply chain visibility, predict disruptions and optimise inventory management. Furthermore, blockchain technology is also being explored for improved traceability and transparency, ensuring that supply chain processes are secure and efficient.





Spend on Digital Transformation (Global, Europe, USA and Rest of World), CY 2020-27, US\$ Billion



[Source: Frost & Sullivan Analysis]

Worldwide IT spending⁷

According to Gartner's latest reports, worldwide IT spending is projected to reach US\$ 5.06 trillion in CY2024, marking an 8% increase from US\$ 4.69 trillion spent in CY 2023, driven by significant investments across various IT segments. Data Center systems are expected to see a substantial rise in spending, growing from US\$ 236.18 billion in 2023 to US\$ 259.68 billion in CY 2024, primarily due to increasing focus on generative AI (GenAI) technologies. Similarly, the software segment is also anticipated to experience robust growth, with spending projected to increase by 13.9%, reaching US\$ 1.04 trillion in CY 2024. Furthermore, IT services, comprising consulting and outsourcing, are projected to grow by 9.7%, totalling US\$ 1.52 trillion.

(Millions of U.S. Dollars)

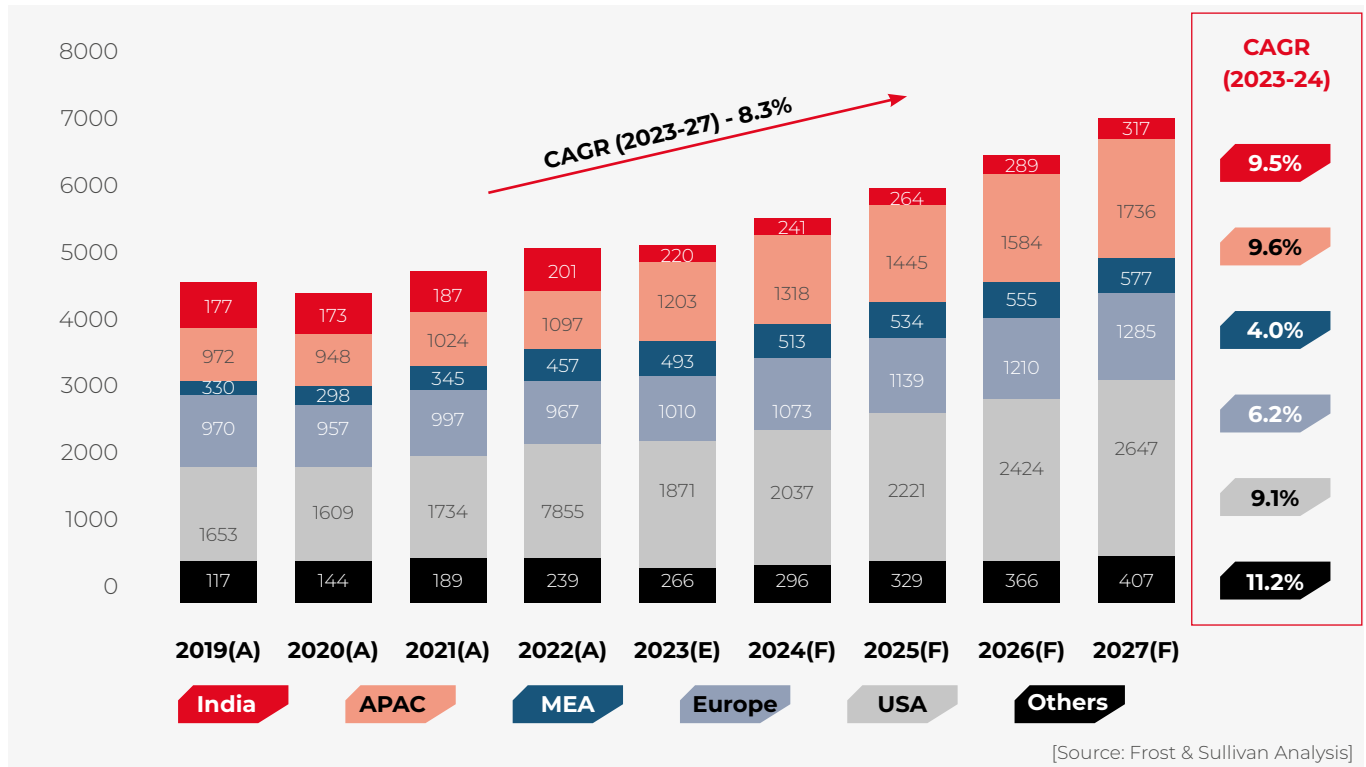
| Category | 2023 Spending | 2023 Growth (%) | 2024 Spending | 2024 Growth (%) |
|-------------------------|---------------|-----------------|---------------|-----------------|
| Data | 236,098 | 4.0 | 293,091 | 24.1 |
| Devices | 692,784 | -6.5 | 730,125 | 5.4 |
| Software | 974,089 | 11.5 | 1,096,913 | 12.6 |
| IT Services | 1,503,698 | 4.9 | 1,609,846 | 7.1 |
| Communications Services | 1,491,733 | 3.2 | 1,537,188 | 3.0 |
| Overall IT | 4,898,401 | 3.8 | 5,267,163 | 7.5 |

[Source: Gartner Press Release]

IT services spending is now expected to increase by 7.1% in 2024, down from the previous forecast of 9.7%, largely due to reduced spending in subsegments such as consulting and business process services. The change fatigue that CIOs experienced at the beginning of the year has subsided, and contract backlogs from the third quarter of 2023 are now being addressed. It is anticipated to see a significant uptick toward the end of the year as companies work to compensate for the slow start.

⁷ <https://www.gartner.com/en/newsroom/press-releases/2024-07-16-gartner-forecasts-worldwide-it-spending-to-grow-7-point-5-percent-in-2024>.

Exhibit 17: Global IT Spend Across Key Regions (CY 2019-27), in US\$ Billion



Regional market overview

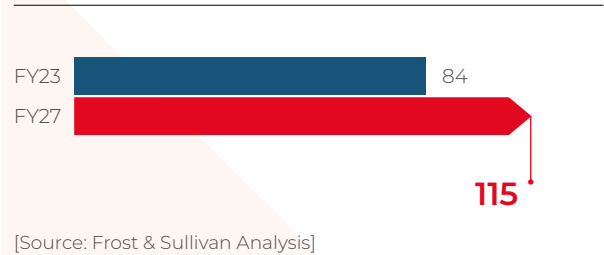
North America

The North American IT services market remains the largest and most mature globally, leading in the adoption of cutting-edge technologies. Businesses in USA are heavily investing in cybersecurity to protect against sophisticated cyber threats, adhere to regulatory requirements and safeguard sensitive data. The cybersecurity market in USA is forecasted to be US\$ 117.8 Bn in 2024 and is expected to reach US\$ 193.7 Bn by 2028 with a CAGR of 13.2%.

North America also holds the largest market share in the Data Center industry. The United States dominates the global Data Center market, hosting major operations for tech giants. The region's focus on hyperscale facilities and edge computing supports the growing demand for data

processing and storage. The burgeoning Internet of Things (IoT) landscape is a key driver behind the growing demand for Data Centers. Additionally, there is a paradigm shift towards sustainability and energy efficiency, increasing investments in green Data Centers, further bolstering the region's leadership in the IT services market.

USA: Data Center Investment, 2023-2027
(US\$ Bn)





Europe

The region's growth is influenced by stringent regulatory impacts and other data protection laws, driving the demand for compliance and cybersecurity solutions. Europe is witnessing significant technological adoption, particularly across traditional industries such as manufacturing, automotive and finance. The focus on sustainability and green IT initiatives is also another key trend, with European businesses investing in energy-efficient Data Centers and sustainable IT practices to reduce their carbon footprint. Spending on IT services in Europe is forecasted to reach US\$ 1285 Bn by 2027.

The Data Center market in Europe is experiencing strong growth, particularly in markets such as Germany, the UK and the Netherlands. This growth can be primarily attributed to robust digital infrastructure and the increasing demand for cloud services. The largest colocation Data Center market in Europe has been steadily expanding, particularly in West London. The demand for capacity is still higher than in other European markets as hyperscalers are operating there. With increasing emphasis on data protection and privacy, it is shaping the development of secure and compliant Data Center solutions.

Asia-Pacific

The Asia-Pacific region is experiencing rapid market growth, driven by various governmental initiatives promoting digitalisation, robust IT spending and the rise of start-ups. The region's IT spending is expected to grow from US\$ 1,203 billion in 2023 to US\$ 1,736 billion by 2027, with a CAGR of 9.5%. With countries like India, China and Southeast Asia experiencing rapid economic growth and housing a burgeoning middle-economic class, they have been at the forefront of the market growth.

The region is seeing significant investments in Data Center particularly in China, India and Singapore, fuelled by rapid digital transformation and government initiatives. China, in particular, is anticipated to experience substantial tech spending growth, with projections exceeding 7% annually from 2023 to 2027. The increasing focus on digital infrastructure development, coupled with increasing adoption of cloud services and IoT technologies, is driving demand for advanced IT services. Furthermore, the emphasis on smart city initiatives and the integration of AI and machine learning into various sectors are also contributing to the region's dynamic growth.

India

India remains a preferred destination for tech investment as it maintained its position as one of the fastest-growing major economies for the third consecutive year. The rollout of 5G networks in India is expected to open new opportunities for IT services, with enhanced connectivity and low latency bolstering demand for innovative solutions. Concurrently, Indian IT firms are expanding their global footprint, leveraging their expertise and innovative business models to capture new markets.

The country's IT spending is expected to grow from US\$ 220 billion in 2023 to US\$ 317 billion by 2027, with a CAGR of 9.5%. Key growth drivers include government initiatives towards digitalisation such as the Digital India programme and the substantial investment in foundational areas such as cloud computing, IT modernisation, GenAI, digital customer experience and digital engineering projects. The rise in disposable income and a growing middle class are also driving higher consumer spending, which in turn fuels demand for IT products and services.

India is steadily fortifying its position as one of the world's fastest-growing Fintech markets, with the Fintech market expected to reach US\$ 2.1 trillion by 2030.⁷ A substantial AI talent pool and generous AI investments are anticipated to propel the growth of AI market in India to grow at a CAGR of ~25-35% until 2027⁸, making it an attractive destination for outsourcing and IT services.

Indian growing start-up culture is increasingly contributing to the growth and development of the IT services landscape, with the growing market demand, Data Centers in India are expanding to meet the rising demand for data storage and processing, fuelled by growing internet penetration and digital transactions. Additionally, the country's focus on enhancing cybersecurity measures is critical in protecting sensitive data and ensuring the integrity of digital transactions.

The adoption of modern workplace solutions and collaborative platforms has surged particularly post-pandemic, driving the need for advanced enterprise networking solutions to support seamless connectivity and efficient communication. These trends position India as a pivotal player in the global IT services landscape, contributing to technological advancement and innovation in the industry.

⁷ <https://www.investindia.gov.in/sector/bfsi-FinTech-financial-services>

⁸ <https://community.nasscom.in/communities/data-science-ai-community/ai-powered-tech-services-roadmap-future-ready-firms>

Middle East & Africa

The Middle East & Africa (MEA) region presents lucrative market opportunities for the IT services industry, facilitated by infrastructure development and government-led digital transformation initiatives. The region's IT spending is expected to grow from US\$ 493 billion in 2023 to US\$ 577 billion by 2027, with a compound annual growth rate (CAGR) of 4.0% over the forecast period.

Countries in the Gulf Cooperation Council (GCC), such as the United Arab Emirates and Saudi Arabia, are investing heavily in smart city technologies and digital infrastructure to boost their economies and reduce dependence on oil revenues. Saudi Arabia, for instance, has announced a US\$ 25 billion investment in the tech sector, reflecting a strong commitment to technological advancement.

Cybersecurity is prioritised in the MEA region, with businesses and governments focusing on safeguarding digital assets against cyber threats. With the increasing need to enhance public services, improve operational efficiency and support economic development, this is propelling the adoption of advanced technologies.

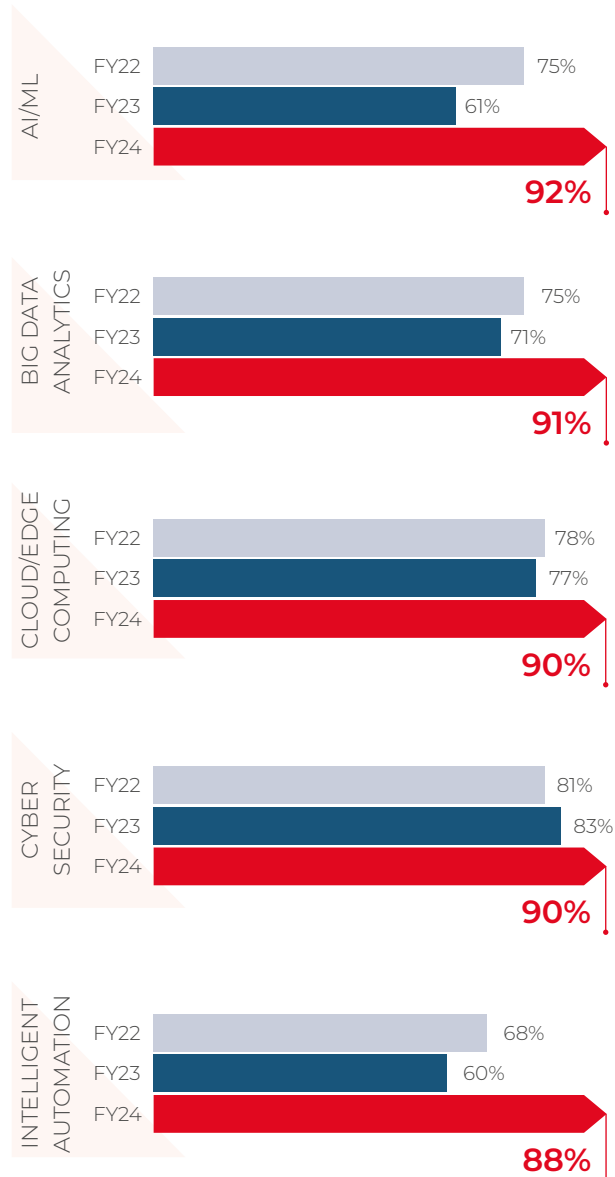
Factors contributing to the expansion of the IT services market

Organizations are increasingly adopting digital technologies to streamline their operations, improve customer experiences, and drive innovation. With businesses seeking to modernize their IT infrastructure and processes to stay competitive in a rapidly evolving market, the IT services industry is anticipated to witness a surge in sales. According to industry experts, companies that undergo successful digital transformations can expect to see a 20-30% increase in customer satisfaction and economically gain by 20-50%.

Increasing enterprises spending in top digital techs⁹

Top Five Technologies

(%)



[Source: Nasscom Report- Digital Enterprise 5.0]

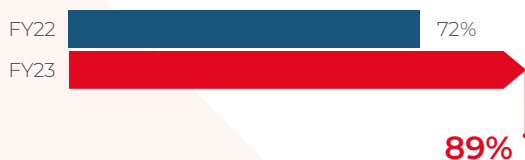
⁹ <https://community.nasscom.in/communities/digital-transformation/digital-enterprise-maturity-50-digital-readiness-era-ai>



IT consulting services have become crucial for guiding digital transformation initiatives, enhancing flexibility and scalability. The global IT outsourcing market, valued at approximately US\$ 575.2 billion in CY 2023, is expected to grow at a CAGR of 4% between CY2024 and CY 2032 and reach US\$ 827.3 billion by 2032.¹⁰ This growth is driven by businesses seeking to leverage external expertise to manage their IT operations efficiently, reduce costs, access specialised skills and achieve greater scalability. Companies are increasingly outsourcing functions such as infrastructure management, application development and business process outsourcing to modernise their technology infrastructure and processes, strengthening their core competencies and sharpening their strategic initiatives.

Preference for outsourcing of digital services¹¹

Percent of Enterprises
(US\$ Bn)



[Source: Nasscom Report- Digital Enterprise 5.0]

Simultaneously, the managed services market is experiencing robust growth, owing to organisations increasing their focus on strengthening their core competencies and increasing complexity of IT environment. Managed services encompass a wide range of IT operations, including network management, cybersecurity, cloud services and end-user support. By outsourcing these functions, businesses can achieve greater efficiency, reduce operational costs and leverage the expertise of

industry professionals. In CY 2023, the global managed services market, valued at approximately US\$ 268 billion, is projected to reach US\$ 450 billion by 2028, growing at a CAGR of 10.9% between 2024 and 2028.

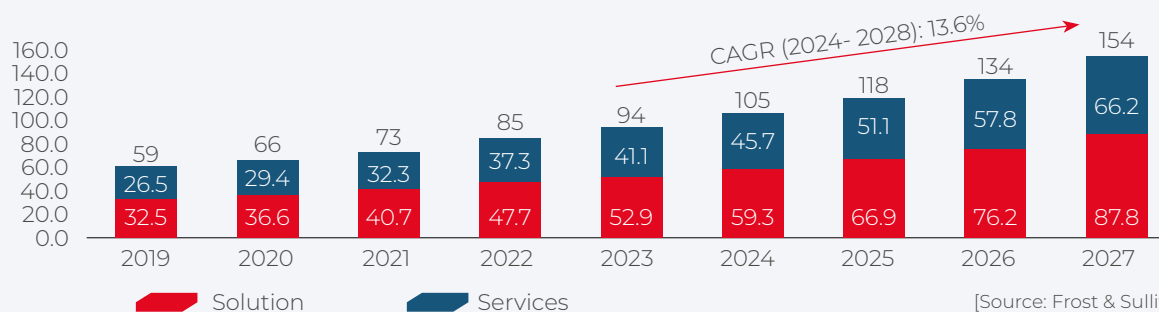
Connectivity Infrastructure

Connectivity infrastructure is a foundational pillar of the global IT services market, encompassing various technologies and solutions that enable seamless communication and data transfer across networks. The key trends in this sector include the proliferation of 5G technology, the increasing adoption of Network as a Service (NaaS) and the integration of advanced network security solutions.

The integration of 5G in enterprise networks is driving significant changes in connectivity infrastructure. 5G offers higher speeds, lower latency and greater capacity, making it ideal for supporting modern applications such as IoT, remote work and real-time data analytics. The synergy between 5G and Wi-Fi enhances redundancy and resilience against network downtimes.

The concept of connected buildings is revolutionising the IT industry, integrating advanced digital technologies into building management systems. Connected buildings utilise Internet of Things (IoT) devices, sensors and smart systems to gather vast amounts of data, which is then analysed to optimise building operations, enhance energy efficiency and improve occupant comfort. These interconnected infrastructures enable seamless integration of various building systems such as HVAC, lighting, security and access control, allowing for centralised management and real-time monitoring. This integration not only reduces operational costs but also enhances the overall sustainability of buildings by minimising energy consumption and reducing carbon footprints.

Exhibit 39: Global Smart / Connected Buildings Market, Split by Solutions / Services, 2019-2027 (US\$ Bn)



[Source: Frost & Sullivan Analysis]

¹⁰ <https://www.grandviewresearch.com/industry-analysis/it-services-outsourcing-market>

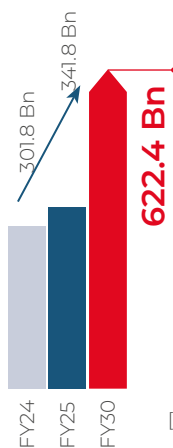
¹¹ <https://community.nasscom.in/communities/digital-transformation/digital-enterprise-maturity-50-digital-readiness-era-ai>

The global connected buildings market is estimated to reach US\$ 105 billion in CY 2024 and further reach US\$ 154 billion by CY 2027, growing at a CAGR of 13.6% between CY 2024 and CY 2028. This growth is driven by advancements in IoT, AI and cloud computing, providing the necessary computational power and storage capacity for processing and storing data securely. Investments in connected building technologies are propelling the growth of the global IT industry, particularly in regions such as North America and Europe. Organisations can leverage connected building technologies to streamline operations, reduce costs and innovate new services, accelerating their digital transformation journey.

Global demand for Data Centers

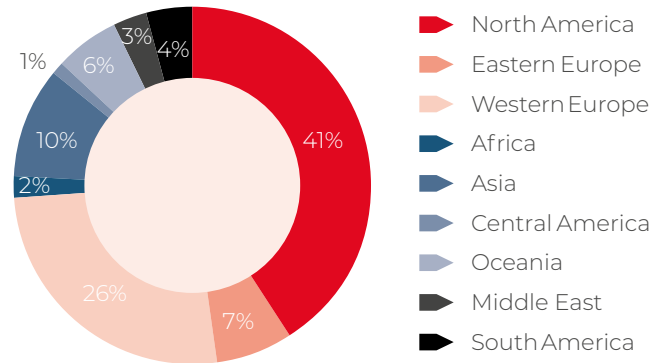
The global Data Center market is experiencing significant growth, driven by the exponential increase in data generation and the rising demand for cloud services and increasing digital transformation initiatives undertaken by various industries. With a valuation of US\$ 301.8 billion in CY 2023, the market is anticipated to reach US\$ 622.4 billion by 2030, advancing at a CAGR of 10.1% during CY 2024 and CY 2030.¹² This growth is fuelled by the growing adoption of technologies, such as Internet of Things (IoT), machine learning (ML) and over-the-top (OTT) services. In addition to this, the surge in internet users, especially with the growing popularity of social media platforms, has significantly facilitated internet traffic, further driving the demand for Data Centers.¹³

Data Center Market Size (CAGR 10.1%)



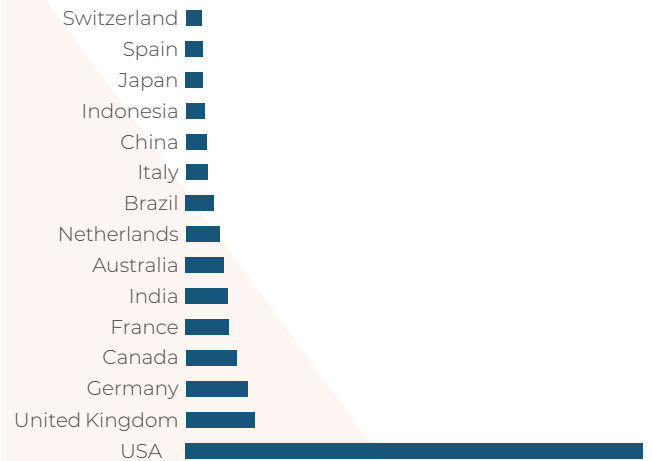
[Source: PS Market Research Report]

Distribution of Data Centers by region (%, number of Data Centers)



[Source: Data Center Map, UBS Research]

Number of Data Centers by country



[Source: Nasscom Report- Digital Enterprise 5.0]

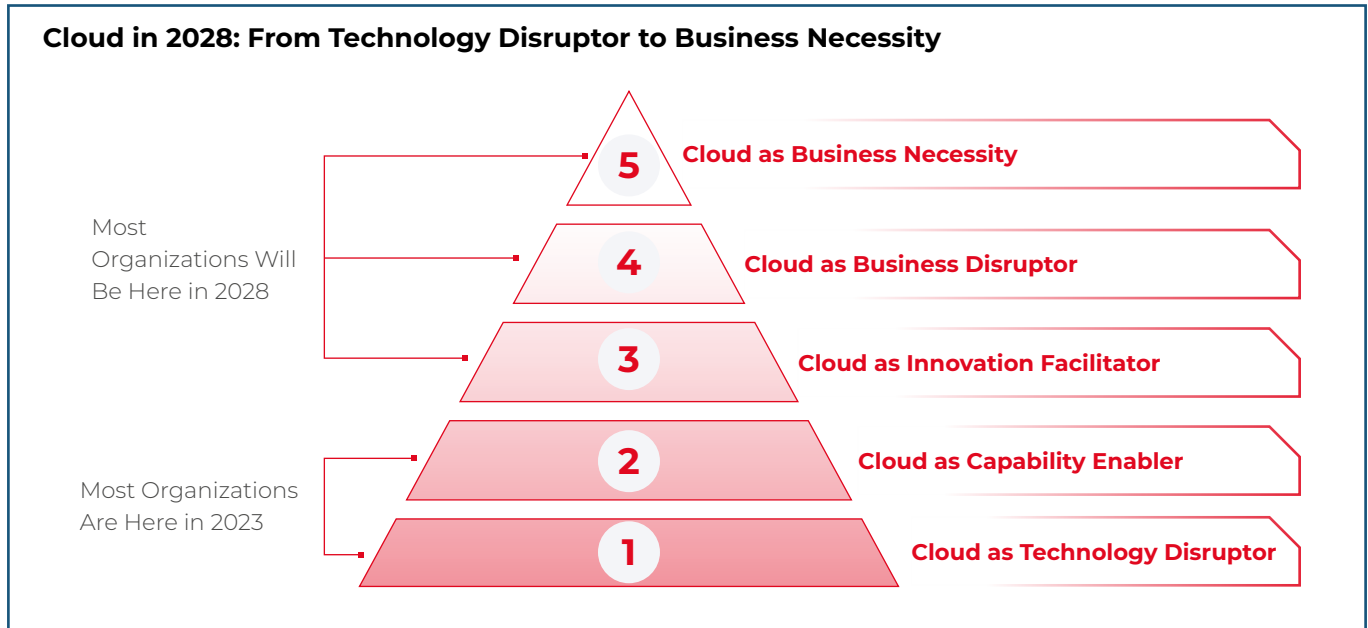
Innovations such as edge computing, AI-driven Data Center automation and high-density colocation services are transforming the Data Center landscape. These technologies enhance efficiency, reduce latency and support real-time data processing. With the rise in demand for data-intensive activities such as video streaming, cloud gaming and augmented reality applications, the global Data Center market is poised for robust growth and technological advancements.

¹² <https://www.psmarketresearch.com/market-analysis/data-center-market>

¹³ <https://datareportal.com/reports/digital-2024-deep-dive-the-state-of-internet-adoption>



Businesses are steadily shifting towards cloud-based solutions for scalability, flexibility and cost-efficiency, further facilitating digital transformation. In 2024, the worldwide end-user spending on public cloud services is projected to reach US\$ 679 billion and exceed US\$ 1 trillion in 2027. This rapid expansion is fuelled by the increasing need for scalable and flexible IT infrastructure, improved cost-efficiency and the ability to support remote work environments. Key growth drivers include the ongoing migration of enterprise workloads to the cloud, the rise of hybrid and multi-cloud strategies and the growing demand for cloud-native applications. Services such as cloud migration, cloud infrastructure management and the development of cloud-native applications are specifically high in demand.¹⁴



Inclination towards Modern workplaces

The modern workplace is evolving rapidly, influenced by trends such as remote work, flexible work arrangements, and the adoption of advanced collaboration tools. This transformation is reshaping IT service demands and driving investments in digital workplace solutions. By 2025, an estimated 22% of the US workforce is expected to work remotely, necessitating robust IT infrastructure to support remote collaboration and secure access to Company resources.

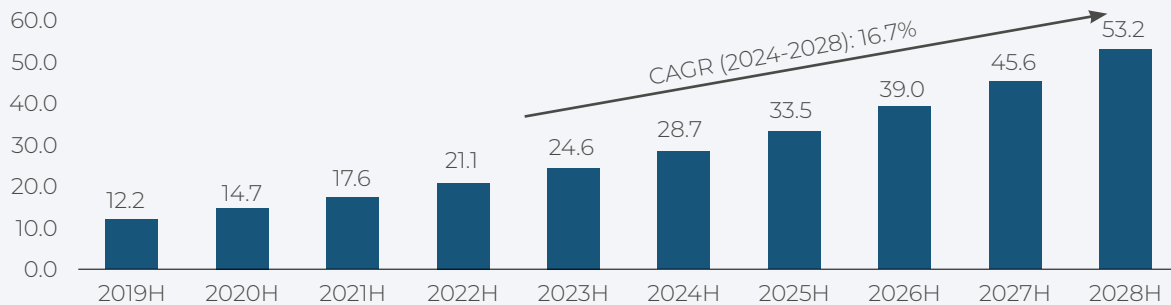
Businesses are increasingly investing in digital collaboration tools and platforms to enhance productivity and communication among remote teams. These tools facilitate seamless interaction and ensure business continuity. As more employees work remotely, ensuring data security

and regulatory compliance has become paramount. Companies are adopting advanced security measures to protect sensitive information and maintain compliance with industry standards.

A significant aspect of this shift is the rise of Unified Communications as a Service (UCaaS). The UCaaS market is experiencing robust expansion, with projections indicating it will reach US\$ 53.2 billion by 2028, growing at a CAGR of 16.7%. This surge is driven by the increasing need for seamless communication and collaboration tools in modern workplaces, particularly for remote and hybrid work models. UCaaS solutions integrate various communication channels, including voice, video, messaging and file sharing, into a single cloud-based platform, offering businesses enhanced flexibility, scalability and cost-efficiency compared to traditional on-premises systems.

¹⁴ <https://www.gartner.com/en/newsroom/press-releases/2023-11-29-gartner-says-cloud-will-become-a-business-necessity-by-2028>

Exhibit 34: Unified Communications as a Service (UCaaS) Market, CY2019 - CY2028F
(US\$ Bn)



[Source: Frost & Sullivan Analysis]

The adoption of UCaaS is transforming business operations, enabling improved productivity, streamlined workflows and better customer experiences. As organisations continue to prioritise digital transformation initiatives, UCaaS is becoming an essential component of their IT strategies, allowing them to adapt quickly to changing market conditions and workforce needs.

Key Trends in UCaaS

AI Integration

- ↓ Artificial intelligence is being increasingly embedded into UCaaS platforms, powering features such as automated transcriptions, virtual assistants and advanced analytics to enhance user experiences and improve productivity.

Vertical-Specific Solutions

- ↓ UCaaS providers are developing tailored solutions to address sector-specific communication needs and compliance requirements.

Integration of CCaaS Functionality

- ↓ There is a growing trend of integrating Contact Center as a Service (CCaaS) features within UCaaS platforms, providing businesses with comprehensive communication solutions for both internal and external interactions. This integration seamlessly combines essential contact center features with UCaaS capabilities. This creates a comprehensive communication ecosystem for organisations, enhancing customer interactions through integrated CCaaS features such as intelligent routing and omnichannel support. It improves agent productivity by giving access to a full suite of communication tools.

Emphasis on User Experience

- ↓ UCaaS providers are focusing on improving user interfaces and experiences to drive adoption and maximise value of their solutions for end-users.

¹² <https://www.psmarketresearch.com/market-analysis/data-center-market>

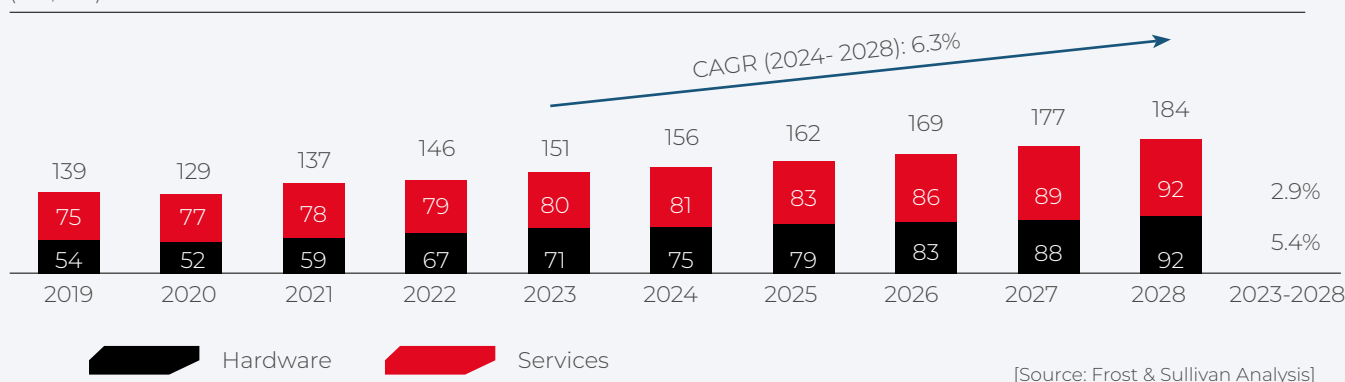
¹³ <https://datareportal.com/reports/digital-2024-deep-dive-the-state-of-internet-adoption>



Enterprise Networking

Enterprise networking is a critical component of the IT industry, providing the necessary connectivity and communication channels for seamless collaboration and data exchange across various departments, locations and devices. With organisations embarking on digitising their digital transformation journey, the demand for robust and scalable networking solutions has surged. Enterprise networking solutions encompass a wide range of technologies, including local area networks (LANs), wide area networks (WANs) and wireless networks. These networks are essential for supporting the growing volume of data traffic and ensuring reliable and secure connectivity.

Exhibit 40: Global Enterprise Networking Market, 2019-2028, By Hardware, Services
(US\$ Bn)



The global enterprise networking market, valued at US\$ 205 billion in CY 2023, is expected to reach US\$ 260 billion by 2027. With the shift towards hybrid and multi-cloud environments, it requires robust network management and integration services to ensure interoperability and data consistency across different platforms. Additionally, the rise of software-defined networking (SDN) and network function virtualisation (NFV) is transforming traditional networking approaches by decoupling network control and data planes and virtualising network functions. These technologies enable organisations to build flexible and agile network architectures that can be easily scaled and managed. Furthermore, Network-as-a-Service (NaaS) is gaining traction, offering businesses a flexible, scalable and cost-effective alternative to traditional network infrastructure by providing networking capabilities on a subscription basis.

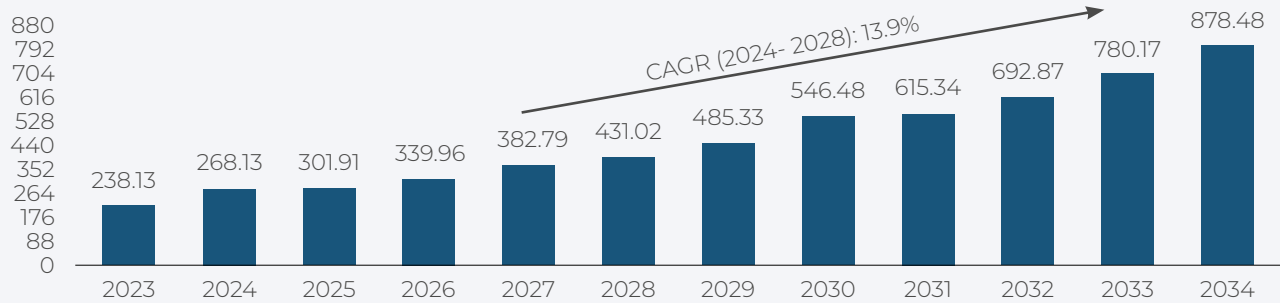
Increasing adoption of Cybersecurity

With the increasing reliance on digital services, Cybersecurity is a paramount concern in the global IT services market, organisations are investing heavily in cybersecurity to protect their digital assets, ensuring regulatory compliance and maintaining customer trust. The increasing frequency and severity of cyberattacks have made cybersecurity a top priority for businesses across all sectors. With a valuation of US\$ 238.5 billion in CY2023, the global cybersecurity market is projected to reach US\$ 272.6 billion in 2024 and further reach US\$ 459.2 billion by 2028, with a CAGR of 13.9% between CY 2024 and CY 2028.

As digital technologies become more integrated into critical infrastructure, such as energy grids, transportation systems and healthcare facilities, the severity of damage from cyber-attacks increases. Systems are getting increasingly susceptible to malicious activities, disrupting operations, compromising sensitive data and endangering public safety.¹⁵

¹⁵ Frost & Sullivan Analysis Report April, 2024

Cyber Security Market Size 2023 to 2034
(US\$ Bn)



Source: <https://www.precedenceresearch.com/cyber-security-market>

The demand for comprehensive cybersecurity solutions and services, including network security, cloud security, application security and endpoint security, has steadily surged over the years. With the shift to remote work, it has exposed businesses to new vulnerabilities and expanded the attack surface for cybercriminals. According to latest reports, the global average cost of a data breach in 2023 reached US\$ 4.45 million in CY 2023, increasing by 15% from US\$ 3.86 million in CY2020. This heightened vulnerability emphasises the need for robust and adaptable cybersecurity systems to mitigate potential consequences and ensure the protection of digital assets.

Company overview

Black Box Limited, a global digital infrastructure integrator, offers a myriad range of services, including connectivity and network solutions, Data Center solutions, modern workplace and cybersecurity solutions as well as technology products to businesses globally. With a skilled and efficient workforce of over 4,000 highly skilled professionals, the Company's legacy spans four decades. The Company empowers businesses to develop and deliver pertinent technological solutions, aligned with their core business goals.

The Company operates across 35 countries, including North America, Latin America, Europe, Middle East, Africa, India and Asia Pacific regions. Black Box follows a 'Glocal' strategy, i.e., thinking globally while acting locally. The Company provides comprehensive tailored solutions to meet the needs of global customers across diverse sectors.



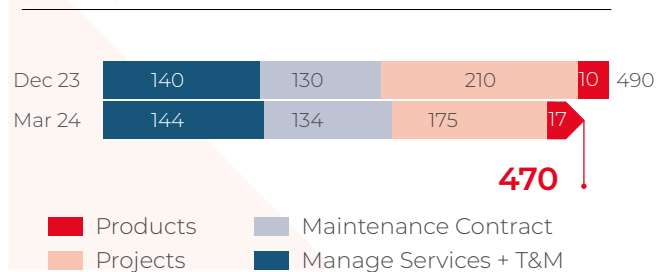
35

Countries

Operational highlights

As of 31st March 2024, Black Box Limited reported an order backlog of US\$ 470 million, compared to US\$ 490 million in December 2023. The slight decrease was due to slow decision-making on project orders and consistent execution of projects. However, the Company secured large deal wins exceeding US\$ 150 million in areas of infrastructure, 5G LTE solutions and Data Centers. The Company continues to focus on large deals, with active projects involving three out of the five major hyperscalers and many large enterprise customers.

Total Order Book
(US\$ mn)





Strategic Focus and Future Outlook

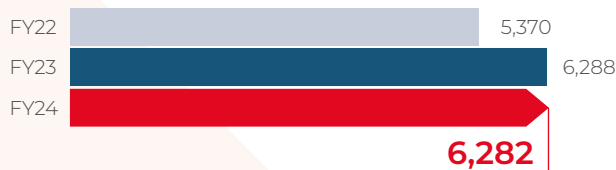
The Company's strategic focus remains on improving margins and profitability, emphasising on large deals and accretive customers. The Company is pivoting towards serving top 250-300 customers and exiting low-value long-tail customers. The robust pipeline, especially in the Data Center solutions business, positions the Company for sustained future growth. Black Box is confident in maintaining its growth momentum, driven by its superior design and execution capabilities in both North America and international markets.

Financial Performance (Consolidated)

Financial Highlights

Revenue

(₹ in Crores)



For the fiscal year 2024, Black Box Limited reported consolidated revenue of ₹6,282 crores, which remained relatively flat compared to ₹6,288 crores in FY23. The slight decline in revenue can be attributed to delays in project execution and decision-making in the second half of the fiscal year. These delays were primarily due to a strategic shift towards focusing on large deals and exiting low-value, long-tail customers.

The profit after tax (PAT) for FY24 saw a substantial increase, growing by 5.8 times to ₹138 crores, compared to ₹24 crores in FY23. This impressive growth in PAT is attributed to the strong operating performance, despite higher interest costs due to the prevailing interest rate environment in the US.

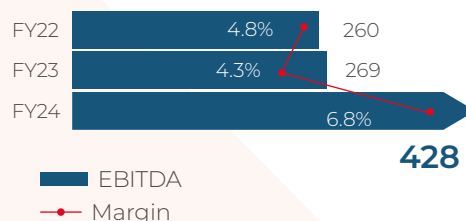
Consolidated Financial Performance for FY24 and FY23

₹ in Crores

| Particulars | FY2024 | FY2023 |
|--------------------------------|--------------|--------------|
| Revenue from Operations | 6,282 | 6,288 |
| Gross Profit | 1,714 | 1,640 |
| Gross Profit Margin | 27.3% | 26.1% |
| Total Other Expenses | 1,286 | 1,371 |
| EBITDA | 428 | 269 |
| EBITDA Margin | 6.8% | 4.3% |
| Other Income | 19 | 22 |

EBITDA

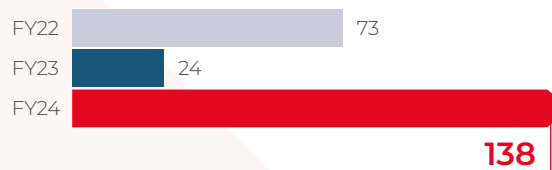
(₹ in Crores)



The Company's EBITDA for FY24, reported a robust 59% year-on-year growth to ₹428 crores, compared to ₹269 crores in FY23. This significant increase in EBITDA is a result of the Company's focus on cost rationalisation and enhanced productivity. For the full fiscal year, EBITDA margins increased by 250 basis points to 6.8%, compared to 4.3% in FY23. The emphasis on margin improvement and productivity enhancements has begun to generate positive outcomes, leading to an increase in overall EBITDA margins.

PAT

(₹ in Crores)



₹ in Crores

| Particulars | FY2024 | FY2023 |
|---|-------------|-------------|
| Gain on cashflow hedges | 3 | 20 |
| Depreciation (as per IND AS 116) | 114 | 107 |
| EBIT | 336 | 204 |
| EBIT Margin | 5.3% | 3.2% |
| Finance Cost (as per IND AS 116) | 141 | 111 |
| Loss on fair valuation of deferred purchase consideration | 0 | (11) |
| Exceptional Item Gain/(Loss) | (40) | (52) |
| Profit before Tax | 156 | 29 |
| Tax | 19 | 6 |
| PAT | 138 | 24 |
| PAT Margin | 2.2% | 0.4% |
| Basic EPS (₹/Share) | 8.20 | 1.42 |

Consolidated Balance Sheet

₹ in Crores

| Assets | FY2024 | FY2023 |
|--|--------------|--------------|
| Non-Current Assets | | |
| Property, Plant And Equipment | 120 | 161 |
| Right Of Use Asset | 291 | 259 |
| Goodwill | 334 | 316 |
| Other Intangible Assets | 63 | 61 |
| Investment accounted for using the equity method | 32 | 30 |
| Financial Assets | 35 | 18 |
| Deferred tax Assets | 40 | 60 |
| Other Non-Current Assets | 48 | 71 |
| Total Non-Current Assets | 964 | 976 |
| Current Assets | | |
| Inventories | 246 | 362 |
| Trade Receivables | 386 | 421 |
| Cash And Cash Equivalents | 223 | 210 |
| Financial Assets | 508 | 678 |
| Contract Assets | 246 | 114 |
| Other Current Assets | 204 | 242 |
| Sub-Total - Current Assets | 1,813 | 2,026 |
| Total - Assets | 2,777 | 3,002 |

₹ in Crores

| EQUITY AND LIABILITIES | FY2024 | FY2023 |
|------------------------|------------|------------|
| Equity | | |
| Equity Share Capital | 34 | 34 |
| Other Equity | 447 | 262 |
| Total Equity | 481 | 296 |



₹ in Crores

| EQUITY AND LIABILITIES | FY2024 | FY2023 |
|--|---------------|---------------|
| Non-Current Liabilities | | |
| Borrowing | 362 | 305 |
| Lease Liabilities | 267 | 222 |
| Other Financial Liabilities | 7 | 7 |
| Contract Liabilities | 54 | 55 |
| Other Non-Current Liabilities | 0 | 0 |
| Provisions | 54 | 74 |
| Sub-Total - Non-Current Liabilities | 743 | 663 |
| Current Liabilities | | |
| Borrowing | 35 | 47 |
| Trade Payables | 699 | 1,158 |
| Lease Liabilities | 48 | 54 |
| Other Financial Liabilities | 162 | 90 |
| Contract Liabilities | 501 | 505 |
| Other Current Liabilities | 32 | 121 |
| Provisions | 75 | 69 |
| Sub-Total - Current Liabilities | 1,553 | 2,044 |
| Total - Equity and Liabilities | 2,777 | 3,002 |

Revenue contribution by Geography

| Locations/Geo | FY2024 | FY2023 |
|----------------------|---------------|---------------|
| India | 6% | 6% |
| Europe | 8% | 10% |
| MEA | 3% | 2% |
| APAC | 5% | 6% |
| Latin America | 1% | 2% |
| North America | 77% | 74% |

Revenue contribution by Industry

| Industries | FY2024 | FY2023 |
|--------------------|---------------|---------------|
| Financial Services | 22% | 21% |
| Business Services | 10% | 13% |
| Healthcare | 11% | 11% |
| Distributors | 8% | 9% |
| Manufacturing | 7% | 6% |
| Technology | 21% | 20% |
| Retail | 4% | 5% |
| Others | 17% | 15% |

Segment Revenue

₹ in Crores

| Business Segments | FY2024 | FY2023 |
|-----------------------------|-----------------|-----------------|
| System Integration | 5,417.56 | 5,283.28 |
| Technology Product Solution | 758.41 | 890.35 |
| Consulting | 105.61 | 113.93 |
| Total | 6,281.58 | 6,287.56 |

Key Ratios

| | Consolidated | | % Change |
|---|--------------|--------|----------|
| | FY2024 | FY2023 | |
| Revenue from Operations (₹ in Crores) | 6,282 | 6,288 | (0.1%) |
| EBITDA Margin | 6.8% | 4.3% | 2.5% |
| Operating Profit Margin | 4.7% | 2.2% | 2.5% |
| Net Profit Margin before exceptional item | 2.8% | 1.2% | 1.6% |
| Return on Equity (ROE) | 35.4% | 8.5% | 26.9% |
| Interest Coverage Ratio | 2.11 | 1.26 | 66.6% |
| Debtors Turnover | 3.89 | 3.98 | (2.3%) |
| Inventory Turnover | 1.48 | 1.73 | (14.5%) |
| Current Ratio | 1.19 | 1.01 | 17.7% |
| Debt Equity Ratio | 0.83 | 1.19 | 30.5% |

Risk Management

| Risk | Description | Mitigation measures |
|-----------------------|---|--|
| Cybersecurity Threats | As a global digital infrastructure integrator, the Company is highly susceptible to cybersecurity threats. The increasing frequency and sophistication of cyber-attacks pose significant risks to the Company's operations, data integrity and customer trust. | The Company is enhancing its cybersecurity infrastructure by deploying advanced threat detection and response systems. The company strengthens the overall security procedure, ensuring the protection of sensitive data and maintaining customer trust. |
| Regulatory Compliance | With operations spanning multiple countries, Black Box Limited must ensure compliance with various regulatory requirements, particularly in data protection and privacy. Non-compliance with regulations such as GDPR and CCPA could result in substantial fines, legal actions and loss of business opportunities. | The Company has implemented comprehensive compliance programs across all operations. This includes regular updates to policies in line with evolving regulations and conducting thorough audits. |
| Market Competition | The IT services and digital infrastructure market is highly competitive, with numerous players offering similar solutions. The Company faces intense competition from both global giants and local players, leading to pricing pressures, reduced market share and lower profit margins. | The Company focuses on innovation and differentiation of its offerings to stay ahead in the market. It is exploring strategic partnerships to enhance its market presence and profitability. |



| Risk | Description | Mitigation measures |
|----------------------------------|---|---|
| Talent Acquisition and Retention | The Company's success heavily relies on its ability to attract and retain skilled professionals. The IT industry faces a shortage of qualified talent and competition for skilled workers is fierce. Failure to attract and retain top talent could hinder the Company's ability to innovate, deliver high-quality services and maintain customer satisfaction. | The Company enhances its ability to attract and retain skilled professionals by implementing comprehensive career development programs and promoting an inclusive culture. |
| Technological Advancements | Rapid technological advancements require continuous investment in research and development to stay relevant. Failing to adopt latest technology could result in lost business opportunities. | The Company invests continuously in innovation to stay ahead of rapid technological changes. By adopting the latest technologies, Black Box prevents loss of business opportunities and maintains its market relevance. |
| Economic and Geopolitical Risks | The Company's operations are influenced by global economic conditions and geopolitical events. Economic downturns, trade tensions and geopolitical conflicts can disrupt supply chains, delay projects and impact customer spending, affecting the Company's revenue growth and profitability. | The Company diversifies its markets and supply chains. This approach helps manage the impact of global economic fluctuations and geopolitical tensions on operations and profitability. |
| Supply Chain Disruptions | The Company relies on a global supply chain for hardware components and technology products. Disruptions in the supply chain, due to natural disasters and political instability can lead to delays in project execution and increased costs. | Black Box addresses supply chain risks by diversifying suppliers base and enhancing supply chain visibility. This ensures quick identification and resolution of potential disruptions and minimizing delays. |
| Currency Fluctuations | Due to operations spanning multiple countries, the Company is exposed to currency exchange rate fluctuations. Any adverse currency changes can impact the Company's financial performance. | The Company employs hedging strategies and natural hedging techniques to manage currency exchange rate risks. Regular monitoring of exchange rates helps stabilize financial performance across its global operations. |
| Client Concentration | A significant portion of the Company's revenue comes from a limited number of high-profile clients. Dependence on a few key clients exposes the Company to the risk of revenue loss. | To reduce dependency on a few key clients, Black Box expands its customer base and strengthens relationships with existing clients. Securing long-term contracts further stabilizes revenue streams and mitigates the risk of revenue loss. |
| Project Execution Risks | Delays in project execution due to slow decision-making, resource constraints or unforeseen challenges can impact revenue recognition and profitability. | The Company streamlines decision-making processes and ensures adequate resource allocation to avoid delays in project execution. Implementing a proactive risk management framework enhances revenue recognition and profitability. |

Human Resource

The human resources department plays an integral role in helping the organization achieve sustainable growth by efficiently managing its talent pool. Black Box remains focused on developing its human resources while adhering to its core values of accountability and transparency. The HR strategy involves supporting the holistic development of the team and encouraging its workforce. This people-centric approach has enabled the organization to maintain a work culture that is both positive and inclusive.

Talent management

The Company's talent management program entails acquainting new hires with the organization's structure through orientation and training. Further, the new hires are offered access to necessary resources and training modules to help them quickly integrate into the organization.

Diversified workforce

To maintain a positive work environment, the Company also promotes inclusion and diversity. Black Box promotes equal representation of all its team members.

Learning and development

The organization offers effective learning and development opportunities to promote the growth of its workforce. A total of 15,081 learning hours were provided, with key learning areas including subject areas such as sales excellence, program management and leadership excellence.

Employee engagement

Providing employee engagement opportunities played a crucial role in boosting employee morale, productivity and retention. The Company has implemented initiatives to foster open communication, which enables it to ensure that every employee feels heard and valued.

Internal Control Systems

Black Box has an adequate system of internal controls to ensure that the assets are safeguarded and protected against loss from unauthorized use or disposition and that transactions are authorized, recorded and reported

correctly. The Company engages in a detailed process of internal audits, reviews by management and documented policies, guidelines and procedures to ensure that the financial records are relevant and reliable.

The Company has implemented a SAP ERP platform integrated with SalesForce (SFDC), Oracle HCM, ServiceNow and attendance management system functionalities for Black Box entities including Black Box Corporation US, providing system-based checks and controls. This results in increased efficiency and effectiveness of Black Box internal control systems.

The Company's management has assessed effectiveness of the Company's internal control over financial reporting (as defined under Regulation 17 of SEBI LODR Regulations, 2015) as of March 31, 2024. M/s. Walker Chandiook & Co LLP, the Statutory Auditors of the Company, have audited the financial statements included in this Annual Report and have issued a report on our internal control over financial reporting (as defined under Section 143 of the Companies Act, 2013). The Company's internal audit systems independently oversee the operations of the organization regularly. The top management and the Audit Committee of the Board, reviews internal audit findings and recommendations. The Audit Committee is authorised by the Board to investigate any matter pertaining to the internal control and audit. The Committee also ensures compliance of internal control systems in addition to the quarterly, half-yearly and annual financial statements before submission to the Board.

Cautionary Statement

This report contains forward looking statements that involve risks and uncertainties including, but not limited to, risk inherent in the Company's growth strategy, acquisition plans, dependence on certain businesses, dependence on availability of qualified and trained manpower and other factors. Actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. This report should be read in conjunction with the financial statements included herein and the notes thereto.



Report on Corporate Governance

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is a systematic process having strong foundation by which Corporates are directed and controlled to enhance their wealth-generating capacity. It provides the structure through which corporations set and pursue their objectives while reflecting the context of the social, regulatory and market environment. Governance is a mechanism for monitoring the actions, policies and decisions of corporations. Governance involves the alignment of interests among the stakeholders. Corporate governance is the system of structures, rights, duties and obligations by which corporations are directed and controlled, keeping in mind long-term interest of stakeholders which encourages and moves a viable and accessible financial reporting structure and enables a transparent system.

The Company's philosophy of Corporate Governance is aimed at maximizing the shareholders' value and protection of the interest of other stakeholders. The Company aims to achieve this through proper & full disclosure of material facts and achievement of the highest levels of transparency, accountability and equity in all facets of its operations.

CORPORATE GOVERNANCE AT BLACK BOX

We, at Black Box, are driven by the six major characteristics of Corporate Governance which are Transparency, Independence, Accountability, Responsibility, Fairness and Social Responsibility. As a global organisation, the Corporate Governance practices followed by the Company and its subsidiaries are compatible with best practices followed around the world. Through the Governance mechanism in the Company, the Board along with its Committees undertakes its fiduciary responsibilities to all its stakeholders by ensuring transparency, fair play and independence in its decision making.

Over the years we have strengthened governance practices. These practices define the way business is conducted and value is generated. Stakeholders' interests are taken into account before making any business decision. We believe,

Corporate Governance is not just a destination but a journey to constantly improve sustainable value creation. It is an upward-moving target that we collectively strive towards achieving. Our multiple initiatives towards maintaining the highest standards of governance are detailed in the following pages.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and Regulation 46(2) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "the Listing Regulations" or "LODR Regulations", as applicable, with regard to Corporate Governance.

BOARD OF DIRECTORS

The Board of Directors is the apex body constituted by shareholders, for overseeing the Company's overall functioning. It provides strategic direction, leadership and guidance to the Company's management and also monitors the performance of the Company with the objective of creating long-term value for the Company's stakeholders.

As on March 31, 2024, the Board of Directors of the Company ("the Board") consists of Seven (7) members headed by the Chairman who is Non-Executive Independent Director, comprising of Three (3) Independent Directors of which One (1) is a Woman Director; Three (3) Executive Directors and One (1) Non-Executive Non-Independent Director. The composition of the Board is in conformity with Regulation 17 of the Regulations read with Section 149 of the Companies Act, 2013 ("the Act"). In addition to its primary role of monitoring corporate performance, the functions of the Board also include:

1. Approving Corporate Philosophy and Mission
2. Participating in the formulation of Strategic Business Plans
3. Reviewing and Approving Financial Plans and Budgets
4. Monitoring and Reviewing Corporate Performance vis-à-vis the Business Plans
5. Ensuring compliance of laws and regulations

The required details related to the Board as on March 31, 2024 are listed below:

| Name and DIN of Director | Designation and Category | Directorship in other Public companies ^a | Name of the other public companies in which directorship held (including category of directorship) | Chairmanship in Committees of Boards of other companies ^b | Membership in Committees of Boards of other companies ^b |
|--|----------------------------------|---|--|--|--|
| Mr. Sujay R. Sheth DIN: 03329107 | Chairperson-Independent Director | None | - | - | - |
| Mr. Sanjeev Verma DIN: 06871685 | Whole-time Director | None | - | - | - |
| Mr. Dilip Thakkar DIN: 00007339 | Independent Director | 2 | Indo Count Industries Limited (Independent Director) Essar Ports Limited (Independent Director) | 1 | - |
| Mr. Naresh Kothari DIN: 00012523 | Non-Executive Director | None | - | - | - |
| Mr. Deepak Kumar Bansal DIN: 07495199 | Executive Director | None | - | - | - |
| Ms. Neha Nagpal DIN: 08842400 | Independent Director | None | - | - | - |
| Mr. Anshuman Ruia DIN: 00008501 | Executive Director | None | - | - | - |

a. Does not include private companies, foreign companies and companies established under Section 8 of the Companies Act, 2013.

b. Represents Audit Committee and Stakeholders Relationship Committee in other public companies.

The above information has been prepared based on the latest annual disclosures submitted by the Directors. Further, none of the Directors of the Company are related inter-se.

CERTIFICATE BY PRACTICING COMPANY SECRETARY

In accordance with the applicable provisions of Regulation 34(3) of the Regulations read with Schedule V to the said Regulations, M/s. S. K. Jain & Co., Practicing Company Secretaries, have issued a certificate confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as a Director of any Company by Securities Exchange Board of India ("SEBI"), Ministry of Corporate Affairs ("MCA") or any other regulatory/statutory authority. The said certificate has been attached as "**Annexure A**" to this Report.

BOARD MEETINGS

During the FY2024, Five (5) Board meetings were held on the following dates:

May 30, 2023, June 29, 2023, August 12, 2023, November 9, 2023 and February 8, 2024.



The attendance of the directors at the board meetings held during the year is given below:

| Name of the Director | Number of meetings held | Number of meetings Director was entitled to attend | Number of Board meetings attended | Attended Last AGM | Shareholding in the Company as on March 31, 2024 |
|-------------------------|-------------------------|--|-----------------------------------|-------------------|--|
| Mr. Sujay R. Sheth | 5 | 5 | 5 | Yes | NIL |
| Mr. Sanjeev Verma | 5 | 5 | 4 | Yes | 21,34,985 Equity Shares |
| Mr. Dilip Thakkar | 5 | 5 | 5 | Yes | NIL |
| Mrs. Mahua Mukherjee* | 5 | 4 | 4 | Yes | NIL |
| Mr. Naresh Kothari | 5 | 5 | 4 | No | 32,27,620 Equity Shares held beneficially |
| Mr. Deepak Kumar Bansal | 5 | 5 | 5 | Yes | 3,55,830 Equity Shares held directly and 34,650 Equity Shares held by relative |
| Ms. Neha Nagpal | 5 | 5 | 5 | Yes | NIL |
| Mr. Anshuman Ruia | 5 | 5 | 3 | Yes | NIL |

*Mrs. Mahua Mukherjee ceased to be Director w.e.f. November 9, 2023

DIRECTORS APPOINTMENT/RE-APPOINTMENT

Mr. Deepak Kumar Bansal shall retire by rotation at the ensuing 38th Annual General Meeting ("AGM") of the Company and being eligible has offered himself for re-appointment.

Mr. Anshuman Ruia was appointed as Executive Director at the 35th Annual General Meeting for a period of 3 years w.e.f. September 20, 2021. He is proposed to be re-appointed as Executive Director for further period of 5 years w.e.f. September 21, 2024.

The requisite details with regards to the proposed re-appointment(s) have been provided in the notice of the forthcoming AGM of the Company.

INDEPENDENT DIRECTORS

At present, the Board of the Company consists of Four (4) Independent Directors, One (1) of which is a Woman Director and the strength of Independent Directors on the Board is 57.14% which is in conformity with the requirements of Regulation 17 of the LODR Regulations. All the Independent Directors of the Company have submitted declarations stating that they meet the criteria of independence laid down under Section 149(6) of the Act and Regulation

16(1)(b) of the LODR Regulations and that they are not aware of any circumstance/situation, which exists or may be reasonably anticipated, that could impair/impact their ability to discharge the duties of an Independent Director with objective independent judgment or without any external influence. Based on the above declaration, the Board is of the opinion that the Independent Directors of the Company fulfill the conditions specified in these regulations and are independent of the management.

The Company's Independent Directors are required to meet at least once in every financial year without the presence of Executive Directors or management personnel. The exclusive meeting of Independent Directors was held on July 5, 2024.

The Performance Evaluation for the FY2024 was duly undertaken by the Board through questionnaire based assessment system. The Company provided the Independent Directors (as well as all other Directors of the Company) the means to review the performance of the Chairperson of the Company (taking into account the views of Executive Directors and Non-Executive Directors); the performance of the Board as a Whole (including Committees thereof); the performance of the Non-Independent Directors & assess the quality and

timeliness of flow of information between the Company's management and the Board, by way of a questionnaire based assessment mechanism. The remarks of every Director including Independent Directors as well as the outcome of the said evaluation conducted through questionnaires was circulated to all Directors. Thereafter, such remarks and outcome were reviewed and after deliberation taken as noted by the Independent Directors and the Board.

During the year under review, there was no instance of resignation of any Independent Director of the Company.

BOARD PERFORMANCE EVALUATION

In terms of the requirement of the Act and LODR Regulations and pursuant to the corresponding relaxations granted by the relevant Regulators, the annual performance evaluation of each members of the Board, the Chairperson, Board of Directors as a whole and the Committees thereof was undertaken.

The process of performance evaluation of each member of the Board, the Chairperson, the Board of Directors as a whole and the Committees thereof was undertaken through a questionnaire based rating assessment mechanism where the evaluators were requested to give rating for each criteria set for evaluating the performance of the Director or the

Committee, the performance of which was being evaluated. The Board Evaluation process was focused around how to make the Board more effective as a collective body in the context of the business and the external environment in which the Company functions. From time to time during the year, the Board was appraised of the business issues and the related opportunities and risks. The Board discussed various aspects of the functioning of the Board and its Committees such as structure, composition, meetings, functions and interaction with Management. Additionally, during the evaluation process, the Board also focused on the contribution being made by the Board as a whole, individually as well as through Committees. The overall assessment of the Board was that it was functioning as a cohesive body (including the Committees thereof which were functioning effectively as well).

BOARD DIVERSITY POLICY

In compliances with the provision of the LODR Regulations, the Board through its Nomination and Remuneration Committee has devised a Policy on Board Diversity.

The objective of the Policy is to ensure that the Board comprises of adequate number of members with diverse experience and skills such that it best serves the governance and strategic needs of the Company. The Board composition at present meets with the above objective.

KEY BOARD ATTRIBUTES, SKILLS AND EXPERTISE

The Board comprises of Directors possessing repertoire of skills, expertise and competencies in various fields. Specific skills and attributes possessed by Board members are as under:

| Skill/Expertise | Sujay R Sheth | Sanjeev Verma | Dilip Thakkar | Neha Nagpal | Naresh Kothari | Anshuman Ruia | Deepak Kumar Bansal |
|-----------------------------|---------------|---------------|---------------|-------------|----------------|---------------|---------------------|
| Financial | ✓ | ✓ | ✓ | | ✓ | ✓ | ✓ |
| Technology | | ✓ | | | | ✓ | ✓ |
| Leadership | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Global Outlook | | ✓ | | | ✓ | ✓ | ✓ |
| Strategy and Expansion | | ✓ | | | ✓ | ✓ | ✓ |
| Governance | ✓ | ✓ | ✓ | ✓ | ✓ | | ✓ |
| Sales & Marketing | | ✓ | | | | ✓ | |
| Industry specific Expertise | | ✓ | | | | ✓ | ✓ |
| Legal Expertise | | | | ✓ | | | |



FAMILIARIZATION PROGRAMS FOR BOARD MEMBERS

All Directors of the Company, including the Independent Directors, who are newly inducted to the Board are introduced to our Company culture through orientation sessions. Executive directors and senior management provide an overview of operations and familiarize the new non-executive directors on matters related to our values and commitments. They are also introduced to the organization structure, services, Group structure and subsidiaries, constitution, Board procedures, matters reserved for the Board, major risks and risk management strategy. Further, periodic presentations are made at the meetings of the Board of Directors and its various Committee, on business and performance updates of the Company, global business environment, business strategy and risks involved. Quarterly updates on new amendments, circulars and notifications issued by the regulatory authorities including ROC, RBI and SEBI which mandates further compliances for the Company and landmark judicial pronouncements encompassing important laws are regularly circulated to the Directors.

Further, at the time of appointment of any Independent Director, the Company issues a formal letter of appointment outlining his/her role, function, duties and responsibilities. The Familiarization Policy for Independent Directors is accessible on the website of the Company at <https://cdn.blackbox.com/cms/docs/investors/corporate-governance/policies/familiarization-policy-of-independent-directors.pdf>

SUCCESSION PLANNING

The Nomination and Remuneration Committee works with the Board on the leadership succession plan to ensure orderly succession in appointments to the Board and to

senior management positions. The Company strives to maintain an appropriate balance of skills and experience within the organization and the Board in an endeavour to introduce new perspectives while maintaining experience and continuity. In addition, promoting senior management within the organization fuels the ambitions of the talent force to earn future leadership roles.

BOARD COMMITTEES

As of March 31, 2024, the Company had following Board Committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Ethics and Compliance Committee
4. Stakeholders Relationship Committee
5. Corporate Social Responsibility Committee
6. Risk Management Committee
7. Independent Director's Committee

TERMS OF REFERENCE AND OTHER DETAILS OF BOARD COMMITTEES:

AUDIT COMMITTEE

The Audit Committee of the Company has been constituted in accordance with the provisions of Regulation 18 of SEBI Listing Regulations and Section 177 of the Act. Members of the Audit Committee possess financial / accounting expertise / exposure.

During the financial year 2023-24 the Audit Committee met 5 (Five) times: May 30, 2023, August 10, 2023, August 12, 2023, November 9, 2023, and February 8, 2024.

Composition of the Audit Committee and attendance of members for FY2024:

| Name of the Members | Category & Designation in the Committee | Particulars of attendance | | |
|-----------------------|---|---------------------------|--|---|
| | | Number of meetings held | Number of meetings member was entitled to attend | Number of meetings attended by the member |
| Mr. Sujay R. Sheth | Independent Director (Chairperson) | 5 | 5 | 5 |
| Mr. Dilip Thakkar | Independent Director (Member) | 5 | 5 | 4 |
| Mrs. Mahua Mukherjee* | Executive Director (Member) | 5 | 4 | 4 |
| Ms. Neha Nagpal# | Independent Director (Member) | 5 | 1 | 1 |

*Mrs. Mahua Mukherjee ceased to be member of the Committee w.e.f. November 9, 2023

#Ms. Neha Nagpal was appointed as a member of the Committee w.e.f. November 9, 2023

Powers of the Audit Committee

- a) To investigate any activity within its terms of reference;
- b) To seek information from any employee;
- c) To obtain outside legal or other professional advice;
- d) To secure attendance of outsiders with relevant expertise, if it considers necessary.

Role of the Audit Committee, inter alia, includes the following:

- Oversight 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.
- Recommending the appointment, remuneration and terms of appointment of statutory auditors including cost auditors of the Company. Approving payment to statutory auditors, including cost auditors, for any other services rendered by them.
- Reviewing with the management, the annual financial statements and auditors report thereon before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Act;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by the management;
 - Significant adjustments made in financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions; and
 - Qualifications in draft audit report.
- Reviewing the quarterly financial statements before submission to the Board for approval.
- Monitoring and 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.
- Reviewing and monitoring the auditor's independence & performance and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the Company with related parties .
- Scrutiny of inter-corporate loans and investments.
- Examination of the financial statement and the Auditors' report thereon.
- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- Establish a vigil mechanism for Directors and Employees to report genuine concerns in such manner as may be prescribed.
- Reviewing, with the management, the performance of statutory auditors & internal auditors and adequacy of internal control systems.
- Formulating the scope, functioning, periodicity and methodology for conducting the internal audit.
- 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.
- Discussion with internal auditors of any significant findings and follow-up thereon.
- 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.
- 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.



- To look into the reasons for substantial defaults, if any, in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- To review the functioning of the Vigil Mechanism and Whistle Blower mechanism.
- Approval of appointment of the CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing qualifications, experience and background, etc. of the candidate.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- Reviewing financial statements, in particular the investments made by the Company's unlisted subsidiaries.
- Reviewing the utilization of loans and/or advances from/investments made by the Company in its subsidiary exceeding ₹ 100 Crores or 10% of the asset size of such Subsidiary, whichever is lower.
- Reviewing the following information:
 - The Management Discussion and Analysis of financial condition and results of operations;
 - Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- Management letter/letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses;
- Reviewing the appointment, removal and terms of remuneration of the Chief Internal Auditor / internal auditor(s); and
- Quarterly Statement of Deviations including reports of Monitoring Agency, if applicable, submitted to the Stock Exchange(s) in accordance with Regulation 32(1) of the said Regulations or Annual Statement of Utilisation of Funds for purposes other than those stated in the Offer documents/prospectus/notice pursuant to Regulation 32(7) of the said Regulations.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Company has been constituted in accordance with the provisions of Section 178 of the Act, Regulation 19 of LODR Regulations and SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

During the financial year 2023-24 the Nomination and Remuneration Committee met 4 (Four) times: May 30, 2023, August 12, 2023, November 9, 2023, and February 8, 2024.

Composition of the Nomination and Remuneration Committee and attendance of members for FY2024:

| Name of the Members | Category & Designation in the Committee | Particulars of attendance | | |
|---------------------|---|---------------------------|--|---|
| | | Number of meetings held | Number of meetings member was entitled to attend | Number of meetings attended by the member |
| Mr. Dilip Thakkar | Independent Director (Chairperson) | 4 | 4 | 4 |
| Mr. Sujay Sheth | Independent Director (Member) | 4 | 4 | 4 |
| Mr. Naresh Kothari | Non-Executive Director (Member) | 4 | 4 | 3 |

Terms of Reference of the Committee, inter alia, includes the following:

- To identify persons who are qualified to become Directors or who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/or removal.
- To carry out evaluation of every Director's performance.
- To formulate the criteria for determining qualifications, positive attributes & independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.

- d) To formulate the criteria for evaluation of Independent Directors and the Board
 - e) To devise a policy on Board diversity.
 - f) To recommend the continuance or extension of the term of appointment of the Independent Directors, on the basis of the report of performance evaluation of such Director.
 - g) To recommend to the Board, all remunerations, in whatever form, payable to the senior management.
 - h) To recommend/review remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria.
 - i) To administer, monitor and formulate detailed terms and conditions of the Employees' Stock Option Scheme including:
 - the quantum of options to be granted under Employees' Stock Option Scheme per employee and in aggregate;
 - the conditions under which option vested in employees may lapse in case of termination of employment for misconduct;
 - the exercise period within which the employee should exercise the option, and that the option would lapse on failure to exercise the option within the exercise period;
- the specified time period within which the employee shall exercise the vested options in the event of termination or resignation of an employee;
 - the right of an employee to exercise all options vested in him at one time or various points of time
 - within the exercise period;
 - the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions, such as rights issues, bonus issues, merger, sale of division and others;
 - the granting, vesting and exercising of options in case of employees who are on long leave; and
 - the procedure for cashless exercise of options.

Remuneration to Directors

The Company does not pay remuneration to any of its Non-Executive Directors except the sitting fee which is paid only to Independent Directors for attendance during the meeting(s) of the Board of Directors and its various Committees.

The details of remuneration paid to the Executive Directors during the period from April 1, 2023 to March 31, 2024 are as follows:

₹ in Crores

| Sr. No. | Name of Director | Fixed Salary | Bonus/ Incentives/ Variable pay | Perquisites on account of Stock Options exercised ^(a) | Commission | Total |
|--------------|-------------------------|--------------|---------------------------------|--|------------|-------------|
| 1 | Mr. Deepak Kumar Bansal | - | - | 2.50 ^(b) | - | 2.50 |
| 2 | Mrs. Mahua Mukherjee* | 0.71 | 0.21 | - | - | 0.92 |
| Total | | 0.71 | 0.21 | 2.50 | - | 3.42 |

* Mrs. Mahua Mukherjee ceased to be Director w.e.f. November 9, 2023

- a) In accordance with the definition of perquisites under the Income-tax Act, 1961, the remuneration includes the value of stock options only on those shares that have been exercised during the period. Accordingly, the value of stock options granted during the period has not been included.
- b) Perquisites value of stock options on account of exercise of 1,20,980 vested options under ESOP Scheme 2015.



The details in respect of the remuneration paid to the Independent Directors during the period from April 1, 2023 to March 31, 2024 are as under:

₹ in Crores

| Name | Designation | Particulars of Remuneration | Gross Amount |
|--------------------|--------------------------------------|-----------------------------|--------------|
| Mr. Sujay R. Sheth | Independent Director and Chairperson | Sitting Fees | 0.15 |
| Mr. Dilip Thakkar | Independent Director | Sitting Fees | 0.09 |
| Ms. Neha Nagpal | Independent Director | Sitting Fees | 0.06 |
| Total | | | 0.30 |

ETHICS AND COMPLIANCE COMMITTEE

During the financial year 2023-24 the Ethics and Compliance Committee met 4 (Four) times: May 30, 2023, August 10, 2023, November 9, 2023 and February 8, 2024.

Composition of the Ethics and Compliance Committee and attendance of members for FY2024:

| Name of the Members | Category & Designation in the Committee | Particulars of attendance | | |
|-----------------------|---|---------------------------|--|---|
| | | Number of meetings held | Number of meetings member was entitled to attend | Number of meetings attended by the member |
| Mr. Sujay Sheth | Independent Director (Chairperson) | 4 | 4 | 4 |
| Mrs. Mahua Mukherjee* | Executive Director (Member) | 4 | 3 | 3 |
| Ms. Neha Nagpal# | Independent Director (Member) | 4 | 1 | 1 |

*Mrs. Mahua Mukherjee ceased to be member of the Committee w.e.f. November 9, 2023

#Ms. Neha Nagpal was appointed as a member of the Committee w.e.f. November 9, 2023

The Committee, at its meeting(s), sets forth the policies relating to and oversees the implementation of the 'Code of Conduct', adopted by the Board of Directors, at its meeting held on 23rd October, 2002, pursuant to the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, takes on record the status reports prepared by the Compliance Officer detailing the dealings in securities by the specified persons and decides penal action in respect of violation of the Regulations / the Code by any specified person. The Committee also overviews the 'Code of Conduct' of the Company and related matters (including review of complaints received under Whistle Blower Policy of the Company, any violations, penal actions, etc.).

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee has been constituted in accordance with the provisions of Regulation 20 of SEBI Listing Regulations and the provisions of Section 178 of the Act. This Committee deals with stakeholder relations and grievances raised by the investors in a timely and effective manner and to the satisfaction of investors.

During the financial year 2023-24 the Ethics and Compliance Committee met for 4 (Four) times: May 30, 2023, August 10, 2023, November 9, 2023 and February 8, 2024.

Composition of the Stakeholders and Relationship Committee and attendance of members for FY2024:

| Name of the Members | Category & Designation in the Committee | Particulars of attendance | | |
|---------------------|---|---------------------------|--|---|
| | | Number of meetings held | Number of meetings member was entitled to attend | Number of meetings attended by the member |
| Mr. Sujay Sheth | Independent Director (Chairperson) | 4 | 4 | 4 |
| Mr. Sanjeev Verma | Executive Director (Member) | 4 | 4 | 3 |
| Mr. Dilip Thakkar | Independent Director (Member) | 4 | 4 | 2 |

Terms of Reference of the Committee, inter alia, includes the following:

- Resolving the grievances of the security holders of the Company, including complaints related to transfer/transmission of the shares, non-receipt of the Annual Report, non-receipt of dividend declared, issue of new/duplicate share certificates, general meetings etc.
- Review of measure taken for effective exercise of voting rights by the shareholders.
- Review of adherence to the service standards adopted by the Company in respect of the services being rendered by the Registrar & Share Transfer Agent.
- Review of the measures and initiative taken by the Company for reducing the quantum of unclaimed dividend and ensuring timely receipt of dividend warrant/annual report/statutory notices by the shareholders of the Company.

The Board has designated Mr. Aditya Goswami, Company Secretary, as the Compliance Officer.

The total number of correspondence (including complaints / queries) received and replied to the satisfaction of shareholders during the period April 1, 2023 to March 31, 2024, were 95.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility (CSR) Committee has been constituted by the Board in compliance with the requirements of Section 135 of the Act.

During the financial year 2023-24 the Corporate Social Responsibility Committee met 2 (Two) times: May 24, 2023 and November 9, 2023.

Composition of the Corporate Social Responsibility Committee and attendance of members for FY2024:

| Name of the Members | Category & Designation in the Committee | Particulars of attendance | | |
|-----------------------|---|---------------------------|--|---|
| | | Number of meetings held | Number of meetings member was entitled to attend | Number of meetings attended by the member |
| Mr. Sujay Sheth | Independent Director (Chairperson) | 2 | 2 | 2 |
| Mr. Sanjeev Verma | Executive Director (Member) | 2 | 2 | 2 |
| Mrs. Mahua Mukherjee* | Executive Director (Member) | 2 | 2 | 2 |
| Ms. Neha Nagpal# | Independent Director (Member) | 2 | Nil | Nil |

*Mrs. Mahua Mukherjee ceased to be member of the Committee w.e.f. November 9, 2023

#Ms. Neha Nagpal was appointed as a member of the Committee w.e.f. November 9, 2023



The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of 'Corporate Social Responsibility (CSR) Policy', observe practices of Corporate Governance at all levels, and to suggest remedial measures wherever necessary. The Board has also empowered the Committee to look into matters related to sustainability and overall governance.

The Committee's constitution and terms of reference meet with the requirements of the Act.

Terms of Reference of the Committee, inter alia, includes the following:

- a) To formulate and recommend to the Board, a CSR Policy indicating activities to be undertaken by the Company in compliance with provisions of the Act and rules made thereunder.

- b) To recommend the amount of expenditure to be incurred on the CSR activities.

- c) To monitor the implementation of the CSR Policy of the Company from time to time.

RISK MANAGEMENT COMMITTEE

The Risk Management Committee has been constituted in accordance with the provisions of Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

During the financial year 2023-24 the Risk Management Committee met 3 (Three) times: April 14, 2023, September 25, 2023 and February 8, 2024.

Composition of the Risk Management Committee and attendance of members for FY2024:

| Name of the Members | Category & Designation in the Committee | Particulars of attendance | | |
|---------------------|---|---------------------------|--|---|
| | | Number of meetings held | Number of meetings member was entitled to attend | Number of meetings attended by the member |
| Mr. Sujay Sheth | Independent Director (Chairperson) | 3 | 3 | 3 |
| Mr. Sanjeev Verma | Executive Director (Member) | 3 | 3 | 2 |
| Ms. Neha Nagpal | Independent Director (Member) | 3 | 3 | 3 |

Risk Management Committee dwells upon the potential risks associated with the business and their possible mitigation plans.

The Committee's constitution and terms of reference meet with the requirements of the Regulations.

Terms of Reference of the Committee, inter alia, includes the following:

- Framing, Overseeing and Monitoring implementation of Risk Management Policy.
- Validating the process and procedure of Risk Management and Risk Mitigation.
- Periodically reviewing and evaluating the Risk Management Policy.

- Review of the appointment, removal and terms of remuneration of the Chief Risk Officer, if any, etc.
- The Committee to meet at least twice a year.

INDEPENDENT DIRECTORS COMMITTEE

Composition of the Independent Directors Committee for FY2024:

| | |
|--------------------|--------------------------------------|
| Mr. Sujay R. Sheth | Independent Director and Chairperson |
| Mr. Dilip Thakkar | Independent Director |
| Ms. Neha Nagpal | Independent Director |

The Independent Directors Committee was constituted on October 17, 2022 for consideration and recommendation of ongoing Scheme of Capital Reduction. During the financial

year 2023-24, the Committee was not required to meet to discuss any matter pursuant to their terms of reference.

Terms of Reference of the Committee, inter alia, includes the following:

- Finalize, amend and settle the draft Scheme, and assent to such alterations, conditions and modifications, if any, or effect any other modification or amendment as the Board of Directors of the Company may consider necessary or desirable to give effect to the Proposed Reduction thereof;
- Make any alterations / changes to the draft Scheme as may be expedient or necessary, which does not materially change the substance of the draft Scheme, particularly for satisfying the requirements or conditions imposed by the NCLT or any other appropriate authority;
- Advise Board on the contents of the Scheme and its feasibility for the Company.
- The Committee to be in existence till the implementation of Capital Reduction Scheme and get dissolved thereafter without any further action.
- The Committee to meet as and when necessary.

PREVENTION OF INSIDER TRADING

The Company has adopted a policy to regulate, monitor and report trading by insider under the SEBI (Prohibition of Insider Trading) Regulations, 2015 (“Insider Regulations”). The policy includes practices and procedures for fair disclosure of unpublished price sensitive information (“UPSI”), initial and continual disclosure by identified designated employee or specified persons and the Board receives the policy on a need basis. The Company Secretary cum Compliance Officer is responsible for implementation of the Code/Policy.

The Company has necessary infrastructure for submission of application for obtaining pre-clearance of trades and reporting of trades executed by the insiders in the securities of the Company including maintenance of a structured digital database of such persons/entities with whom UPSI is shared in accordance with the provisions of the Insider Regulations. The Company has ensured that adequate internal controls and checks are incorporated to the system, to ensure security and non-tampering of any data, information or database.

Code of Conduct

In compliance with Regulation 26(3) of the LODR Regulations and the Act, the Company has framed and adopted the Code of Conduct. The Board of Directors has laid down a Code of Conduct for all Board Members and Senior Management of the Company. All the Board Members and Senior Management Personnel have affirmed compliance with the said Code for the Financial Year 2023-24. The below given is the declaration made by Mr. Sanjeev Verma, Whole-time Director, with respect to the said affirmation by Directors and member of Senior Management of the Company, pursuant to the applicable provisions of Schedule V of LODR Regulations:

DECLARATION ON COMPLIANCE WITH CODE OF CONDUCT

To,
The Members
Black Box Limited

Sub: Declaration on compliance with Code of Conduct of the Company during FY2024

[Issued in accordance with Regulation 34(3) read with Schedule V Part D of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015]

I, Sanjeev Shekhar Verma, Whole-Time Director of the Company, based on the affirmations received from the members of the Board of Directors and Senior Management of the Company, hereby declare that all the Board members and Senior Management Personnel have affirmed compliance with the 'Code of Conduct for Directors & Senior Management' of the Company during the FY2024.

Yours Sincerely,

Sd/-

Sanjeev Verma

Place: Dallas, Texas, US
Date: August 13, 2024

Whole-Time Director
DIN: 06871685



RECONCILIATION OF CAPITAL AUDIT

A qualified Practicing Company Secretary carried out secretarial audit to reconcile the total admitted Equity Share Capital with National Securities Depository Limited (NSDL) and the Central Depository Services Limited (CDSL) and the total issued and Listed Equity Share Capital. The Secretarial Audit Report confirms that the total Issued / Paid-up Capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

SHARE TRANSFER SYSTEM

The Shares of the Company, being in the compulsory demat list, are transferable through the Depository System. Shares in physical & dematerialized form are processed through M/s. Datamatics Business Solutions Limited, Registrar & Share Transfer Agent ("RTA") of the Company. The RTA of the Company (i.e. specified official(s) of the RTA) is duly authorised by the Board of Directors of the Company to approve and process the requests lodged for demat, transmission, transposition etc. at the Registrar's address. All requests for dematerialization of Shares are processed and the confirmation is given to the Depositories within the stipulated timeline (in line with relaxations granted by

regulators with respect to the period under review, if any). Grievance received from members & other miscellaneous correspondence on change of address etc. is processed by the Registrar at the earliest within the prescribed time frame. The Company and its RTA have put system in place to adhere with the requirement stipulated under SEBI Circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 with respect to process of any request compulsorily in demat form only. The shareholders are advised to visit following link: <https://www.blackbox.com/en-in/investors/investor-services/investor-request-forms> on Company's website to follow the process prescribed for making any request with RTA.

NOMINATION

Individual Shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of the registered shareholders. Nomination facility in respect of shares held in electronic form is also available with the Depository Participants as per the bye-laws and business rules applicable to NSDL and CDSL. Nomination forms can be obtained from the Company's RTA.

GENERAL BODY MEETINGS

The particulars of last three (3) Annual General Meetings (AGM) of the Company are as under. The shareholders passed all the resolutions set out in the respective notices.

| Date | Location | Time | No. of Special Resolution(s) |
|--------------------|----------------------------|----------|------------------------------|
| September 26, 2023 | Through Video Conferencing | 10:30 AM | 3 |
| September 26, 2022 | Through Video Conferencing | 10:00 AM | 3 |
| October 27, 2021 | Through Video Conferencing | 10:00 AM | 4 |

The details of Extra-Ordinary General Meeting held during the FY2024 are as under:

| Date | Location | Time | No. of Special Resolution(s) |
|---------------|----------------------------|----------|------------------------------|
| July 25, 2023 | Through Video Conferencing | 10:09 AM | 1 |

RESOLUTION PASSED BY POSTAL BALLOT

During the year, the Company has no Resolutions passed by way of postal ballot.

DISCLOSURES

1. Disclosure of material financial and commercial transactions where management has personal interest that may have a potential conflict with the interest of the Company at large:

During the year, there were no material financial and commercial transactions where management had personal interest that may have a potential conflict with the interest of the Company at large. Details with regards to Related Party Transactions have been provided under notes to accounts section of the Annual Report.

2. Details of non-compliance by the Company, penalties and structures imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets, during the last three years:

During FY2024, there were no penalties imposed by the Stock Exchanges.

During FY2022, the Company was required to submit Annual Audited Financial Statements for the year ended 31st March, 2021 by June 30, 2021 (extended timeline considering the relaxation provided by SEBI due to Covid 2nd wave in the Country). The Company has, however submitted the Annual Audited Financial Statements for the year ended 31st March, 2021 on 3rd August, 2021. The exchanges had imposed fine of ₹ 1,71,100/- each on the Company, for the delay in compliance which was duly paid by the Company.

Further, the Company was required to submit prior intimation to the Stock Exchanges for the Board Meetings held on 31st July, 2021 and 14th August, 2021 at least five days in advance (excluding the date of the intimation and date of meeting) as required under Regulation 29(2) and 29(3) of LODR Regulations. These intimations were given at a shorter notice to the exchanges. The exchanges had imposed fine of ₹ 35,400/- each on the Company, for the delay in compliance which was duly paid by the Company.

Except for the above, there has not been any non-compliance by the Company and no penalties or strictures have been imposed/passed by SEBI or Stock Exchanges or any other statutory authority on any matter relating to capital markets, during the last three years.

3. Disclosure relating to establishment of Vigil Mechanism, Whistle Blower Policy and affirmation that no personnel have been denied access to the Audit Committee:

The Company has established a Vigil Mechanism through the Whistle Blower Policy/Policy on Vigil Mechanism and no personnel have been denied access to the Audit Committee of the Company. The said policy is accessible on the website of the Company at <https://cdn.blackbox.com/cms/docs/investors/corporate-governance/policies/whistle-blower-policy.pdf>

4. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company has complied with all the mandatory requirements as specified under the LODR Regulations. Further, the Company has adopted the following non-mandatory requirements:

- (i) Separate personnel are appointed to the post of Chairman and WTD/Managing Director/CEO,
- (ii) Internal Auditor of the Company reports directly to Audit Committee of the Company.

5. Web-link for Policy for determining 'Material' subsidiaries:

Pursuant to the provisions of Regulation 16(c) of LODR Regulations, the Company has adopted a Policy for determination of Material Subsidiaries of the Company. The said policy is accessible on the website of the Company at <https://cdn.blackbox.com/cms/docs/investors/corporate-governance/policies/policy-for-determining-material-subsidiary.pdf>

6. Web-link for Policy on dealing with Related Party Transaction ("RPT"):

Pursuant to the provisions of Regulation 23(1) of LODR Regulations and applicable provisions of the Companies Act, 2013, the Company has adopted a policy on determining materiality of RPTs as well as for dealing with RPTs. The said policy is accessible on the website of the Company at [https://cdn.blackbox.com/cms/docs/investors/related-party-transaction-\(rpt\)-policy-\(ver-01-04-2022\).pdf](https://cdn.blackbox.com/cms/docs/investors/related-party-transaction-(rpt)-policy-(ver-01-04-2022).pdf)


7. Web-link for details of Familiarization Program imparted to Independent Directors:

The Familiarization Policy for Independent Directors is accessible on the website of the Company at <https://cdn.blackbox.com/cms/docs/investors/corporate-governance/policies/familiarization-policy-of-independent-directors.pdf>

8. Outstanding Global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity:

Not Applicable

9. Disclosure on Commodity Risk, Foreign Exchange Risk and Hedging Activities:

In accordance with the provisions of Regulation 34(3) of LODR Regulations read with Schedule V therein and pursuant to SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018, the Company makes the following disclosure regarding Commodity Risk faced by it and the corresponding hedging activities undertaken by the Company during the year under review:

- i. Risk Management Policy: The Company has adopted a Risk Management Policy for the purpose of identification, analysis & mitigation of all present and future risk exposures of the Company, establishing a framework for risk management and thereby assuring business growth and stability. The said Policy is accessible

on the website of the Company at <https://cdn.blackbox.com/cms/docs/investors/corporate-governance/policies/risk-management-policy.pdf>

- ii. Commodity Risk Exposure:
 - a) Total Exposure of the Company to commodities (in ₹): **Nil**
 - b) Commodity-wise break-up of exposure: **Not Applicable**
 - c) Commodity risks faced by the Company during the year and how they have been managed: **Not Applicable**

The nature of business of the Company and the investment activities undertaken by the Company, if any, has not resulted in any commodity risk exposure. Thus, during the year under review there was no need for the Company to undertake mitigation measures with respect to Commodity Risk.

- iii. Foreign Exchange Risk: The foreign exchange risk borne by the Company has been disclosed in Note 38.3 to the Standalone Financial Statements of the Company provided in this Annual Report.

10. Details of utilization of funds raised through Preferential Allotment or Qualified Institutional Placement (“QIP”):

During FY2024, the Company has not raised funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).

11. Details of total fees paid to Statutory Auditors:

The details of the total fees paid by the Company or its Subsidiaries, on consolidated basis, to the Statutory Auditor (including its network entities) with respect to all services provided by them, is given below:

₹ in Crores

| Sr. No. | Particulars of Services | Amount of Fees paid to Statutory Auditor | Amount of Fees paid to entities belonging to Statutory Auditor's network | Total Amount of Fees paid |
|--------------|-------------------------|--|--|---------------------------|
| 1 | Audit Services | 1.27 | - | 1.27 |
| 2 | Other Services | 3.13 | 2.30 | 5.43 |
| Total | | 4.40 | 2.30 | 6.70 |

12. Disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

No complaints were received or pending during the year in relation to Sexual Harassment of Women at Workplace.

13. Disclosure in relation of loans and advances in the nature of loans to firms/companies in which directors are interested:

During the year under review, the Company and its subsidiaries had not provided loan or / and advances in nature of loan to any of the firm/Company(ies) in which any of the Director of the Company is interested.

14. Disclosure of shareholding of Non-Executive Directors:

As on March 31, 2024, Mr. Naresh Kothari, Non-Executive Director of the Company beneficially holds alongwith Persons acting in concert 1.92% shareholding in the Company.

MEANS OF COMMUNICATION

The quarterly results (including half-yearly and annual results) are usually published in “The Free Press Journal” (English Daily) and ‘Nav Shakti’ (Marathi Daily). The results are also promptly forwarded to the Bombay Stock Exchange (“BSE”) Limited and The National Stock Exchange of India (“NSE”) Limited where the securities of the Company are listed. The Company has developed a section dedicated for Investors on the Company’s website at <https://www.blackbox.com/en-in/investors>

[blackbox.com/en-in/investors](https://www.blackbox.com/en-in/investors) to display latest annual, half-yearly & quarterly results. The official news releases and the presentations made to the Investors / Analysts, if any, are also displayed on the said website. The Management Discussion and Analysis Report is attached to and forms part of the Annual Report. All Financial and other important information is promptly communicated to BSE Limited and NSE Limited where the securities of the Company are listed.

CERTIFICATE OF COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS BY PRACTICING COMPANY SECRETARY

In accordance with the applicable provisions of Regulations 34(3) of LODR Regulations read with Schedule V to the said regulations, M/s. S. K. Jain & Co., Practicing Company Secretaries, has issued the certificate on compliance by the Company with conditions of Corporate Governance specified under the LODR Regulations, which is given in this Annual Report.

DETAILS OF SHARES HELD IN DEMAT SUSPENSE ACCOUNT

No shares are lying in the Demat Suspense Account opened by the Company, at the beginning or end of the year.

GENERAL SHAREHOLDER INFORMATION

Annual General Meeting (AGM)

The AGM of the Company for FY2024 shall be held on Wednesday, September 25, 2024 at 11:00 A.M. (IST) through Video Conferencing (“VC”).

Following are the other general shareholder information:

| | |
|---|--|
| Financial Year | April 1, 2023 to March 31, 2024 |
| Dates of Book Closure | Thursday, September 19, 2024 to Wednesday, September 25, 2024 (both days inclusive) |
| Dividend Payment Date | No dividend is recommended by Directors of the Company on Equity Shares for the current Financial Year. |
| Name and Address of the Stock Exchanges where the securities of the Company are listed | <p>Bombay Stock Exchange (BSE) Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001</p> <p>The National Stock Exchange of India (NSE) Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai – 400051</p> <p>The Company has paid the annual listing fees to the Stock Exchanges.</p> |
| Stock Code / Symbol Demat ISIN Numbers in NSDL & CDSL for Equity Shares | <p>BSE – 500463, NSE – BBOX</p> <p>ISIN - INE676A01027</p> |



Market price Data : High, Low during each month in the FY 2023-24 and stock performance comparison with BSE Sensex & NSE Nifty 50

See Table No.1

In case the securities are suspended from trading, the Board's Report shall explain the reason thereof

Not Applicable

Registrar and Share Transfer Agents

Datamatics Business Solutions Limited, Plot No. B-5, MIDC, Part B, Cross Lane, Andheri (East), Mumbai – 400093 to whom the authority has been delegated by the Board to attend share transfer formalities etc.

Share Transfer System

Pursuant to SEBI Circular, no Physical transfers are processed by RTA or the Company. The Company ensures that the Compliance Certificate pursuant to Regulations 40(9) and 40(10) of the LODR Regulations are filed with the Stock Exchanges within the stipulated timelines.

Distribution of shareholding & Category-wise distribution

See Table No. 2 & 3

Dematerialization of shares and liquidity as on March 31, 2024

See Table No. 4

Credit Rating(s)

During the year under review, there was no change in credit rating(s). CRISIL Ratings has reaffirmed credit rating on May 7, 2024 as below:

| Facility(s) | Rating Reaffirmed | Earlier Rating |
|----------------------------------|---------------------|-----------------------|
| Total Bank Loan Facilities Rated | ₹ 25 Crores | ₹ 61.25 Crores |
| Long Term Rating | CRISIL BBB/Positive | CRISIL BBB/ Stable |
| Short Term Rating | CRISIL A3+ | CRISIL A3+ |

The rating on bank facilities worth ₹ 36.25 Crores has been withdrawn, since the facilities have been repaid.

The Company intimated the Stock Exchanges about the aforesaid Credit Rating revisions, pursuant to applicable provision of Regulation 30 of LODR Regulations.

Address for correspondence

Registered Office: 501, 5th Floor, Building No.9, Airoli Knowledge Park, MIDC Industrial Area, Airoli, Navi Mumbai - 400 708

Table No. 1: Market price Data - High, Low during each month in the FY2023-24 and stock performance comparison with BSE Sensex & NSE Nifty 50

| Month | BSE | | NSE | |
|----------------|--------|--------|--------|--------|
| | High | Low | High | Low |
| April 2023 | 143.57 | 94.50 | 145.45 | 94.55 |
| May 2023 | 150.40 | 132.00 | 150.00 | 131.65 |
| June 2023 | 141.80 | 120.15 | 141.85 | 122.35 |
| July 2023 | 214.60 | 134.05 | 214.90 | 133.60 |
| August 2023 | 237.75 | 188.40 | 237.90 | 188.15 |
| September 2023 | 228.05 | 176.95 | 228.00 | 176.65 |
| October 2023 | 262.10 | 184.30 | 262.00 | 184.45 |
| November 2023 | 275.00 | 228.00 | 274.60 | 230.20 |
| December 2023 | 291.70 | 223.45 | 291.15 | 225.00 |
| January 2024 | 309.00 | 266.00 | 312.20 | 266.65 |
| February 2024 | 302.85 | 256.45 | 303.20 | 256.50 |
| March 2024 | 276.00 | 210.10 | 276.00 | 209.80 |

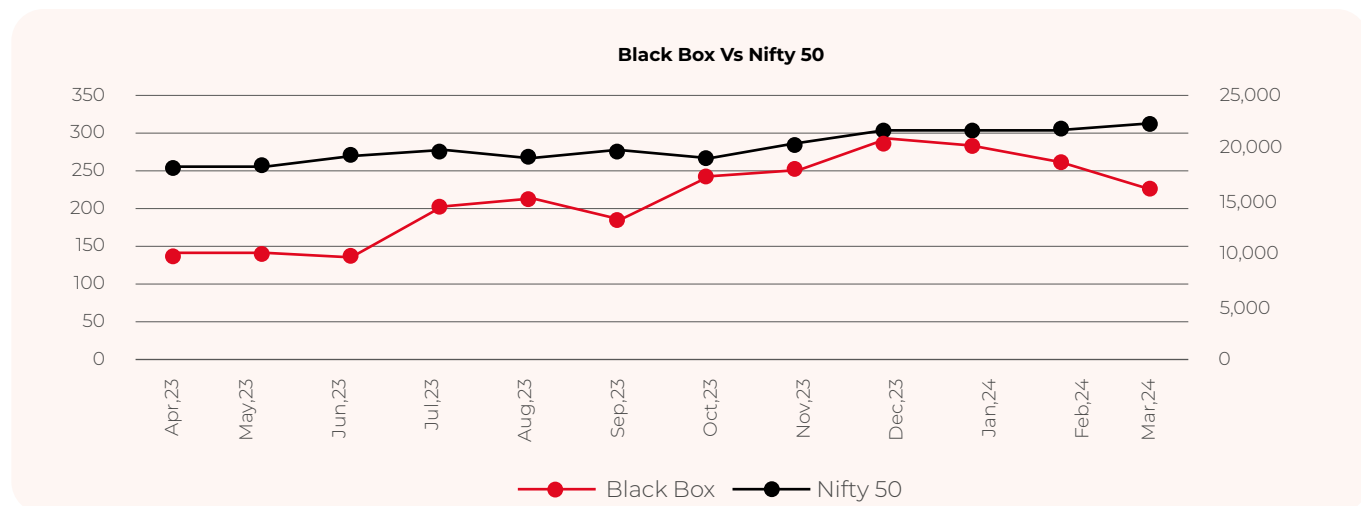
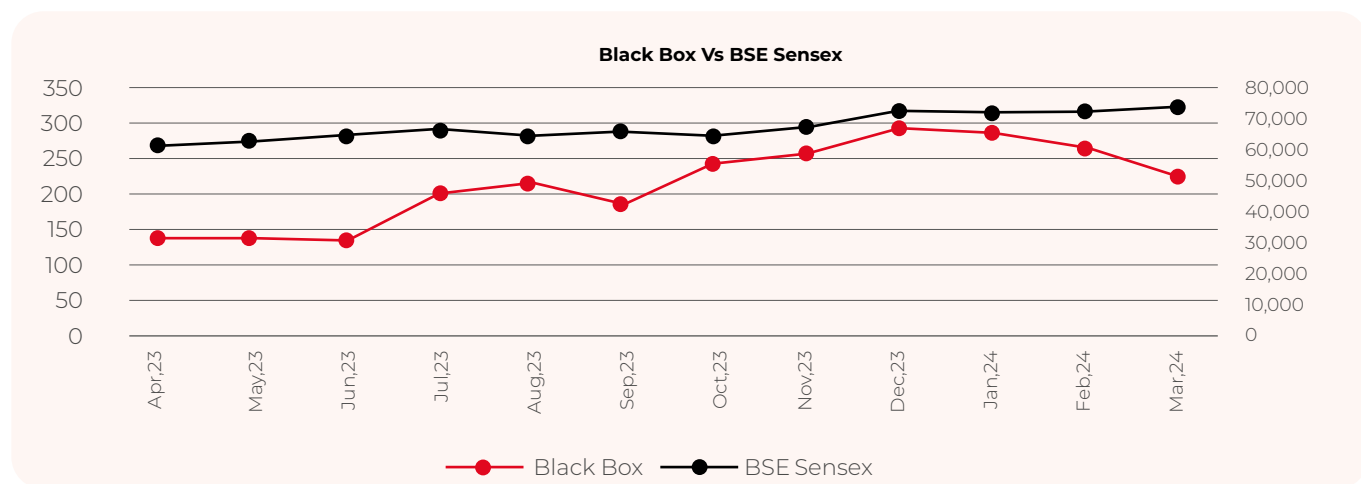




Table No. 2: Distribution of shareholding as on March 31, 2024

| Sr. No. | Shares Range | | Shares | % to Capital | No. of Holders | % to no. of Holders |
|--------------|--------------|--------------|---------------------|---------------|----------------|---------------------|
| | From | To | | | | |
| 1 | 1 | 100 | 3,06,909 | 0.18 | 9,045 | 53.22 |
| 2 | 101 | 500 | 11,25,784 | 0.67 | 3,814 | 22.44 |
| 3 | 501 | 1,000 | 15,61,299 | 0.93 | 1,741 | 10.24 |
| 4 | 1,001 | 5,000 | 44,78,731 | 2.67 | 1,947 | 11.46 |
| 5 | 5,001 | 10,000 | 16,36,394 | 0.97 | 224 | 1.32 |
| 6 | 10,001 | 1,00,000 | 50,75,279 | 3.02 | 178 | 1.05 |
| 7 | 1,00,001 | 99,99,99,999 | 15,38,41,194 | 91.56 | 48 | 0.28 |
| TOTAL | | | 16,80,25,590 | 100.00 | 16,997 | 100.00 |

Table No. 3: Category-wise distribution as on March 31, 2024

| Sr. No. | Category of Security Holders | No. of Shareholders | No. of Shares held | % to Capital |
|--------------|--|---------------------|---------------------|---------------|
| 1 | Promoter Companies | 1 | 11,94,41,430 | 71.09 |
| 2 | FIs and OCBs | 22 | 80,73,818 | 4.80 |
| 3 | Banking / Financial Institutions / Insurance Companies | 5 | 4,000 | 0.00 |
| 4 | Mutual Funds | 6 | 14,070 | 0.01 |
| 5 | Bodies Corporate/Trusts | 185 | 59,56,525 | 3.55 |
| 6 | Non-Resident Individuals | 261 | 6,12,112 | 0.36 |
| 7 | Directors and their relatives | 3 | 25,25,465 | 1.50 |
| 8 | Resident Individuals | 15,817 | 2,24,14,495 | 13.34 |
| 9 | Investor Education And Protection Fund (IEPF) | 1 | 7,22,005 | 0.43 |
| 10 | Others (HUF, Clearing Member, LLP) | 346 | 82,61,670 | 4.92 |
| Total | | 16,647 | 16,80,25,590 | 100.00 |

Shareholding pattern -

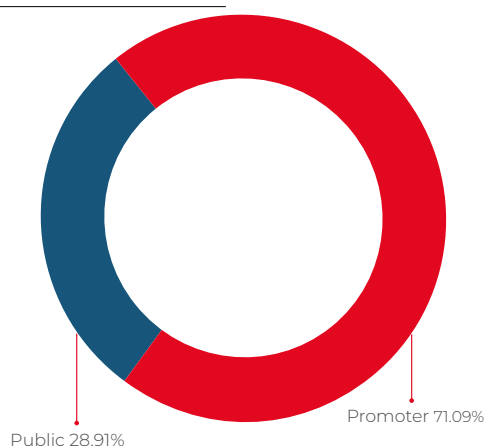


Table No. 4: Dematerialization of shares and liquidity as on March 31, 2024

| Description | No. of Shareholders | % of Total Shareholders | No. of Shares | % of Total Shares |
|--------------|---------------------|-------------------------|---------------------|-------------------|
| NSDL | 6,846 | 40.28 | 15,83,45,747 | 94.24 |
| CDSL | 9,277 | 54.58 | 84,25,373 | 5.01 |
| Physical | 874 | 5.14 | 12,54,470 | 0.75 |
| TOTAL | 16,997 | 100.00 | 16,80,25,590 | 100.00 |

Sanjeev Verma

Whole-time Director
DIN: 06871685

Place: Dallas, Texas, USA
Date: August 13, 2024

ANNEXURE “A” TO CORPORATE GOVERNANCE REPORT

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of
BLACK BOX LIMITED
501,5th Floor, Building No.9,
Airoli Knowledge Park,
MIDC Industrial Area,
Airoli, Navi Mumbai- 400708

We have examined the relevant Registers, Records, Forms, Returns and disclosures received from the Directors of Black Box Limited, having CIN: L32200MH1986PLC040652 and having registered office at Mumbai Maharashtra - 400708 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

| Sr. No. | Name of Director | DIN | Date of Appointment |
|---------|-----------------------------------|----------|---------------------|
| 1 | Mr. Dilip Jayantilal Thakkar | 00007339 | 01/08/2018 |
| 2 | Mr. Anshuman Shashikant Ruia | 00008501 | 20/09/2021 |
| 3 | Mr. Naresh Lakshman Singh Kothari | 00012523 | 26/09/2019 |
| 4 | Mr. Sujay Rajababu Sheth | 03329107 | 26/09/2019 |
| 5 | Mr. Sanjeev Verma | 06871685 | 15/02/2022 |
| 6 | Mr. Deepak Kumar Bansal | 07495199 | 26/09/2022 |
| 7 | *Mrs. Mahua Mukherjee | 08107320 | 01/09/2022 |
| 8 | Ms. Neha Nagpal | 08842400 | 18/11/2020 |

*ceased to be a Director of the Company w.e.f 09.11.2023

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

For **S. K. Jain & Co**

Date: 09/05/2024
Place: Mumbai
UDIN: F001472F000338361

Dr. S. K. Jain
Practicing Company Secretary
FCS No.:1473
COP No.: 3076



ANNUAL SECRETARIAL COMPLIANCE REPORT OF BLACK BOX LIMITED

FOR THE YEAR ENDED MARCH 31, 2024

We have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **BLACK BOX LIMITED (CIN: L32200MH1986PLC040652)** (hereinafter referred as 'the listed entity'), having its Registered Office at **501,5th Floor, Building No.9, Airoli Knowledge Park, MIDC Industrial Area, Airoli Navi Mumbai Thane MH 400708 IN**. Secretarial Review was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the listed entity's books, papers, minutes books, forms and returns filed and other records maintained by the listed entity and also the information provided by the listed entity, its officers, agents and authorized representatives during the conduct of Secretarial Review, we hereby report that in our opinion, the listed entity has, during the review period covering the financial year ended on **March 31, 2024**, complied with the statutory provisions listed hereunder and also that the listed entity has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We, **S.K. JAIN & Co.** Practicing Company Secretaries, having office at **11, Friend's Union Premises Co-operative Society Ltd, 2nd Floor, 227, P.D' Mello Road, Beside Manama Hotel, Opp St. George Hospital, Mumbai-400 001**, have examined:

- (a) all the documents and records made available to us and explanation provided by, the listed entity,
- (b) the filings/submissions made by the listed entity to the Stock Exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this Certification,

for the year ended March 31, 2024 ("Review Period") in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued there under; and
- (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made there under and the Regulations, Circulars,

Guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI")

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include: -

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable as the Listed Entity has not bought back/propose to Buy-back any of its securities during the Financial Year under review)**
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not applicable as the Listed Entity has not issued any Non- Convertible Securities during the financial year under review)**
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; **(Not applicable as the Listed Entity has not issued any Non- Convertible and Redeemable Preference Shares during the financial year under review)**
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (i) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable as the Listed Entity has not delisted/propose to delist its Equity Shares from any Stock Exchange during the financial year under review)**
- (j) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018; and circulars/ guidelines issued there under;

We hereby report that, during the Review Period the compliance status of the listed entity is appended as below:

| Sr. No. | Particulars | Compliance Status (Yes/No/NA) | Observations / Remarks by PCS* |
|---------|--|-------------------------------|--------------------------------|
| 1 | <u>Secretarial Standard</u> The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI), as notified by the Central Government under section 118(10) of the Companies Act, 2013 and mandatorily applicable. | YES | - |
| 2 | <u>Adoption and timely updation of the Policies:</u> <ul style="list-style-type: none"> • All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities • All the policies are in conformity with SEBI Regulations and has been reviewed & timely updated as per the regulations/circulars/ guidelines issued by SEBI | YES | - |
| 3 | <u>Maintenance and disclosures on Website:</u> <ul style="list-style-type: none"> • The Listed entity is maintaining a functional website • Timely dissemination of the documents/ information under a separate section on the website • Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which redirects to the relevant document(s)/ section of the website | YES | - |
| 4 | <u>Disqualification of Director:</u> None of the Director of the Company are disqualified under Section 164 of Companies Act, 2013 as confirmed by the Listed Entity. | YES | - |
| 5 | <u>Details related to Subsidiaries of listed entities have been examined w.r.t.:</u> (a) Identification of material subsidiary companies (b) Disclosure requirement of material as well as other subsidiaries | YES | - |
| 6 | <u>Preservation of Documents:</u> The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015 | YES | - |
| 7 | <u>Performance Evaluation:</u> The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations | YES | - |
| 8 | <u>Related Party Transactions:</u> (a) The listed entity has obtained prior approval of Audit Committee for all Related party transactions (b) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit committee | YES | - |



| Sr. No. | Particulars | Compliance Status (Yes/No/NA) | Observations / Remarks by PCS* |
|---------|--|-------------------------------|--------------------------------|
| 9 | <u>Disclosure of events or information:</u> The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder. | YES | - |
| 10 | <u>Prohibition of Insider Trading:</u> The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015 | YES | - |
| 11 | <u>Actions taken by SEBI or Stock Exchange(s), if any:</u> No Actions taken against the listed entity/ its promoters/directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/guidelines issued thereunder except as provided under separate paragraph herein (**). | YES | - |
| 12 | <u>Additional Non-compliances, if any:</u> No any additional non-compliance observed for all SEBI regulation/ circular/guidance note etc. | YES | - |

*Observations/Remarks by PCS are mandatory if the Compliance status is provided as 'No' or 'NA'

Compliances related to resignation of statutory auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019:

| Sr. No. | Particulars | Compliance Status (Yes/No/NA) | Observations / Remarks by PCS* |
|---------|--|-------------------------------|---|
| 1 | Compliances with the following conditions while appointing/re-appointing an auditor <ol style="list-style-type: none"> <li data-bbox="177 1249 1002 1342">i. If the auditor has resigned within 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter; or <li data-bbox="177 1350 1002 1475">ii. If the auditor has resigned after 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter as well as the next quarter; or <li data-bbox="177 1483 1002 1612">iii. If the auditor has signed the limited review/ audit report for the first three quarters of a financial year, the auditor before such resignation, has issued the limited review/ audit report for the last quarter of such financial year as well as the audit report for such financial year. | N/A | There was no resignation by the Statutory Auditor in the Listed Entity, hence not applicable. |

| Sr. No. | Particulars | Compliance Status (Yes/No/NA) | Observations / Remarks by PCS* |
|---------|---|-------------------------------|---|
| 2 | <p>Other conditions relating to resignation of statutory auditor</p> <p>i. Reporting of concerns by Auditor with respect to the listed entity/its material subsidiary to the Audit Committee:</p> <p>a. In case of any concern with the management of the listed entity/ material subsidiary such as non-availability of information / noncooperation by the management which has hampered the audit process, the auditor has approached the Chairman of the Audit Committee of the listed entity and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings.</p> <p>b. In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents has been brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non-receipt of information / explanation from the Company, the auditor has informed the Audit Committee the details of information/ explanation sought and not provided by the management, as applicable.</p> <p>c. The Audit Committee / Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the auditor relating to the proposal to resign as mentioned above and communicate its views to the management and the auditor.</p> <p>ii. Disclaimer in case of non-receipt of information: The auditor has provided an appropriate disclaimer in its audit report, which is in accordance with the Standards of Auditing as specified by ICAI / NFRA, in case where the listed entity/ its material subsidiary has not provided information as required by the auditor.</p> | N/A | There was no resignation by the Statutory Auditor in the Listed Entity, hence not applicable. |
| 3 | The listed entity / its material subsidiary has obtained information from the Auditor upon resignation, in the format as specified in Annexure- A in SEBI Circular CIR/CFD/CMD1/114/2019 dated 18 th October, 2019. | N/A | There was no resignation by the Statutory Auditor in the Listed Entity, hence not applicable. |

*Observations/Remarks by PCS are mandatory if the Compliance status is provided as 'No' or 'NA'

I hereby report that, during the Review Period:

(a) (**) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:

| Sr. No. | Compliance Requirement (Regulations/ circulars/ guidelines including specific clause) | Regulation/ Circular No. | Deviations | Action Taken By | Type of Action | Details of Violation | Fine Amount | Observations/ Remarks of the Practicing Company Secretary | Management Response | Remarks |
|---------|---|--------------------------|------------|-----------------|----------------|----------------------|-------------|---|---------------------|---------|
| NA | | | | | | | | | | |



(b) The listed entity has taken the following actions to comply with the observations made in previous reports:

| Sr. No. | Compliance Requirement (Regulations/ circulars/ guidelines including specific clause) | Regulation/ Circular No. | Deviations | Action Taken By | Type of Action | Details of Violation | Fine Amount | Observations/ Remarks of the Practicing Company Secretary | Management Response | Remarks |
|---------|---|--------------------------|------------|-----------------|----------------|----------------------|-------------|---|---------------------|---------|
| NA | | | | | | | | | | |

Assumptions & Limitation of scope and Review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to certify based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

For **S. K. Jain & Co**

Date: 07/05/2024
Place: Mumbai
UDIN: F001473F000329437

Dr. S. K. Jain
Practicing Company Secretary
FCS No.:1473
COP No.: 3076

WTD AND CFO CERTIFICATE

[Issued in accordance with Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015]

To,
The Board of Directors
BLACK BOX LIMITED

Sub: WTD & CFO Certificate

Dear Members of the Board,

We, Sanjeev Verma, Whole-time Director and Deepak Kumar Bansal, Executive Director & Chief Financial Officer of the Company hereby certify that:

- a) We have reviewed the financial statements and cash flow statement for the year ended March 31, 2024 and to the best of our knowledge and belief:
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2024 are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the Auditors as well as the Audit Committee and steps have been taken to rectify these deficiencies.
- d)
 - i) There was no instance of significant change in internal control over financial reporting during the year under reference;
 - ii) There were no instances of any significant change in accounting policies during the year under reference; and
 - iii) During the year under reference, we are not aware of any instance of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Yours Sincerely,

Sd/-
Sanjeev Verma
Whole-Time Director
DIN: 06871685

Sd/-
Deepak Kumar Bansal
Executive Director & Chief Financial Officer
DIN: 07495199

Place: Dallas, Texas, USA
Date: August 13, 2024



Business Responsibility and Sustainability Report (BRSR)

Financial Year 2023-2024

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

| | |
|---|--|
| 1. Corporate Identity Number (CIN) of the Listed Entity | L32200MH1986PLC040652 |
| 2. Name of the Listed Entity | Black Box Limited |
| 3. Year of incorporation | 1986 |
| 4. Registered office address | 501, 5th Floor, Building No.9, Airoli Knowledge Park, MIDC Industrial Area, Airoli, Navi Mumbai - 400708 |
| 5. Corporate address | |
| 6. E-mail | investors@blackbox.com |
| 7. Telephone | +91 22 6661 7272 |
| 8. Website | www.blackbox.com |
| 9. Financial year for which reporting is being done | April 1, 2023, to March 31, 2024 |
| 10. Name of the Stock Exchange(s) where shares are listed | The Bombay Stock Exchange (BSE) and the National Stock Exchange of India (NSE). |
| 11. Paid-up Capital | ₹ 33,61,50,180 |
| 12. Name and contact details | <p><u>India:</u> Apurva Raizada, T: +91 22 6661 7272,</p> <p><u>USA:</u> Lou Gorga: +1 7248736970, Email: Sustainability.ESG@BlackBox.com</p> |
| 13. Reporting boundary | On a Consolidated basis. This report covers the operations of Black Box Limited across all the locations globally. |
| 14. Type of assurance obtained | As a conscious organization, we maintain the health of the organization with due diligence. However, as we have not carried out any independent assessment, evaluation, or assurance by an external agency this year, we are actively exploring opportunities to undergo third-party assurance in the near future. |

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

| Sr. No. | Description of Main Activity | Description of Business Activity | % of Turnover of the entity |
|---------|---|---|-----------------------------|
| 1. | Information & Communication Technologies (ICT) Solution Integration | IT Products, Solutions, Services and Consulting | 100% |

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

| Sr. No. | Product / Service | NIC Code | % of total Turnover contributed |
|---------|---|----------|---------------------------------|
| 1. | Information & Communication Technologies (ICT) Solution Integration | 62099 | 100% |

III. Operations

18. Number of locations where facilities and/or operations/offices of the entity are situated: :

| Location | Number of Offices | Total |
|---------------|-------------------|-------|
| National | 14 | 14 |
| International | 65 | 65 |

19. Markets served by the entity:

a. Number of locations

| Location | Number of Offices/Facilities |
|-------------------------------|---------------------------------|
| National (No. of states) | 28 States + 8 Union Territories |
| International (No. of states) | 45 |

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Not applicable due to global multi-country business

c. A brief on types of customers:

Our customers come from a wide array of industries, including Financial Services, Technology, Healthcare, Business Services, Distribution, Consumers, Manufacturing, Retail, Government, Transportation, Construction, Education, Utilities, and Hospitality.


IV. Employees
20. Details as of the end of the Financial Year:
a. Employees and workers (including differently abled):

| S. No. | Particulars | Total (A) | Male | | Female | |
|--------|-------------|-----------|---------|-----------|---------|-----------|
| | | | No. (B) | % (B / A) | No. (C) | % (C / A) |


EMPLOYEES

| | | | | | | |
|----|--------------------------------|--------------|--------------|------------|------------|------------|
| 1. | Permanent (D) | 3,385 | 2,754 | 81% | 631 | 19% |
| 2. | Other than Permanent (E) | 49 | 35 | 86% | 7 | 14% |
| 3. | Total employees (D + E) | 3,434 | 2,796 | 81% | 638 | 19% |


WORKERS

| | | | | | | |
|----|----------------------------|------------|------------|------------|-----------|-----------|
| 4. | Permanent (F) | 498 | 349 | 92% | 26 | 8% |
| 5. | Other than Permanent (G) | | | | | |
| 6. | Total workers (F+G) | 498 | 349 | 92% | 26 | 8% |

b. Differently abled Employees and workers:

| S. No. | Particulars | Total (A) | Male | | Female | |
|--------|-------------|-----------|---------|-----------|---------|-----------|
| | | | No. (B) | % (B / A) | No. (C) | % (C / A) |


Differently Abled Employees

| | | | | | | |
|----|--|-----------|-----------|------------|----------|-----------|
| 1. | Permanent (D) and Other than Permanent (E) | 27 | 26 | 96% | 1 | 4% |
| 2. | Total employees (D + E) | 27 | 26 | 96% | 1 | 4% |

21. Participation/Inclusion/Representation of Women:

| Particulars | Total (A) | Number and Percentage of Females | |
|------------------------------------|-----------|----------------------------------|-----------|
| | | No. (B) | % (B / A) |
| Board of Directors | 7 | 1 | 14% |
| Key Management Personnel | 4 | - | - |
| Senior Management Personnel | 7 | - | - |

22. Turnover rate for permanent employees and workers:

| Particulars | FY 2023-2024 | | | FY 2022-2023 | | | FY 2021-2022 | | |
|---------------------|--------------|--------|-------|--------------|--------|-------|--------------|--------|-------|
| | Male | Female | Total | Male | Female | Total | Male | Female | Total |
| Permanent Employees | 17% | 4.5% | 21.5% | 19% | 1% | 20% | 20% | 4% | 24% |

23. (a) Names of holding/subsidiary / associate companies / joint ventures

| Sr. No. | Name of the holding/subsidiary / associate companies / joint ventures (A) | Indicate whether holding/ Subsidiary/ Associate/ Joint Venture | % of shares held by the listed entity | Does the entity indicated in column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No) |
|---------|---|--|---------------------------------------|--|
| 1. | Black Box Technologies Pte Ltd. | Subsidiary | 100 % | Yes |
| 2. | AGC Networks Philippines, Inc | Subsidiary | 100 % | Yes |
| 3. | AGC Networks & Cyber Solutions Limited | Subsidiary | 100 % | Yes |
| 4. | AGC Networks LLC, Dubai | Subsidiary | 49 % | Yes |
| 5. | AGC Networks LLC, Abu Dhabi | Subsidiary | 0 % | Yes |
| 6. | AGCN Solutions Pte. Limited | Subsidiary | 100 % | Yes |
| 7. | BBX Main Inc. | Subsidiary | 100 % | Yes |
| 8. | AGC Networks LLC, USA | Subsidiary | 100 % | Yes |
| 9. | Black Box Corporation | Subsidiary | 100 % | Yes |
| 10. | ACS Dataline, LP | Subsidiary | 100 % | Yes |
| 11. | ACS Investors, LLC | Subsidiary | 100 % | Yes |
| 12. | BB Technologies, LLC (formerly known as BB Technologies, Inc.) | Subsidiary | 100 % | Yes |
| 13. | BBOX Holdings Mexico LLC | Subsidiary | 100 % | Yes |
| 14. | BBOX Holdings Puebla LLC | Subsidiary | 100 % | Yes |
| 15. | Black Box A/S | Subsidiary | 100 % | Yes |
| 16. | Black Box Canada Corporation | Subsidiary | 100 % | Yes |
| 17. | Black Box Chile S.A | Subsidiary | 100 % | Yes |
| 18. | Black Box Comunicaciones, S.A. | Subsidiary | 100 % | Yes |
| 19. | Black Box Corporation of Pennsylvania | Subsidiary | 100 % | Yes |
| 20. | Black Box de Mexico, S. de R.L. de C.V. | Subsidiary | 100 % | Yes |
| 21. | Black Box Deutschland GmbH | Subsidiary | 100 % | Yes |
| 22. | Black Box do Brasil Industria e Comercio Ltda. | Subsidiary | 100 % | Yes |
| 23. | Black Box E-Commerce (Shanghai) Co., Ltd. | Subsidiary | 100 % | Yes |
| 24. | Black Box Finland OY | Subsidiary | 100 % | Yes |
| 25. | Black Box France | Subsidiary | 100 % | Yes |
| 26. | Black Box GmbH | Subsidiary | 100 % | Yes |
| 27. | Black Box Holdings Ltd | Subsidiary | 100 % | Yes |
| 28. | Black Box International B.V. | Subsidiary | 100 % | Yes |
| 29. | Black Box International Holdings B.V. | Subsidiary | 100 % | Yes |



| Sr. No. | Name of the holding/subsidiary / associate companies / joint ventures (A) | Indicate whether holding/ Subsidiary/ Associate/ Joint Venture | % of shares held by the listed entity | Does the entity indicated in column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No) |
|---------|---|--|---------------------------------------|--|
| 30. | Black Box Network Services (Dublin) Limited | Subsidiary | 100 % | Yes |
| 31. | Black Box Network Services (UK) Limited | Subsidiary | 100 % | Yes |
| 32. | Black Box Network Services AB | Subsidiary | 100 % | Yes |
| 33. | Black Box Network Services AG | Subsidiary | 100 % | Yes |
| 34. | Black Box Network Services Australia Pty Ltd | Subsidiary | 100 % | Yes |
| 35. | Black Box Network Services Co., Ltd. | Subsidiary | 100 % | Yes |
| 36. | Black Box Network Services Corporation | Subsidiary | 100 % | Yes |
| 37. | Black Box Network Services, Inc. – Government Solutions | Subsidiary | 100 % | Yes |
| 38. | Black Box Network Services India Private Limited | Subsidiary | 100 % | Yes |
| 39. | Black Box Network Services Korea Limited | Subsidiary | 100 % | Yes |
| 40. | Black Box Network Services New Zealand Limited | Subsidiary | 100 % | Yes |
| 41. | Black Box Technologies New Zealand Limited | Subsidiary | 100 % | Yes |
| 42. | Black Box Network Services NV | Subsidiary | 100 % | Yes |
| 43. | Black Box Network Services S.r.l. | Subsidiary | 100 % | Yes |
| 44. | Black Box Network Services SDN. BHD. | Subsidiary | 100 % | Yes |
| 45. | Black Box Network Services Singapore Pte Ltd | Subsidiary | 100 % | Yes |
| 46. | Black Box Norge AS | Subsidiary | 100 % | Yes |
| 47. | Black Box P.R. Corp | Subsidiary | 100 % | Yes |
| 48. | Black Box Services LLC (formerly known as Black Box Services Company) | Subsidiary | 100 % | Yes |
| 49. | Black Box Software Development Services Limited | Subsidiary | 100 % | Yes |
| 50. | Delaney Telecom, Inc. | Subsidiary | 100 % | Yes |
| 51. | Norstan Canada, Ltd. / Norstan Canada, Ltée | Subsidiary | 100 % | Yes |
| 52. | Norstan Communications, Inc | Subsidiary | 100 % | Yes |
| 53. | Black Box Network Services Philippines, Inc | Subsidiary | 100 % | Yes |
| 54. | Black Box Technologies Australia Pty Limited | Subsidiary | 100 % | Yes |
| 55. | COPC Holdings Inc. | Subsidiary | 100 % | Yes |
| 56. | COPC Inc. | Subsidiary | 100 % | Yes |

| Sr. No. | Name of the holding/subsidiary / associate companies / joint ventures (A) | Indicate whether holding/ Subsidiary/ Associate/ Joint Venture | % of shares held by the listed entity | Does the entity indicated in column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No) |
|---------|--|--|---------------------------------------|--|
| 57. | COPC International Inc. | Subsidiary | 100 % | Yes |
| 58. | COPC Asia Pacific Inc | Subsidiary | 100 % | Yes |
| 59. | COPC International Holdings LLC | Subsidiary | 100 % | Yes |
| 60. | COPC India Private Limited | Subsidiary | 100 % | Yes |
| 61. | COPC Consultants (Beijing) Co. Limited | Subsidiary | 100 % | Yes |
| 62. | Black Box Technologies LLC, Abu Dhabi (formerly known as Fuji Soft Technology LLC) | Subsidiary | 49 % | Yes |
| 63. | Fujisoft Security Solutions LLC | Subsidiary | 49 % | Yes |
| 64. | BBX Inc | Subsidiary | 100 % | Yes |
| 65. | Black Box Network Services Hong Kong Limited | Subsidiary | 100 % | Yes |
| 66. | Black Box Technologies LLC, Dubai | Subsidiary | 49 % | Yes |
| 67. | Servicios Black Box S.A. de C.V | Subsidiary | 100 % | Yes |
| 68. | Black Box Technologies Group B.V. | Subsidiary | 100 % | Yes |
| 69. | Black Box Bangladesh Technologies Private Limited | Subsidiary | 100 % | Yes |
| 70. | Black Box Costa Rica S.R.L | Subsidiary | 100 % | Yes |
| 71. | Black Box Network Services Colombia S.A.S | Subsidiary | 100 % | Yes |
| 72. | Dragonfly Technologies Pty Ltd | Subsidiary | 100 % | Yes |
| 73. | Cybalt LLC (formerly known as Cybalt Inc.) | Subsidiary | 100 % | Yes |
| 74. | Black Box Products FZE | Subsidiary | 100 % | Yes |
| 75. | Pyrios Pty Limited (up to 03 September 2022) | Subsidiary | 0 % | Yes |
| 76. | Global Speech Networks Pty Limited (w.e.f. 16 June 2023) | Subsidiary | 100 % | Yes |
| 77. | Global Speech Networks Limited (w.e.f. 16 June 2023) | Subsidiary | 100 % | Yes |
| 78. | Black Box DMCC (w.e.f. 31 March 2023) | Associate | 39.5 % | Yes |



VI. CSR Details







24. (i) Whether CSR is applicable as per section 135 of the Companies Act, 2013: Yes

(ii) Turnover (in ₹): 6,282 Crores

(iii) Net worth (in ₹): 481 Crores

VII. Transparency and Disclosure Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

| Stakeholder group from whom a complaint is received | Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for the grievance redress policy) | FY 2023-2024 | | | FY 2022-2023 | | |
|---|--|--|--|---------|--|--|---------|
| | | Number of complaints filed during the year | Number of complaints pending resolution at the close of the year | Remarks | Number of complaints filed during the year | Number of complaints pending resolution at the close of the year | Remarks |
|  Communities | Yes. Below is the list of relevant documents with web links: | - | - | -- | - | - | -- |
|  Investors (other than shareholders) | <ul style="list-style-type: none"> • Whistleblower Policy • Code of Conduct • Code of Business Ethics and Conduct | - | - | -- | - | - | -- |
|  Shareholders | <ul style="list-style-type: none"> • US Employee Handbook Policies • Open Door Policy | - | - | -- | 123 | 5 | -- |
|  Employees and workers | <ul style="list-style-type: none"> • Conflict of Interest Policy | 2 | 2 | -- | - | - | -- |
|  Customers | | - | - | -- | - | - | -- |
|  Value Chain Partners | | 2 | 2 | -- | - | - | -- |
| Other (please specify) | | - | - | -- | - | - | -- |

Employees:

Two employee claims involve alleged violations of Title VII of the Civil Rights Act of 1964. One claim, which addresses retaliation, is awaiting filing with the Texas Human Rights Commission. The other claim, concerning gender discrimination, is currently pending in the United States District Court for the District of Kansas.

Value chain Partners:

The Company is currently involved in two commercial litigation cases. One is being handled in Pennsylvania state court, while the other is before the United States District Court for the Northern District of Georgia. Both cases revolve around breach of contract claims concerning unpaid invoices.

26. Overview of the entity’s material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, and approach to adapt or mitigate the risk along with its financial implications, as per the following format:

| S. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | The rationale for identifying the risk/opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|--------|---------------------------|--|---|---|--|
| 1. | Data Security and Privacy | Risk | Safeguarding digital information is a crucial step in providing data security and privacy. Consequences of non-compliance to the data privacy and security of the customer may lead to regulatory and legal risks. Non-existence of cybersecurity may lead to security breaches and unauthorized access to information of the Company. This may cause reputational damage and loss of customers. | <ul style="list-style-type: none"> Adhere to the existing Privacy Policy. Regularly audit the data processing activities to identify vulnerabilities and ensure compliance with data protection regulations. Develop and maintain a data breach response plan with clear steps for addressing breaches, including notifying affected individuals. Employee training and awareness | <p>Negative.</p> <ul style="list-style-type: none"> Loss due to cyberattacks such as phishing, ransomware, or hacking. Increased restoration costs related to frequent downtimes. Compliance costs, and regulatory penalties Reputational damage, Risk to market value, Increased insurance liabilities, operational costs Loss of competitive advantage |
| 2. | Responsible Procurement | Opportunity | Black Box is involved with various suppliers across the globe. It is important to procure responsibly through the supply chain to integrate sustainability into our business operations. By considering the Responsible procurement at Black Box, we have a significant opportunity to integrate the supply chain into our ESG vision. Also, support from our suppliers is critical to achieving various goals under our ESG Program. | - | <p>Positive</p> <ul style="list-style-type: none"> Cost saving due to reduced Resource consumption Reduced waste quantities lead to reduced financial burden Increased durability and reduced operational and maintenance costs Avoidance of regulatory compliance-related costs Increased competitiveness and fulfillment of increasing expectations of customers |



| S. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | The rationale for identifying the risk/opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|--------|---------------------------|--|--|---|---|
| 3. | Waste | Risk | <p>Black Box has a global value chain involving multiple suppliers and distributors. Packaging waste, plastic waste, and electronic waste are generated during business operations. It is important to have a robust waste management system to adhere to country-specific regulations related to waste. Non-compliance to these regulations may pose legal liabilities and disciplinary action by regulatory authorities.</p> | <ul style="list-style-type: none"> • Identification of different types of waste across the organization and create a common data collection system. • Set up robust recycling programs for diverse waste types. • Collaborate with suppliers to cut down on packaging waste and promote sustainable packaging solutions. • Advocate for minimal or easily recyclable packaging materials. • Ensure compliance with all the regulatory requirements as per the regional norms such as E-waste management and handling rules, 2022, EPR (Extended Producer Responsibility), Waste Electrical and Electronic Equipment (WEEE) Directive and Restriction of Hazardous Substances in Electrical and Electronic Equipment (RoHS) Directive and others. | <p>Negative</p> <ul style="list-style-type: none"> • Regulatory costs in terms of penalties • Reputational damage • Increased insurance liabilities, operational costs • Loss of competitive advantage • Increased costs to manage the Health and Safety risks • Environmental and social liability • Resource recovery-related costs |

| S. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | The rationale for identifying the risk/opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|--------|---------------------------|--|---|---|---|
| 4. | Climate | Risk | <p>Climate change is a growing concern around the world as it causes direct and indirect economic impacts on businesses.</p> <p>As a trusted supply chain partner to several Fortune 500 companies, Black Box is committed to transparency in climate-related disclosures, including CDP and SBTi reporting. To meet our customers' expectations, it is crucial to conduct a comprehensive assessment of our global GHG footprint and set ambitious targets for reducing emissions, aligning with our dedication to sustainability and environmental stewardship.</p> <p>Our business operations are spread across the globe with our office locations, employees, supply chain, partners, and customers as an integrated part of our value chain. The physical risks posed by Climate Change - such as extreme weather events, and changes in climate patterns may cause threats to the safety of people, damage to infrastructure, and disruption of the supply chain because of delays in deliveries, which may have financial implications in the future.</p> | <ul style="list-style-type: none"> • GHG emission estimations across global operations • Design and implementation of decarbonization program. • Incorporating sustainability into business strategies • Supply chain engagement in climate-related risks. • Disclosure of data related to GHG emission through various frameworks. • Identification and assessment of risks related to climate change. • Climate Risk Mitigation plan based on region-specific for climate-related risks. | <p>Negative</p> <p>Business disruptions due to extreme weather events</p> <p>Supply chain interruptions</p> <p>Business continuity risks</p> <p>Employee health</p> <p>Decarbonization costs, climate mitigation costs</p> <p>Increased insurance costs</p> <p>Brand and reputational loss</p> <p>Regulatory liabilities</p> |



| S. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | The rationale for identifying the risk/opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|--------|---------------------------------|--|--|--|--|
| 5. | Energy Efficiency | Opportunity | <p>We provide design, installation, maintenance, and consultancy services in the Information technology and telecommunication infrastructure domain. This domain largely depends on the electricity for the operation. By emphasizing energy efficiency right from the design stage, we can achieve a significant reduction in electricity consumption for our customers. This creates the opportunity to serve large customers across the globe who are committed to the emission reduction targets which in turn creates a revenue opportunity for us and at the same time reduces the scope-3 GHG footprint of Black Box.</p> | - | <p>Positive</p> <ul style="list-style-type: none"> ● Reduced costs of energy bills ● Resource consumption-related cost savings ● Competitive advantage ● Customer preference ● Supply chain compliances ● Market value ● Brand Reputation ● Improved work environment |
| 6. | Environment, Health, and Safety | Risk | <p>Mitigating the environmental impacts of our business activities and prioritizing the health and safety of the workforce are crucial aspects for us.</p> <p>As a responsible global organization, it is also important to comply with the regulations related to Environment, Health, and Safety.</p> <p>The EHS parameters, if not managed adequately, may affect our reputation in the market, the safety and productivity of our human resources, and customer satisfaction.</p> | <ul style="list-style-type: none"> ● Adherence to the Health, Safety, and Environment Policy. ● Maintaining a compliance register to identify compliance requirements at various regions of our operations and also to track the non-compliances related to EHS parameters. ● Regular safety training for employees and workers. ● Welfare initiatives such as insurance coverage. | <p>Negative</p> <ul style="list-style-type: none"> ● Regulatory costs related to non-compliance ● Increased costs due to frequent accidents ● Operational and value chain disruptions ● Increased costs of insurance and compensation ● Loss of time, and availability resulting in disruption of operations |

| S. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | The rationale for identifying the risk/opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|--------|----------------------------|--|--|--|--|
| | | | <p>Black Box has many in-house employees, permanent workers as well as contract workers engaged in day-to-day activities of installation and maintenance of the equipment.</p> <p>For Black Box, it is important to understand various country-specific EHS regulations and emphasize on implementation of processes to prioritize this issue.</p> | | |
| 7. | Ethics and Anti-corruption | Risk | <p>Non-compliance or violations of ethical standards can expose companies to legal and regulatory risks. It may cause financial losses, damage to employee morale, and reputational damage, which may further affect operations, supply chain, and customers.</p> <p>It also leads to increased scrutiny, oversight, and regulations.</p> | <ul style="list-style-type: none"> ● Adherence to the Code of Business Ethics and Conduct and other relevant policies. ● Training and awareness on ethical practices and anti-corruption. ● Periodical assessment of value chain partners to ensure compliance with ethical standards and anti-corruption laws. | <p>Negative</p> <ul style="list-style-type: none"> ● Legal consequences and non-compliance-related costs ● Litigation and Settlement costs ● Business disruptions ● Costs of audits and investigations ● Loss of talent ● Reputational damage ● Loss of customer trust |
| 8. | Regulatory Compliance | Risk | <p>It is important to understand general as well as specific regulations, which are relevant to the Company. For Black Box, regulations related to data privacy, cyber security, and quality are important. Non-compliance to such regulatory requirements may directly affect the customer trust.</p> | <ul style="list-style-type: none"> ● Regular assessments and audits of compliance requirements. ● Dedicated team with defined roles to ensure regulatory compliance. | <p>Negative</p> <ul style="list-style-type: none"> ● Legal consequences and non-compliance-related costs ● Litigation and Settlement costs ● Business disruptions ● Reputational damage ● Loss of customer trust ● Long-term financial loss |



| S. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | The rationale for identifying the risk/opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|--------|--|--|--|---|--|
| | | | <p>Financial penalties, legal consequences, and reputational damage can also happen because of non-adherence to environmental, social, and other regulatory requirements.</p> | <ul style="list-style-type: none"> • Conduct gap assessment through audits. • Prepare a compliance register to track various compliance requirements. • Review and update the existing policies. • Define new policies as per requirement | |
| 9. | Corporate Governance and ESG disclosures | Opportunity | <p>To uphold customer relationships, it is important to fulfill the increasing demands of customers regarding ESG integration and ESG disclosures of the business. Governance mechanism plays an important role in the design and implementation of the programs, policies, and practices at the Company. Good governance practices can help enhance a Company's sustainability performance, risk management, and regulatory compliance.</p> <p>The ESG disclosures provide a great opportunity for Black Box to present various initiatives, set the targets for the material Environmental, Social, and Governance topics, and comply with the regulatory requirements and customer expectations.</p> <p>The ESG disclosures also enable us to demonstrate our market leadership and our vision.</p> | - | <p>Positive</p> <ul style="list-style-type: none"> • Improved risk management mechanism • Increased Reputation and trust • Resource conservation and cost savings • Efficiency enhancements and financial benefits • Talent attraction and operational improvements • Customer satisfaction • Regulatory Compliance Management |

| S. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | The rationale for identifying the risk/opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|--------|---------------------------|--|--|--|--|
| 10. | Board Oversight on ESG | Opportunity | <p>The involvement of board members helps expedite the process of identification, assessment, and mitigation of ESG-related risks. The board oversight also helps to align the ESG program with the vision of the Company.</p> <p>The board can facilitate the ESG implementation through setting and aligning the ESG goals with the business strategy, establishing dedicated committees for overseeing ESG-related issues, aligning KPIs with ESG objectives, and providing perspective on financial materiality.</p> | - | <p>Positive</p> <ul style="list-style-type: none"> ● Regulatory Compliance Management ● Transparency leads to Trust and loyalty among employees ● Improved relationship with stakeholders ● Competitive advantage ● Proactive implementation of ESG related programs |
| 11. | Employee Welfare | Opportunity | <p>Black Box has engaged with a large number of permanent and temporary employees in offices and facilities situated across the world.</p> <p>Our human resources is the strength of our organization, and we understand the responsibility to ensure their welfare.</p> <p>Employee welfare initiatives such as health insurance, medical facilities, maternity-paternity benefits, wellness programs, work-life balance, etc. help in prioritizing the needs of the employees and thereby increasing their productivity.</p> <p>Employee welfare initiatives are a way of attracting and retaining talent.</p> | -- | <p>Positive</p> <ul style="list-style-type: none"> ● Improved relationship with employees ● Competitive advantage ● Improved Talent retention rate ● Loyalty and trust among employees ● Reputational benefits |



| S. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | The rationale for identifying the risk/opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|--------|---|--|--|---|---|
| | | Risk | <p>At Black Box, we consider the principle of employee rights as our utmost priority as we operate at diverse locations with a significant number of workforces including laborers/workers. It is important for us to understand and comply with the laws related to employees/ workers operating at various regions of Black Box.</p> <p>Failure to address labor/ worker welfare requirements can lead to increased issues related to labor availability, unions, and regulatory compliances, which may disrupt business operations and damage the Company's reputation.</p> | <ul style="list-style-type: none"> ● Adhere to all local and national labor laws and regulations as well as specific requirements of labor unions to ensure labor welfare. ● Provide training and skill development opportunities to workers. ● Regular engagement through health and wellness programs to promote physical and mental health. | <p>Negative</p> <ul style="list-style-type: none"> ● Reputational damage ● Operational disruptions ● Loss of trust and loyalty ● Legal costs ● Compensation and penalties ● Loss of time and resources |
| 12. | Diversity, Equality, Inclusion and Human Rights | Opportunity | <p>At Black Box, we believe that diversity, equality, and inclusion boost employee morale and productivity and provide perspectives from different sections of the community while making business decisions. It is essential to promote non-discrimination to attract and retain diverse talent.</p> <p>Black Box is associated with a number of suppliers and subcontractors globally. Integration of DEI and respecting human rights in our operations as well as in the supply chain is essential.</p> | - | <p>Positive</p> <ul style="list-style-type: none"> ● Growth led by increased diversity ● Enhanced problem-solving skills of the team ● Increased customer acceptance and market presence ● Improved talent retention ● Improved morale at the workplace ● Enhanced dynamics at the workplace ● Improved trust |

| S. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | The rationale for identifying the risk/opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|--------|-------------------------------------|--|--|--|---|
| 13. | Corporate CSR/ Community | Opportunity | <p>We understand the importance of connecting with the community, understanding their needs, and taking responsibility to fulfill those needs.</p> <p>We aim to achieve this objective through CSR initiatives, which help strengthen relationships with the local communities.</p> <p>It also gives us an opportunity to understand the needs of marginalized and vulnerable sections of the community and support them through CSR.</p> <p>The engagement with communities and various programs under CSR not only helps us to comply with regulations but also enhances our reputation in the market.</p> | - | <p>Positive</p> <ul style="list-style-type: none"> ● Improved trust ● Better engagement with stakeholders ● Market value and reputation ● Regulatory compliance management ● Community engagement opportunities ● Leadership position of the Company |
| 14. | Product design, safety, and quality | Opportunity | <p>Consumer preferences are growing towards sustainable products. For Black Box, it is an opportunity to serve the existing customers as well as to expand our customer base in the changing market, through the integration of sustainable practices in the product design.</p> | - | <p>Positive</p> <ul style="list-style-type: none"> ● Resource efficiency ● Reduced environmental footprint ● Customer acceptance and retention ● Savings by avoiding penalties and regulatory non-compliance-related costs ● Opportunity to promote sustainable practices |



| S. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | The rationale for identifying the risk/opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|--------|---------------------------|--|--|--|---|
| 15. | Water | Opportunity | <p>Water demand for Black Box operations is minimal.</p> <p>Black Box is exploring advanced technologies in the design of Data Centers, which will help reduce significant water consumption for our customers. This also serves our objective to expand our customer base in this domain.</p> | | <p>Positive</p> <ul style="list-style-type: none"> • Reduced utility costs • Operational efficiency enhancement • Resource savings and durability • Reduced water footprint of the organization • Improved customer base • Customer trust • Market reputation |

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies, and processes put in place towards adopting the NGRBC Principles and Core Elements.

| Disclosure Questions | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|---|---|-----|-----|-----|-----|-----|-----|-----|-----|
| Policy and management processes | | | | | | | | | |
| 1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No) | Yes. All the policies address each principle and core element of the NGRBC. | | | | | | | | |
| b. Has the policy been approved by the Board? (Yes/No) | Yes. The Board has approved all policies covering the above-mentioned principles. | | | | | | | | |
| c. Web Link of the Policies, if available | https://www.blackbox.com/en-in/investors/corporate-governance/policies Principle 1: Global Code of Conduct <ul style="list-style-type: none"> • Code of Conduct for Directors and Senior Management • Policy on Determination of Material Subsidiary • Code of Fair Disclosure and Code of Conduct for Prevention of Insider Trading • Policy for Determination of Materiality Events or Information • Familiarization Policy • Dividend Distribution Policy • Policy on Board Diversity | | | | | | | | |

| Disclosure Questions | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|----------------------|-----|-----|--|-----|-----|-----|-----|-----|-----|
| | | | <ul style="list-style-type: none"> • Policy on Prevention of Bribery and Corruption • Whistleblower Policy • Conflict Mineral Policy Statement • Code of Business Ethics and Conduct • Privacy Policy | | | | | | |
| | | | <p>Principle 2:</p> <p>Conflict Mineral Policy</p> | | | | | | |
| | | | <p>Principle 3:</p> <ul style="list-style-type: none"> • Remuneration Policy for Directors, Key Managerial Personnel, and other employees • Policy on Board Diversity • Whistleblower Policy • Risk Management Policy • Code of Business Ethics and Conduct • Health Safety and Environment Policy | | | | | | |
| | | | <p>Principle 4:</p> <ul style="list-style-type: none"> • Corporate Social Responsibility • Remuneration Policy for Directors, Key Managerial Personnel, and other employees • Policy For Determination of Materiality Events or Information • Related Party Transaction (RPT) Policy • Terms & Conditions of Appointment of Independent Directors • Code Of Fair Disclosure and Code of Conduct for Prevention of Insider Trading • Risk Management Policy • Familiarization Policy • Dividend Distribution Policy • Quality Policy (QMS) • Code Of Business Ethics and Conduct • Code of Conduct for Directors and Senior Management • Health Safety and Environment Policy | | | | | | |
| | | | <p>Principle 5:</p> <ul style="list-style-type: none"> • Policy on Board Diversity • Whistleblower Policy • Risk Management Policy • Conflict Mineral policy • Code of Business Ethics and Conduct | | | | | | |
| | | | <p>Principle 6:</p> <ul style="list-style-type: none"> • Health, Safety and Environment Policy • Risk Management Policy | | | | | | |



| Disclosure Questions | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|--|--|-----|-----|-----|-----|-----|-----|-----|-----|
| | <p>Principle 7:</p> <ul style="list-style-type: none"> • Corporate Social Responsibility Policy • Policy on Determination of Material Subsidiary • Policy for Determination of Materiality Events or Information • Related Party Transaction (RPT) Policy • Policy on Prevention of Bribery and Corruption • Code of Fair Disclosure and Code of Conduct for Prevention of Insider Trading • Quality Policy (QMS) <p>Principle 8:</p> <ul style="list-style-type: none"> • Corporate Social Responsibility Policy • Policy on Board Diversity • Code of Business Ethics and Conduct <p>Principle 9:</p> <ul style="list-style-type: none"> • Code of Business Ethics and Conduct • Quality Policy (QMS) • Privacy Policy | | | | | | | | |
| 2. Whether the entity has translated the policy into procedures. (Yes / No) | Yes. All the policies are translated into procedures. | | | | | | | | |
| 3. Do the enlisted policies extend to your value chain partners? (Yes/No) | Yes. All the policies extend to our value chain partners. | | | | | | | | |
| 4. Name of the national and international codes/ certifications/labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle. | <ul style="list-style-type: none"> • ISO 9001:2015 (Quality Policy) • ISO 27001 for information security management systems (ISMS) • ISO 20000 for Information Security • Payment Card Industry Data Security Standard (PCI DSS) • Payment Application Data Security Standard (PA DSS) • Certifications such as NIA and P3, NIAP4 provided by the National Information Assurance Partnership for KVM switches (non-CAC models), KVM switch/ Isolator for CAC models, and KM switch for KM models. | | | | | | | | |

| Disclosure Questions | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|---|---|-----|-----|-----|-----|-----|-----|-----|-----|
| 5. Specific commitments, goals, and targets set by the entity with defined timelines, if any. | <p>We are committed to:</p> <ul style="list-style-type: none"> Improving existing policies through gap assessment and aligning those policies with ESG parameters by the end of this financial year. Restructuring the ESG Core Committee for better management of ESG risks in the year 2024-2025. Enhancing our ESG performance as per the ESG roadmap, which has a number of action plans for the next five years. Setting up a Net-zero target as per SBTi protocol by the year 2026. Annual review/update of Greenhouse Gas (GHG) footprint. Annual review and update in the existing waste management program. Adopting carbon-related disclosure through the Climate Disclosure Project (CDP) from the current year. Preparing and disclosing sustainability reports as per the Global Reporting Initiative (GRI) reporting framework from the current year. Obtaining a sustainability rating from EcoVadis and disclosing it in the current year. | | | | | | | | |
| 6. Performance of the entity against the specific commitments, goals, and targets along with reasons in case the same are not met. | <ul style="list-style-type: none"> Performance of Black Box as per the specific commitments: Launch of ESG program. Updating/ Designing the relevant policies as per the ESG program. Identification of ESG Core Committee members. Consolidated Business Responsibility and Sustainability Reporting (BRSR) report covering global operations of Black Box. Preparatory work for disclosure under the Climate Disclosure Project (CDP). Initiation of mapping Greenhouse Gas (GHG) emissions and setting emission targets for achieving net zero targets under the Science Based Target Initiative (SBTi). Implementation of Conflict Mineral Policy with the help of external consultants. | | | | | | | | |
| Governance, leadership, and oversight | | | | | | | | | |
| 7. Statement by the director responsible for the business responsibility report, highlighting ESG-related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure) | <p>The Statement is available at the beginning of this report.</p> | | | | | | | | |
| 8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies). | <p>The highest authority responsible for the oversight of the Business Responsibility Policy is the Board of Directors of the Company and implementation is taken care of by the Executive team.</p> | | | | | | | | |



| Disclosure Questions | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|----------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
|----------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|

9. Does the entity have a specified Committee of the Board/ Director responsible for decision-making on sustainability-related issues? (Yes / No). If yes, provide details.

Yes. ESG Core Committee is responsible for decision-making on sustainability-related issues. The board of directors engages actively in sustainability issues and provides resources for necessary continual improvement. Executive Management takes an active part in the implementation of initiatives.

10. Details of Review of NGRBCs by the Company:

| Subject of Review | Indicate whether the Director / Committee of the Board / Any other Committee undertook a review D- Director, C-Committee of the Board, O- Any other committee (Add details if it is any other committee) | Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify) A- Annually, H- Half yearly, Q- Quarterly, O- Other (add details if other) |
|-------------------|---|--|
| | P1 - P9 | P1 - P9 |

Performance against the above policies and follow-up action

Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances

The Board Committee and respective functional heads undertake a review.

Need to basis/ for new policies/ for restructuring or redefining the existing policies.

11. Has the entity carried out an independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

| P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|
|-----|-----|-----|-----|-----|-----|-----|-----|-----|

Not all policies and processes are subject to external audits/reviews that are conducted internally in the Company from time to time.

12. If the answer to question (1) above is “No” i.e., not all Principles are covered by a policy, reasons to be stated: Not Applicable

SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURE

1 PRINCIPLE

Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent, and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programs on any of the principles during the financial year:

| Segment | Total number of training and awareness programs held | Topics/principles covered under the training and its impact | %age of persons in a respective category covered by the awareness programs |
|--|--|---|--|
| Board of Directors Key Managerial Personnel | We have a range of both structured and unstructured programs that address various aspects of our business operations and industry outlook. Technical trainings is mandatory for all employees, encompassing both internal and external programs. | Amendments to SEBI (LODR) Regulations, 2015, Amendments made by SEBI/ MCA relating to Online Dispute Resolution (ODR) system, Compliances, ESG awareness, Technology and business products, and Industry Outlook. | 100% |
| Employees other than BoD and KMPs | | Code of conduct, POSH, Whistleblower, Health & Safety | 100% |
| | | Code of conduct, POSH, Whistleblower, Health & Safety through Awareness, Communication & Orientation sessions | 100% |

2. Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format.

The entity, directors, or Key Management Personnel (KMPs) of Black Box paid no fines, penalties, punishments, awards, compounding fees, or settlement amounts to regulators, law enforcement agencies, or judicial institutions during the financial year.

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision are preferred in cases where monetary or non-monetary action has been appealed.

No such instances occurred during this financial year.



4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web link to the policy.

Black Box Limited has a policy on the Prevention of Bribery and Corruption for conducting business in an honest and ethical manner. It describes the Company's zero-tolerance approach to bribery and corruption. The policy applies to all the employees including its affiliates, outsourced personnel working in the Company premises, consultants, suppliers, partners, distributors, and vendors associated either directly or indirectly with the Company. The policy explains the scenarios that can be considered bribery. It clarifies the situations to be avoided for complying with the policy on prevention of bribery and corruption. All contracts that the Company enters into include a clause expressly addressing the 'no payment of bribes, commissions and kickbacks.' The policy also defines the role of the ethics officer in overseeing all aspects of operations to ensure that they are consistent with the policy. Each country has an ethics officer who reports to the Chief Ethics Officer appointed by the board of directors of the Company. The policy also provides guidance about the process of investigation, punishment, and non-retaliation.

Weblink - [Prevention of Bribery and Corruption](#).

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

There has been no disciplinary action taken by any law enforcement agency for charges of bribery/corruption against any Directors, KMPs, or employees in FY 22-23 and FY 23-24.

6. Details of complaints with regard to conflict of interest:

There are no complaints concerning conflicts of interest involving the Directors and KMPs in FY 22-23 and in FY 23-24.

7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.

There are no cases during the reporting period related to corruption and conflict of interest.

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

| | FY 2023-24 | FY 2022-23 |
|-------------------------------------|------------|------------|
| Number of days of accounts payables | 87 | 144 |

9. Open-ness of business

Provide details of the concentration of purchases and sales with trading houses, dealers, and related parties along with loans and advances & investments, with related parties, in the following format:

| Parameter | Metrics | FY 2023-24 | FY 2022-23 |
|----------------------------|--|--|---------------|
| Concentration of Purchases | a. Purchases from trading houses as % of total purchases | 85% | 85% |
| | b. Number of trading houses where purchases are made from | We primarily purchase through 40 trading houses majorly, along with various other smaller ones | |
| | c. Purchases from top 10 trading houses as % of total purchases from trading houses | 50% | 50% |
| Concentration of Sales | a. Sales to distributors as % of total sales | 6.26% | 7.43% |
| | b. Number of distributors to whom sales are made | 7 | 7 |
| | c. Sales to top 10 distributors as % of total sales to distributors | 100% | 100% |
| Share of RPTs in | a. Purchases (Purchases with related parties / Total Purchases) | - | - |
| | b. Sales (Sales to related parties / Total Sales) | ₹21.08 Crores | ₹21.97 Crores |
| | c. Loans & advances (Loans & advances given to related parties / Total loans & advances) | - | - |
| | d. Investments (Investments in related parties / Total Investments made) | - | - |

Leadership Indicators

1. Awareness programs conducted for value chain partners on any of the principles during the financial year:

Yes, the awareness programs are conducted for value chain partners. We have a range of both structured and unstructured programs that address various aspects of our business operations and industry outlook. Technical trainings is mandatory for all employees, encompassing both internal and external programs.

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.

Black Box has a 'Code of Conduct for Directors and Senior Management' in place to avoid/manage conflicts of interest involving members of the Board. The code of conduct is approved by the Board of Directors of the Company. This code provides details of the duties and responsibilities of Directors and Independent Directors.

The Code of Business Ethics and Conduct also has details on 'conflict of interest.' Before making any investment, accepting any position or benefit, participating in any transaction or business arrangement, or otherwise acting in a manner that creates or appears to create a conflict of interest with Black Box, employees must make full disclosure of all relevant facts and circumstances and obtain the prior written approval from the Company's CFO or its General Counsel. Web link: [Code of Conduct for Directors and Senior Management](#)



2 PRINCIPLE

Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

- Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of products and processes to total R&D and capex investments made by the entity, respectively.**

| | FY 2023-2024 | FY 2022-2023 | Details of improvements in environmental and social impacts |
|-------|--------------|--------------|---|
| R&D | 5% | 5% | R&D investment has been focused on using environmental and sustainable packaging in our new products, reducing packing used in our products, and ensuring we comply with Hazardous Chemical directives. |
| Capex | 10% | 9% | <ul style="list-style-type: none"> ➤ Replacing the old vehicle fleet with new, fuel-efficient vehicles. ➤ Upgradation of our HVAC systems ➤ Encouraging telecommuting among our employees ➤ Implementation of Sustainable transportation practices for the dispatch of our products. ➤ Installation of LED bulbs throughout our facilities |

- Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Yes. To integrate sustainability in the supply chain, Black Box ensures that its supply chain partners adhere to ethical and sustainable practices.

Black Box has a broad network of global suppliers. Some of them provide materials, some are contract manufacturers, some are OEM suppliers and some of them provide software and services. Though we have an active approved vendor list, we conduct supplier assessments to maintain supplier quality and assurance throughout the supply chain. A basic requirement for approval of a supplier is quality testing, production samples, and evaluation of the quality system. For critical materials (which make up more than 20% of the product group, sole-sourced, or which has long-term customer requirements), a due diligence assessment is conducted. Also, factory inspection is conducted in some cases. The supplier questionnaire contains questions to check the existence of the Export Compliance Program, Quality Management System, Health, Safety and Environment policy, International Traffic in Arms Rules (ITAR), etc. We conduct quarterly business reviews and periodic re-audit and re-evaluations for our suppliers.

Black Box is also redesigning its supply and purchasing agreement through which it will ensure sustainability at the supplier's end. Aspects such as human rights, labor practices, compliance with the laws and regulations, environmental protection, and disclosure mechanisms are taken into consideration while redesigning.

Our customers are also made aware of the E-waste management system at Black Box through which they can recycle their products at the end of the product's life. Through these sustainable sourcing practices, Black Box aims to reduce its environmental impact, support ethical supply chains, and contribute to a more sustainable industry. This year, we are planning to introduce a Sustainable procurement policy for integrating environmental, social, and governance considerations into our purchasing and supply chain practices.

b. If yes, what percentage of inputs were sourced sustainably?

Currently, we do not track this information. However, the implementation of a sustainable procurement policy is planned for this year onwards.

3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposal at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste, and (d) other waste

We are primarily an Information & Communication Technologies (ICT) Solution Integration and consulting firm; the overall environmental impact is minimal. We have robust processes for waste management. We identify and manage each type of waste and follow regular waste management practices. We abide by the region-specific regulatory norms for the management of waste.

The following are the processes in place for reuse, recycling, and disposal:



a. Plastics (including packaging):

Plastic used in the packaging is recycled through authorized recyclers. We are also exploring the option of biodegradable plastic and reusing recycled parts of the product through discussion with our value chain.



b. E-waste:

Black Box has implemented the e-waste collection system through the third-party authorized vendors across the USA. This ensures that all the e-waste is collected and recycled.

Black Box complies with the Waste Electrical and Electronic Equipment (WEEE) Regulations. In regions such as Austria, Finland, Luxembourg, Spain, Sweden, and the UK where Black Box has established recycling contracts with authorized recyclers, it provides finance for the treatment, recycling, and recovery of WEEE from customers on a one-for-one and like-for-like basis.

Region-specific regulations are adopted by the Black Box to comply with WEEE regulations:

- The Austrian Ordinance on Waste Prevention, Collection, and Treatment of Waste Electrical and Electronic Equipment (WEEE Ordinance) in Austria
- The Finnish Waste Act which implements regulations for Waste Electrical and Electronic Equipment (WEEE) in Finland
- Regulation 013/2005 for Waste Electrical and Electronic Equipment (WEEE) in Luxembourg
- The Spanish Royal Decree 208/2005 on Electrical and Electronic Equipment and Management in Spain



- The Sweden Regulation on Producer Responsibility for Electrical and Electronic Equipment in Sweden
- The Waste Electrical and Electronic Equipment (WEEE) in the United Kingdom.

In Hungary and Poland, dealers sell Black Box equipment. They comply with the WEEE regulations.

In Switzerland, Black Box has joined the compliance scheme of SWICO which is approved by Swiss authorities.

In Norway, Black Box has joined the compliance scheme of RENAS which is approved by the Ministry of Environment of Norway.

In some regions, such as Belgium, France, Germany, and the Netherlands, regardless of whether the equipment is being replaced by a new piece of equipment from Black Box, we take back the equipment for recycling and disposal.

France complies with the French Decree on the Prevention and Management of Waste Electrical and Electronic Equipment (WEEE), Germany complies with the Germany Act Governing the Sale, Return and Environmentally Sound Disposal of Electrical and Electronic Equipment (ElektroG) Act and the Netherlands complies with the Dutch Waste Electrical and Electronic Equipment (WEEE) Management Regulations.

Belgium has three different regions Flanders, Wallonia, and Brussel Capital that comply with two different regulations – Waste Prevention and Management Ordinance (VLAREA) in Flanders, Producer Responsibility Decree in Wallonia, and Brussel Capital.

In Denmark, The Danish Order transposes the WEEE directive for Waste Electrical and Electronic Equipment where local authorities establish a collection system that collects WEEE arising from households as well as from businesses.

In Italy, the WEEE directive is transposed by the Italian Decree to implement the 2002/96/EC Waste Electrical and Electronic Equipment (WEEE) Directive.

Black Box does not have a sales office in facilities such as Cyprus, Czech Republic, Estonia, Ireland, Latvia, Lithuania, Malta, Portugal, Slovenia, and Slovakia. Black Box products are sold directly to business end-users from sales offices in other Member States through Distance selling. The WEEE Directive and Member State WEEE Regulations state that Black Box is not responsible for WEEE arising from distance sales of business products. Instead, it is the business end-user's responsibility to ensure that products that they buy through distance selling arrangements are managed in an environmentally responsible manner at the end of life.

In India, Black Box is complying with E-waste management rules, 2022. Black Box has collaborated with E-Waste Recyclers India (EWRI) to comply with the E-Waste Management and Handling rules by providing drop-off centers and environmentally sound management of end-of-life electronics. There are 24 collection centers of EWRI where customers can drop their E-waste for recycling.

**c. Hazardous Waste:**

Our operations do not involve the production or disposal of hazardous waste of any kind.

**d. Other Waste:**

Other waste generated from the product packaging includes cardboard, which is recycled through our recycling partners.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same

As Black Box complies with Waste Electronic and Electrical Equipment (WEEE) regulations, E-Waste Management, and Handling Rules, 2022; it has been collecting, treating, recycling, and recovering E-waste. Black Box is actively involved in improvisation in its existing E-waste management system. Black Box is also vigilant about other wastes such as plastic waste and battery waste.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for the manufacturing industry) or its services (for the service industry)? If yes, provide details in the following format.

Since we are not a manufacturing Company, hence LCA is not applicable.

2. If there are any significant social or environmental concerns and/or risks arising from the production or disposal of your products/services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Not Applicable

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

We are primarily an Information & Communication Technologies (ICT) Solution Integration and consulting firm, and we are not directly involved in the process of manufacturing. Any recyclable materials such as plastic, paper, metals, cardboard (packaging material), and E-waste are directly recycled through authorized vendors.

4. Of the products and packaging reclaimed at the end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

We are primarily an Information & Communication Technologies (ICT) Solution Integration and consulting firm, and we are not directly involved in the process of manufacturing. Any recyclable materials such as plastic, paper, metals, cardboard (packaging material), and E-waste are directly recycled through authorized vendors. We also comply with the country-specific regulations for the management of waste.

5. Reclaimed products and their packaging materials (as a percentage of products sold) for each product category.

We are not a manufacturing Company. Hence reclamation of products is not applicable to us.






3 PRINCIPLE

Businesses should respect and promote the well-being of all employees, including those in their value chains.

Essential Indicators

1. a. Details of measures for the well-being of employees:

| Category | Total (A) | % of employees covered by | | | | | | | | | |
|--|--------------|---------------------------|-------------|--------------------|-------------|--------------------|-------------|--------------------|-------------|---------------------|------------|
| | | Health insurance | | Accident insurance | | Maternity benefits | | Paternity benefits | | Day Care facilities | |
| | | Number (B) | % (B/A) | Number (C) | % (C/A) | Number (D) | % (D/A) | Number (E) | % (E/A) | Number (F) | % (F/A) |
|  Permanent employees | | | | | | | | | | | |
|  Male | 2,768 | 2,735 | 99% | 2,735 | 99% | NA | NA | 2,768 | 100% | 1,504 | 54% |
|  Female | 638 | 630 | 99% | 630 | 99% | 638 | 100% | NA | NA | 368 | 58% |
| Total | 3,406 | 3,365 | 100% | 3,365 | 100% | 638 | 100% | 2,768 | 100% | 1,872 | 55% |

b. Details of measures for the well-being of workers:

We ensure the well-being of workers through our contractors by incorporating comprehensive clauses in our contract agreements. These clauses are designed to guarantee compliance with all relevant regulations, ensuring that our contractors uphold high standards of worker welfare.

c. Spending on measures towards the well-being of employees and workers (including permanent and other than permanent) in the following format.

| | FY 2023-2024 | FY 2022-2023 |
|---|--------------|-----------------------------------|
| The cost incurred on well-being measures as a % of the total revenue of the Company | 2.80% | Not tracked in the reporting year |

2. Details of retirement benefits, for the Current FY and Previous Financial Year.

| Benefits | FY 2023-24 | | | FY 2022-23 | | |
|-------------------------------------|--|--|--|--|--|--|
| | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) |
| PF (India) | 100% | 100% | Y | 100% | 100% | Y |
| Gratuity (India) | 100% | 100% | Y | 100% | 100% | Y |
| 401(k) Plan (USA) | 100% | 100% | Y | 100% | 100% | Y |
| Defined Benefit Pension Plans (USA) | 100% | 100% | Closed Plan | 100% | 100% | Closed Plan |
| Workplace Pension (UK) | 100% | 100% | Y | 100% | 100% | Y |

| Benefits | FY 2023-24 | | | FY 2022-23 | | |
|--|--|--|--|--|--|--|
| | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) |
| Group Registered Retirement Savings Plan (RRSP) (Canada) | 100% | 100% | Y | 100% | 100% | Y |
| Defined Contribution Pension Plans (Canada) | 100% | 100% | Y | 100% | 100% | Y |
| Defined Benefit Pension Plans (Canada) | 100% | 100% | Y | 100% | 100% | Y |
| Superannuation (Australia) | 100% | 100% | Y | 100% | 100% | Y |
| Betriebliche Altersvorsorge (Company Pension Scheme) Germany | 100% | 100% | Y | 100% | 100% | Y |
| Employer-Provided Pension Plans (Japan) | 100% | 100% | Y | 100% | 100% | Y |
| Employee Pension Insurance (Japan) | 100% | 100% | Y | 100% | 100% | Y |
| Central Provident Fund (Singapore) | 100% | 100% | Y | 100% | 100% | Y |
| Employees Provident Fund (EPF) (Malaysia) | 100% | 100% | Y | 100% | 100% | Y |
| End of Service Gratuity (UAE) | 100% | 100% | Y | 100% | 100% | Y |
| Occupational Pensions (UAE) | 100% | 100% | Y | 100% | 100% | Y |
| MPF (Hong Kong) | 100% | 100% | Y | 100% | 100% | Y |
| Labour Pension (Taiwan) | 100% | 100% | Y | 100% | 100% | Y |
| Kiwi saver (NZ) | 100% | 100% | Y | 100% | 100% | Y |
| Social Security (Philippines) | 100% | 100% | Y | 100% | 100% | Y |

3. Accessibility of workplaces- Are the premises/offices of the entity accessible to differently-abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016. If not, whether any steps are being taken by the entity in this regard.

Black Box follows the principle of diversity and inclusion while providing employment opportunities to a person with a disability. Black Box's Code of Conduct protects employees from discrimination or harassment based on disability.

We can proudly say that Black Box was recognized as the "Best Place to Work for disability inclusion" as per Disability Equality Index for the year 2022 -23. It also has an 'Equal Employment Opportunity Policy' as per the requirement of the Rights of Persons with Disabilities Act, 2016.

Our offices are equipped with necessary infrastructural provisions such as ramps and accessible toilets to accommodate individuals with disabilities ensuring our environments are accessible and considerate of diverse needs. We comply with country-specific regulations such as the Rights of Persons with Disabilities Act (RPWD) in India and the Americans with Disabilities Act (ADA) in the USA.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web link to the policy.

Black Box has a policy on Equal Employment Opportunity as per the Rights of Persons with Disabilities Act, 2016. The Company's 'Code of Ethics and Conduct' describes the Company's policy to raise voice against any discrimination based on disability.



5. Return to work and Retention rates of permanent employees and workers that took parental leave.

| Gender | Permanent employees | |
|--------------|---------------------|----------------|
| | Return to work rate | Retention rate |
| Male | 100% | 100% |
| Female | 100% | 100% |
| Total | 100% | 100% |

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

Yes, the Company has necessary mechanisms to redress grievances, such as the Code of Conduct, Code of Business Ethics and Conduct, Whistleblower Policy, and Prevention of Bribery & Corruption Policy. Any employee can raise a grievance under these policies and the concern can be raised through the email IDs given below:

| Region | Ethics Officer | Contact Details |
|---|-------------------|--------------------------------------|
| India, Black Box Limited | Rajat Verma | Whistleblower.Indiabbl@BlackBox.com. |
| India Black Box Network Solutions | Mohan Rao | Whistleblower.IndiaBBNS@BlackBox.com |
| Middle East & Africa (UAE, Kenya, Saudi Arabia) | Ajay Modi | Whistleblower.MEA@BlackBox.com |
| Australia and New Zealand (ANZ) | Rohit Jain | Whistleblower.ANZ@BlackBox.com |
| Asia Pacific (APAC) | Catherine Heng | Whistleblower.APAC@BlackBox.com |
| United States of America (USA) | Vanessa Wilson | Whistleblower.USA@BlackBox.com |
| Europe | Andre van der Wit | Whistleblower.Europe@BlackBox.com |

The ethics helpline is 1-855-833-0005 and the mail address is provided on the Company website to report any violations: www.blackbox.com/go/ethics.

The Protected Disclosures concerning the Chief Ethics Officer, Chief Financial Officer, and Directors of the Company are to be addressed to the Chairman of the Ethics Committee of the Company. All other Protected Disclosures are to be addressed to the concerned Country Ethics Officer of the Company.

Chief Ethics Officer: Komal Seshagiri

Email id: Komal.Seshagiri@BlackBox.com

Chairman of Ethics Committee: Sujay Sheth

Email id: Sujay.Sheth@gmail.com

Web link: [Whistleblower Policy, Code of Business Ethics and Conduct](#)

Grievances redressal mechanism

All Employees including temporary and contractual workers (or contractors, suppliers of goods and services) of the Company are eligible to make Protected Disclosures under the Whistle blower Policy.

In addition to the above, additional policies are there which are listed below:

- Code of Conduct
- US Employee Handbook Policies Including: Open Door Policy and Conflict of Interest Policy
- Code of Business Conduct and Ethics

7. Membership of employees and workers in association(s) or Unions recognized by the listed entity:




| Category | FY 2023-24 | | | FY 2022-23 | | |
|----------------------------------|--|--|---------|--|--|-----------|
| | Total employees/workers in respective category (A) | No. of employees/workers in respective category, who are part of association(S) or Union (B) | % (B/A) | Total employees/workers in respective category (C) | No. of employees/workers in respective category, who are part of association(S) or Union (D) | % (D / C) |
| Total Permanent Employees | 3,434 | 407 | 12% | 3689 | 326 | 9% |
| Male | 2,768 | 386 | 14% | 2971 | 304 | 10% |
| Female | 638 | 21 | 3% | 707 | 19 | 3% |
| Total Permanent Workers | 498 | 0 | 0% | 501 | 0 | 0% |
| Male | 349 | 0 | 0% | 325 | 0 | 0% |
| Female | 26 | 0 | 0% | 37 | 0 | 0% |

8. Details of training given to employees and workers:

| Category | FY 2023-2024 | | | | | FY 2022-2023 | | | | |
|------------------|--------------|-------------------------------|------------|----------------------|------------|--------------|-------------------------------|------------|----------------------|------------|
| | Total (A) | On Health and safety measures | | On Skill upgradation | | Total (D) | On Health and safety measures | | On Skill upgradation | |
| | | No. (B) | % (B / A) | No. (C) | % (C / A) | | No. (E) | % (E / D) | No. (F) | % (F / D) |
| Employees | | | | | | | | | | |
| Male | 2,768 | 1,350 | 49% | 1,614 | 58% | 386 | 308 | 80% | 168 | 44% |
| Female | 638 | 348 | 54% | 350 | 55% | 57 | 34 | 60% | 31 | 54% |
| Total | 3,406 | 1,698 | 50% | 1,964 | 58% | 4413 | 342 | 77% | 199 | 45% |



9. Details of performance and career development reviews of employees and workers:

| Category | FY 2023-24 | | | FY 2022-23 | | |
|--|------------|---------|---------|------------|---------|--------|
| | Total (A) | No. (B) | % (B/A) | Total (C) | No. (D) | %(D/C) |
|  Male | 2,768 | 2,768 | 100% | 2,982 | 2,982 | 100% |
|  Female | 638 | 638 | 100% | 707 | 707 | 100% |
|  Total | 3,406 | 3,406 | 100% | 3,689 | 3,689 | 100% |

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity. (Yes/No). If yes, the coverage of such a system?

Yes. We have effectively implemented the OHS management systems at an organizational level. It covers all our operations whether at our premises or customers' place. We also incorporate the customer's OHS requirements during the various activities we conduct at customer premises (such as installations, maintenance, and other services). Additionally, we insist our suppliers comply with the applicable OHS requirements while working at our premises or at our customer's locations as required.

Our Health, Safety, and Environment Policy emphasizes the responsibility of all employees to maintain safety at the workplace. It includes protocols to prevent accidents related to falls, fire, and electricity. It also has mentioned guidelines and measures for safety related to office ergonomics. The policy ensures that employees are well informed about the Emergency Evacuation Plan. Annual fire drills are conducted at all our branches to respond to any fire emergency. Sprinklers, smoke detectors, and fire extinguishers are placed in office premises across all regions. Frequent equipment checks, such as air conditioners, chillers, UPS, etc. are performed periodically. Emergency contact details are displayed on the notice board with contacts of the nearest police station. The 24/7 facility emergency contact number is displayed on the Company nameplate.

Black Box's Safety Policy and Procedure Manual is a comprehensive document where procedures of risk calculation, hazard identification, and analysis, incident reporting, record keeping, and emergency action plans are well documented. This manual has safe work practices for each process that involves potential hazards.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

At Black Box, work-related hazard analysis is an ongoing and continuous process. The hazard analysis is used to identify and evaluate hazards or potential hazards and possible control measures to reduce or mitigate the hazards in the workplace.

Hazard assessment is documented via a written certification that has information related to the name of the workplace evaluated, the name of the person who performed the hazard analysis, the date of assessment, and a statement that indicates that this is a certification of hazard assessment.

The process allows us to monitor operations and identify new hazard areas as they become apparent due to changes in operational procedures or hazardous environments encountered at new customer locations. On project sites, the Customer or General Contractor may require that our Team Members or our subcontractors perform a hazard analysis before starting a task. We utilize a variety of risk assessment tools including job hazard analysis (JHA) reviews, pre-task planning (PTP) checklists, and/or personal protective equipment risk assessment checklists to document these activities. The risk assessment tools may classify and rank hazards according to risk using a risk ranking matrix. The concerned personnel review and update written assessments whenever there is a change in process, equipment, or facility layout.

Black Box conducts regular inspections at the workplace to provide the highest emphasis on Health and Safety issues both for routine and non-routine work. Through these inspections, we identify potential hazards and unsafe practices. Hazardous equipment or flammable liquids that are harmful, dangerous, or injurious to the employees are not used by the entity. Our Safety Policy and Procedure Manual covers the safe work practices for every process that involves potential hazards.

c. Whether you have processes for workers to report work-related hazards and to remove themselves from such risks. (Y/N)

Yes. We have incident reporting processes at various locations globally. The processes vary to a certain extent as per the location-specific scenarios; however, the overall approach that we adopt globally for work-related hazard reporting is described in this section.

Employee/worker can notify his/ her immediate supervisor of a potential hazard, violation, or deficiency in safe and healthy working conditions, recommending corrective measures, if possible, or correcting the hazard. Additionally, the employee's immediate supervisor is to be notified of every injury, accident, or near-miss incident regardless of how trivial such an accident or incident may appear at that time.

The supervisor then immediately reports about the injury/accident to the Risk Management Committee. Risk Management provides the appropriate incident report template to document the event to the affected person and their supervisor. The affected person and/or their supervisor should complete the appropriate form and return it to the Risk Management Committee within 24 hours of the event.

d. Do the employees/workers of the entity have access to non-occupational medical and healthcare services?

Black Box provides a well-maintained medical room with a medical bed for all the employees in case of medical emergencies. Wheelchairs are available for employees who are unwell. The emergency contact numbers of doctors and ambulances are displayed on the notice boards of the Company so that employees can have quick access to the information. A medical emergency facility is available on campus with trained doctors and nurses. First aid kits are always available at all facilities.

Black Box has conducted health check-up camps, yoga sessions, etc. for all employees across all regions.

11. Details of safety-related incidents, in the following format:

| Safety Incident/Number | Category* | FY 2023-2024 | FY 2022-2023 |
|---|-----------|--------------|--------------|
| Lost Time Injury Frequency Rate (LTIFR) (per one million person-hours worked) | Employees | 917 | 1,012 |
| | Workers* | 0 | 0 |
| Total recordable work-related injuries | Employees | 15 | 13 |
| | Workers* | 0 | 0 |
| No. of fatalities | Employees | 0 | 0 |
| | Workers* | 0 | 0 |
| High-consequence work-related injury or ill health (excluding fatalities) | Employees | 8 | 7 |
| | Workers* | 0 | 0 |

*Including in the contract workforce



12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

Black Box is committed to providing and maintaining safe and healthy working conditions. Our objective is to establish a workplace that is free from injuries and promotes overall health while embedding a culture of safety throughout the organization. We enhance awareness and competence in Health, Safety, and Environment (HSE) through comprehensive training and education, fostering a safe working environment, and promoting employee health through the provision of employee wellbeing programs. We also consistently identify hazards, evaluate health, safety, and environmental risks within our operations through audits, risk assessments, and the review of standard operating procedures, and implement measures to mitigate these risks. We encourage safe behavior among our workforce, ensuring compliance with the use of personal protective equipment where necessary, and fostering a culture where all accidents and incidents are promptly reported. Additionally, we empower individuals to halt any work deemed unsafe and pose a threat to the safety of personnel.

13. Number of Complaints on the following made by employees and workers:

No complaints have been received from employees or workers concerning working conditions or health and safety.

14. Assessments for the year:

% of your plants and offices that were assessed (by entity or statutory authorities or third parties)



Health and Safety Practices

During the reporting year, 11 % of our facilities are assessed for various health and safety parameters such as - air contaminant levels at assembly facilities, noise levels at warehouses and assembly facilities, ergonomic risk assessment at workplaces, and fire safety requirements.

The assessments are conducted by our Program Safety Manager and Corporate Safety Manager internally. These assessments are also conducted by Third party insurance agencies.



Working Conditions

During the reporting year, 11% of the facilities are assessed for ventilation, hygiene sanitation, and other working conditions.

These assessments include third-party air quality testing, surface inspection for possible Mold spores arising from defective HVAC system, and identification of gaps in metal siding used for building a partition between Black Box Warehouse Space and Sublease Tenant Space.

The assessments are conducted by our Program Safety Manager Corporate Safety Manager and/or Facilities Manager internally. These assessments are also conducted by Third party insurance agencies.

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.

The issues identified through internal and third-party assessments related to Health and Safety practices and working conditions are further addressed through a specific action plan. These action plans are implemented internally by the Program Safety Manager and Corporate Safety Manager as well as through third-party vendors.

Some of the incidents and the details of corrective actions are listed below:

- Through third-party air quality, testing it was confirmed that the air contaminants were below OSHA Permissible Exposure Limit and American Conference of Governmental Industrial Hygienists Threshold Limit Values (ACGIH TLV). Therefore, no actions were recommended.
- Noise samples in all areas of the warehouse and production were below 75 dBA. No actions were recommended.
- The noise sample in the paint booth was 85 dBA. Painters were instructed to wear earplugs when working in paint booths and when there was sufficient ventilation.
- The defective HVAC unit was replaced with a new unit.
- Metal Siding gaps were covered and sealed to prevent air transfer between the Black Box and Sub Lease Tenant Space.
- The repairing and replacing of damaged asphalt blocks to ensure safety in parking areas.
- During the assessment, the auditor identified the non-compliance with respect to the fire code. The following actions are taken to ensure compliance:
 - The applicable Fire Codes are updated to include plastic types that Black Box stores for TPS products.
 - The Storage height of the product in the Warehouse Racking system was lowered to 6 ft in compliance with the new Fire Code.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of the death of (A) Employees (Y/N) (B) Workers (Y/N)?

The compensatory package is covered by the existing insurance policies primarily in USA and is provided to employees and workers in the event of the death during the work.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

At Black Box, we are committed to ensuring that we adhere to ethical conduct while operating and treating our employees. Our compliance team conducts periodic interactions and takes the relevant actions to ensure that the value chain partners rectify the non-compliances. We also have procedures to escalate the matters that do not get resolved by the value chain partners and may require termination of the contract. Through the integration of ESG, we are planning to further extend our efforts towards engaging the value chain in the overall statutory compliance management.

3. Provide the number of employees/workers having suffered high-consequence work-related injury / ill health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

| | Total no. of affected employees/workers | | No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment | |
|---|---|--------------|---|--------------|
| | Year 2023-24 | Year 2022-23 | Year 2023-24 | Year 2022-23 |
| Employees (Including in the contract workforce) | 8 | 7 | 8 | 7 |



4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

Black Box provides a transition assistance program through 'Operation Opportunity.' Veterans' opportunity, well-being, and referral programs are conducted through employee well-being initiatives.

Black Box provides opportunities for veterans post their retirement for working with them. Black Box has hired over 150 veterans who contribute their skills across our entire business. We are proud to work alongside them each day and fortunate to benefit from their outstanding skills, discipline, and experience as well as shared values like a sense of purpose, commitment & immediacy.

5. Details on assessment of value chain partners:

| | % of value chain partners (by value of business done with such partners) that were assessed |
|-----------------------------|--|
| Health and safety practices | 80% |
| Working conditions | 80% |

6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Black Box ensures adherence to the human rights requirements related to workers, such as Child labor, Forced labor, Prevention of Sexual harassment, Discrimination at the workplace, Minimum wages, etc. Value chain partners are warned about strict actions to be taken if any such issues arise during the assessment.

4 PRINCIPLE **Businesses should respect the interests of and be responsive to all their stakeholders.**

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

Our stakeholder management process involves the identification of stakeholders, prioritizing key stakeholders, and stakeholder engagements. Various stakeholder groups, internal and external, are identified based on the nature of interactions with our business. The prioritization of stakeholder groups is conducted considering the direct and indirect material topics both for Black Box as well as for the stakeholders.

Our Stakeholder Relationship Committee maintains oversight of the stakeholder engagement mechanism of the Company. Through engagements with stakeholder groups, we try to establish strong relationships, gain insights, and involve the stakeholders in our decision-making process. Our stakeholder engagement approach is based on transparency, openness, and integrity. We recognize the importance of trust-based relationships and ensure transparent, timely, and relevant engagement and communication with stakeholders.

To identify the material topics, we conduct stakeholder consultations from time to time considering internal and external stakeholders. In addition to this, third-party ESG consultants provide insights regarding material topics and actively participate in some of the stakeholder consultations.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

| Stakeholder Group | Whether identified as Vulnerable & Marginalized Group (Yes/No) | Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other | Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement |
|-------------------------------|--|---|--|---|
| Employees | No | Email, Town Halls, Engagement programs, Notice Board, Website | Quarterly | Business updates, Key wins, Key organization announcements, Building connect. |
| Shareholders / Investors | No | Website, Email | Quarterly and annually | Shareholder/ Investment communication protocols |
| Customers | No | Website, Email, Virtual meetings, In-person meetings | Regularly | Information and Communication related to products and services |
| Technology Partners & vendors | No | Website, Email, Virtual meetings, In-person meetings | Regularly | Information and Communication related to products and services |
| Communities | Yes | Website | Annually | CSR program |

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

At Black Box, we regularly engage with stakeholders through consultation sessions. The stakeholder identification, prioritization, and engagement process are reviewed by the Board periodically. The key material topics on economic, environmental, and social aspects are covered in the stakeholder engagement process.

The stakeholder Relationship Committee facilitates the stakeholder consultation process through the involvement of the relevant internal teams and third-party consultants in some cases.

Outcomes from the stakeholder consultations are regularly reported to the Board in the form of feedback, analysis, and any proposed actions or recommendations resulting from the consultation process.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into the policies and activities of the entity.

Yes. We conduct stakeholder consultations from time to time covering both internal and external stakeholders. This helps us to identify and manage environmental and social topics and provides valuable insights for our governance.

Stakeholder consultations provide inputs on the existing policies and regulations and new activities that will enhance our performance on ESG. Understanding material issues and their impact on the environment and the business is discussed during the stakeholder consultations, which help in understanding the risks, and opportunities that can affect the business operations.



The consultation with our customers helps us to understand the various requirements under environmental and social topics (e.g., GHG emissions, waste management, sustainable sourcing, labor welfare, and human rights). These inputs are further utilized to plan the relevant actions and initiatives. Through consultations with our supply chain partners, we engage with them and ensure our environmental and social requirements are captured in the contract documents and fulfilled by our suppliers as part of business transactions.

In addition, based on the inputs from stakeholder consultations, we are redesigning some of our policies such as ESG policy, Sustainable Procurement Policy, etc. We have also planned to extend our current efforts on GHG emission estimations and disclose under the CDP and SBTi, to begin with the decarbonisation journey with an aim to achieve Net Zero by 2050 and started analysing our GHG footprint.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.

There are no specific instances where the concerns are received from vulnerable/ marginalized stakeholder groups.

5
PRINCIPLE


Businesses should respect and promote human rights.

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

| Category | FY 2023-2024 | | | FY 2022-2023 | | |
|------------------------|--------------|--------------------------------------|-------------|--------------|--------------------------------------|------------|
| | Total (A) | No. of employees/workers covered (B) | % (B / A) | Total (C) | No. of employees/workers covered (D) | % (D / C) |
| Employees | | | | | | |
| Permanent | 919 | 919 | 100% | 443 | 367 | 83% |
| Other than permanent | 49 | 49 | 100% | 395 | 0 | 0 |
| Total Employees | 968 | 968 | 100% | 838 | 367 | 44% |

2. Details of minimum wages paid to employees and workers, in the following format:

| Category | FY 2023-2024 | | | | | FY 2022-2023 | | | | |
|--|--------------|-----------------------|---------|------------------------|-----------|--------------|-----------------------|-----------|------------------------|-----------|
| | Total (A) | Equal to minimum wage | | More than minimum wage | | Total (A) | Equal to minimum wage | | More than minimum wage | |
| | | No. (A) | % (B/A) | No. (C) | % (C / A) | | No. (E) | % (E / D) | No. (F) | % (F / D) |
|  Employees | | | | | | | | | | |
| Permanent | 3,385 | - | - | 3,385 | 100% | 443 | - | - | 443 | 100% |
| Male | 2,754 | - | - | 2,754 | 100% | 386 | - | - | 386 | 100% |
| Female | 631 | - | - | 631 | 100% | 57 | - | - | 57 | 100% |
| Other than permanent | 49 | - | - | 49 | 100% | 395 | 105 | 27% | 290 | 73% |
| Male | 14 | - | - | 14 | 100% | 367 | 86 | 23% | 281 | 77% |
| Female | 07 | - | - | 07 | 100% | 28 | 19 | 68% | 9 | 32% |

3. Details of remuneration/salary/wages

a. Median remuneration/wages:

| | Male | | Female | |
|----------------------------------|--|---|--------|---|
| | Number | Median remuneration/ salary/ wages of the respective category | Number | Median remuneration/ salary/ wages of the respective category |
| Board of Directors (BoD) | The Independent Directors receive sitting fees, while no remuneration is paid to the Executive Directors in India. | | | |
| KMP | 3 | 5.44 Crores | 1 | 1.2 Crores |
| Employees other than BoD and KMP | 2,751 | 0.48 Crore | 632 | 0.45 Crore |
| Workers* | 388 | 0.05 Crore | 28 | 0.17 Crore |

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

| | FY 2023-2024 | FY 2022-2023 |
|---|--------------|--------------|
| Gross wages paid to females as % of total wages | 17.35% | 17.31% |

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Black Box has a policy on Human Rights and a comprehensive document on the Code of Business Ethics and Conduct. Questions regarding human rights can be asked to the immediate supervisor or the Human Resource Representative through email provided in the Code of Business Ethics and Conduct.

Also, the ESG core committee is restructured to address issues related to ESG topics including human rights.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

There is an ethics helpline provided for the employees to raise their concerns regarding breaches of the code of ethics. This helpline is hosted by a third party which allows for confidential, anonymous (in the US and elsewhere as permitted by law) submissions and is available 24 hours a day every day of the year. Every report is reviewed by the Internal Auditor, the General Counsel, the CFO, and/or Human Resources, as appropriate, and reported to the Audit Committee of the Board. After an investigation is completed, appropriate disciplinary and other corrective actions are taken.

6. Number of Complaints on the following made by employees and workers

| Category | FY 2023-2024 | | | FY 2022-2023 | | |
|-----------------------------------|-----------------------|---|---------|-----------------------|---|---------|
| | Filed during the year | Pending resolution at the end of the year | Remarks | Filed during the year | Pending resolution at the end of the year | Remarks |
| Employees | | | | | | |
| Sexual Harassment | - | - | - | - | - | - |
| Discrimination at workplace | 1 | 1 | - | - | - | - |
| Child labor | - | - | - | - | - | - |
| Forced labor/Involuntary labor | - | - | - | - | - | - |
| Wages | - | - | - | - | - | - |
| Other human rights-related issues | 1 | 1 | - | - | - | - |



7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

We are pleased to report that Black Box maintained a safe and respectful work environment in FY 2023-2024, with zero complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013. This achievement demonstrates our commitment to fostering a culture of inclusivity, dignity, and respect for all employees

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Complaints related to discrimination or harassment of any kind are received by the immediate supervisor or Human Resource Representative. Victims can also use the ethics helpline at 1-855-833-0005 or reach out to the Company regarding any violations on www.blackbox.com/go/ethics. The Ethics helpline is hosted by a third party, allows for confidential, anonymous (in the US and elsewhere as permitted by law) submissions, and is available 24 hours a day every day of the year.

The whistleblower policy provides for adequate safeguards against victimization of persons who use the mechanism through protected disclosures and has a process for providing direct access to the Chief Ethics Officer or Chairman of the Ethics Committee wherever required.

Web link: [Whistleblower Policy](#)

Anyone who retaliates against someone who has reported any such concern or suspected violation in good faith is subject to discipline up to including termination of employment.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes.

Human rights such as Labour law compliances form a part of business agreements and contracts. Statutory requirements, such as child labor, forced labor, and compulsory labor are investigated during the onboarding of suppliers. The vendors are required to sign this clause as a part of the contract.

Black Box also complies with the requirements of customers related to human rights as agreed in the contracts with customers. The customer requirements also form part of our agreements with the subcontractors and contract laborers.

10. Assessments for the year:

We regularly assess all the relevant compliance requirements applicable to all of our global offices.

11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 10 above.

Our comprehensive assessments yielded no concerns during the reporting year, a testament to our organization's strong governance and proactive risk management. Additionally, we have developed and implemented comprehensive corrective procedures to address any potential future issues, showcasing our forward-thinking approach and unwavering commitment to continuous improvement.

Leadership Indicators

1. Details of a business process being modified/introduced because of addressing human rights grievances / complaints.

Black Box adheres to all the fundamental human rights principles in all aspects of its operations. Moreover, it actively cultivates an atmosphere of awareness among its employees through the Code of Conduct. This initiative ensures that employees are well-informed, understand, and seamlessly integrate these principles into their daily interactions, including those within the supply chain.

2. Details of the scope and coverage of any Human rights due diligence conducted.

At Black Box, we believe in diversity, equality, and inclusion. We have provided a robust mechanism, through our Code of Business Ethics and Conduct, and Human Rights Policy to report any issues related to human rights. We also provide an environment where employees can communicate with us about any potential non-compliance and risks associated with violation of human rights.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Our offices are equipped with necessary infrastructural provisions such as ramps and accessible toilets to accommodate individuals with disabilities ensuring our environments are accessible and considerate of diverse needs. We comply with country-specific regulations such as the Rights of Persons with Disabilities Act (RPWD) in India and the Americans with Disabilities Act (ADA) in the USA.

4. Details on assessment of value chain partners:

We have all the required procedures in place to ensure compliance by our value chain partners on all relevant parameters. We ensure our contract agreements and standard operating procedure adequately cover relevant clauses to ensure full compliance with country-specific regulations.

5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments in Question 4 above.

Black Box ensures adherence to the human rights requirements related to workers, such as Child labor, Forced labor, Prevention of Sexual harassment, Discrimination at the workplace, Minimum wages, etc. Value chain partners are warned about strict actions to be taken if any such issues arise during the assessment.

6
PRINCIPLE

Businesses should respect and make efforts to protect and restore the environment.

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

| Parameter | FY 2023-24 | FY 2022-23* |
|--|----------------|-------------|
| From renewable sources | | |
| Total electricity consumption (A) | - | - |
| Total fuel consumption (B) | - | - |
| Energy consumption through other sources (C) | - | - |
| Total energy consumed from Renewable sources (A+B+C) | - | - |
| From non-renewable sources | | |
| Total electricity consumption (D) | 25,569 (GJ) | 2,700 (GJ) |
| Total fuel consumption (E) | 19,03,281 (GJ) | 229 (GJ) |
| Energy consumption through other sources (F) | - | - |
| Total energy consumed from non-renewable sources (D+E+F) | 19,28,850 (GJ) | 2,929 (GJ) |
| Total energy consumed (A+B+C+D+E+F) | 19,28,850 (GJ) | 2,929 (GJ) |
| Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations) | 0.00003070 | 0.00016 |



| Parameter | FY 2023-24 | FY 2022-23* |
|--|------------|-------------|
| Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP) | 0.00068 | 0.0036 |
| Energy intensity in terms of physical output: Not Applicable | | |

*Standalone reporting for FY 2022-2023, data represents India specific information.

Note: The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published by the IMF - For India for the year ended March 31, 2024, is 22.17 and for the year ended March 31, 2023, is 22.57.

2. **Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve, and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

We are committed to environmental sustainability; we're exploring PAT scheme participation to enhance our eco-friendly practices across India.

3. **Provide details of the following disclosures related to water, in the following format:**

| Parameter | FY 2023-2024 | FY 2022-2023 |
|--|----------------|--|
| Water withdrawal by source (in kilolitres) | | |
| (i) Surface water | - | |
| (ii) Groundwater | - | |
| (iii) Third-party water | 94,671 | |
| (iv) Seawater / desalinated water | - | |
| (v) Others | - | |
| Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v) | 94,671 | Specific data not tracked for the reporting year |
| Total volume of water consumption (in kilolitres) | 14,201 | |
| Water intensity per rupee of turnover (Total water consumption / Revenue from operations) | 0.00000022 | |
| Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP) | 0.000005 | |
| Water intensity in terms of physical output | Not Applicable | |

4. Provide the following details related to water discharged:

| Parameter | FY 2023- 2024 | FY 2022-2023 |
|--|--|---|
| Water discharge by destination and level of treatment (in kilolitres) | | |
| (i) To Surface water | | |
| - No treatment | - | |
| - With treatment – please specify the level of treatment | - | |
| (ii) To Groundwater | | |
| - No treatment | - | |
| - With treatment – please specify the level of treatment | - | |
| (iii) To Seawater | | |
| - No treatment | - | |
| - With treatment – please specify the level of treatment | - | |
| (iv) Sent to third parties | 80,471 | Specific data not tracked for the reporting year. |
| - No treatment | - | |
| - With treatment – please specify the level of treatment | Common Sewage Treatment Plant of building facility or Municipality | |
| (v) Others | - | |
| - No treatment | - | |
| - With treatment – please specify the level of treatment | - | |
| Total water discharged (in kilolitres) | 80,471 | |

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Black Box operates in leased offices. We regularly engage with the respective property owners to implement Zero Liquid Discharge for all our rented facilities. We prioritize selecting offices in buildings equipped with environmental infrastructure for wastewater and waste treatment, or those with Green building certifications.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

| Parameter | Please specify unit | FY 2023-24 | FY 2022-23 |
|-------------------------------------|---------------------|----------------|-----------------------------------|
| NOx | Tonnes/year | 0.373 | |
| SOx | Tonnes/year | 0.04 | |
| Particulate matter (PM) | Tonnes/year | 0.011 | |
| Persistent organic pollutants (POP) | - | Not Applicable | |
| Volatile organic compounds (VOC) | Tonnes/year | 0.35 | Data not tracked in FY 2022-2023. |
| Hazardous air pollutants (HAP) | - | Not Applicable | |
| Others: | | | |
| Total Organic Compound (TOC) | Tonnes/year | 0.0017 | |
| Carbon Monoxide | Tonnes/year | 3.4 | |
| Hydrocarbon (HC) | Tonnes/year | 0.243 | |



7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & their intensity, in the following format:

| Parameter | Unit | FY 2023-2024 | FY 2022-2023 |
|--|---|--------------|--|
| Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available) | Metric tonnes of CO ₂ equivalent | 5,983 | Specific data not tracked for the reporting year |
| Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available) | Metric tonnes of CO ₂ equivalent | 3,397 | |
| Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations) | - | 0.00000014 | |
| Total Scope 1 and Scope 2 emission intensity in terms of physical output | Not Applicable | | |

8. Does the entity have any project related to reducing Greenhouse Gas emissions? If yes, then provide details.

Black Box is currently engaged in an assessment of Greenhouse Gas emissions. We are committed to the decarbonisation of our operations as per SBTi target-setting protocol for near-term and net-zero targets and we will strive to achieve those targets. Various initiatives for achieving these targets are planned under the ESG roadmap of the Company. These initiatives include - minimizing the global real estate footprint, switching to energy-efficient lighting, heating, and cooling systems, replacing the old vehicle fleet with new and efficient vehicles, waste reduction, waste recycling, exploring options to switch to renewable energy grid for our offices/facilities wherever possible.

We are also engaging with our supply chain partners to ensure their participation in the decarbonization efforts by reducing greenhouse gas emissions linked with supplies to Black Box.

E-Waste Management: Established e-waste take-back points at each location and recycles e-waste at local distribution outlets.
Technology Innovations: Adopting energy-efficient technologies to reduce the carbon footprint of its data centers of Black Box as well as Data Centers we design and build for our customers.

Vehicle and Office Space Optimization: Replaced 120 end-of-life vehicles with fuel-efficient models and surrendered 100,000 square feet of unnecessary office space, reducing Scope 1 emissions.

Sustainable Procurement: Sourcing products and services from vendors committed to using renewable energy, reducing packaging waste, and employing eco-friendly manufacturing processes.

Energy Efficiency:

- Implemented LED lighting and installed sensor lights and cut-out timers for AC cooling for some of our offices.
- The use of lighting sensors in some of our office spaces has been implemented to optimize lighting efficiency and reduce overall energy consumption.
- **Green Building Certification:** Some of our offices are located in IGBC-Gold certified buildings, adhering to high environmental standards.
- As an Information & Communication Technologies (ICT) Solution Integration and consulting firm, Black Box maintains a minimal overall carbon footprint, with its technology products also designed to have a low carbon impact. Through these initiatives, Black Box aims to achieve its sustainability goals and make a positive environmental impact. Black Box is committed to further reducing its real estate footprint and adopting sustainable practices across the organization.

9. Provide details related to waste management by the entity, in the following format:

| Parameter | FY 2023-24 |
|---|----------------|
| Total waste generated (in metric tonnes) | |
| Total waste generated (Non-hazardous), from office and warehouse facilities. (Includes recyclables) | 285 |
| Total | 285 |
| Waste intensity per rupee of turnover | |
| (Total waste generated / Revenue from operations) | 0.0000000045 |
| Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) | |
| (Total waste generated / Revenue from operations adjusted for PPP) | 0.00000010 |
| Waste intensity in terms of physical output | Not Applicable |
| Waste intensity (optional) – the relevant metric may be physical selected by the entity | - |
| Category of waste | Waste Papers |
| (i) Recycled | 98 |
| (ii) Re-used | - |
| (iii) Other recovery operations | - |
| Total | 98 |
| Category of waste | |
| (i) Incineration | - |
| (ii) Landfilling | 187 |
| (iii) Other disposal operations | - |
| Total | 187 |

Note: The waste generation quantities are not significant. Data was not tracked in the previous year. However, E-waste, Battery-waste, and other recyclable items such as cardboard and plastic are directly recycled through authorized vendors however, the quantities are not tracked in the reporting year.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce the usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Black Box complies with The Restriction of Hazardous Substances Directive (RoHS) and Registration, Evaluation, Authorization, and Restriction of Chemicals (REACH).

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones, etc.) where environmental approvals/clearances are required, please specify details in the following format:

Not Applicable

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Not Applicable

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act, and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Not Applicable

Black Box is compliant with all the applicable environmental laws, regulations, and guidelines in India. We are not into a manufacturing business or a business that has a significant environmental footprint. We operate in leased spaces which are a part of a commercial space. We prefer complexes that are certified as green buildings. In most regions where we operate, there is a tracker to meet compliance requirements.



Leadership Indicators

1. Water withdrawal, consumption, and discharge in areas of water stress (in kilolitres):

For each facility/plant located in areas of water stress, provide the following information:

Not applicable.

2. Please provide details of total Scope 3 emissions & their intensity, in the following format:

| Parameter | Unit | FY 2023-2024 | FY 2022-2023 |
|--|---|--------------|---|
| Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available) | Metric tonnes of CO ₂ equivalent | 2,697 | Specific data not tracked for the reporting year. |
| Total Scope 3 emissions per rupee of turnover | - | 0.000000042 | |

Note: We are currently in the process of covering all of our operations for Scope-1, Scope-2, and Scope-3 emissions estimates. The numbers reported in this BRSR report represent the extent of our current efforts. These numbers are expected to be revised as we expand the efforts and cover the remaining operational boundaries.

3. With respect to the ecologically sensitive areas reported in Question 11 of Essential Indicators above, provide details of the significant direct & indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities.

Not Applicable

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/effluent discharge/waste generated, please provide details of the same as well as the outcome of such initiatives, as per the following format:

| Sr. No. | Initiative Undertaken | Details of the initiative (Link, if any, may be provided along with summary) | The outcome of the initiative |
|---------|---|---|--|
| 1. | Energy Efficiency | We strive to achieve energy efficiency through switching to energy-efficient lighting, heating, and cooling systems. We are exploring options to switch to a renewable energy grid for our offices/facilities wherever possible. | Energy Efficiency initiatives have helped us achieve our goal of carbon emission reduction. |
| 2. | Reduction in Global Real Estate Footprint | We have minimized the global real estate footprint by reducing the office space requirements and optimizing the workspaces. | By reducing the real estate footprint, we have started the process of reducing carbon emissions associated with real estate. |
| 3. | Revamp of the vehicle fleet | We have replaced the old vehicle fleet with the new and fuel-efficient vehicles. | Switching towards more fuel-efficient vehicles provides economic benefits as well as environmental benefits by achieving carbon footprint reduction. |
| 4. | Waste Management | We continuously explore the opportunities for waste reduction. We recycle all the recyclables possible from offices, warehouses, and packaging waste. We also have initiated the e-waste management plan for recycling the e-waste. | An efficient waste management system helps the Company to be compliant with the regulatory requirements, achieve carbon emission reduction, build a reputation in the market, and have a strong customer relationship. |

| Sr. No. | Initiative Undertaken | Details of the initiative (Link, if any, may be provided along with summary) | The outcome of the initiative |
|---------|--|--|---|
| 5. | Stakeholder Consultations | We have initiated the stakeholder consultation (Internal) sessions to create awareness about the ESG initiatives, data gathering, understanding the current practices across the globe at our offices and facilities, and reviewing the customer expectations and regulatory requirements. | The consultations help us to create awareness among our employees about ESG initiatives. This also allows us to implement effectively the various initiatives with active involvement and support from various sections of our organization. |
| 6. | Supply Chain Integration | We are also engaging with our supply chain partners to ensure their participation in the decarbonization efforts by reducing greenhouse gas emissions linked with supplies to Black Box. | Stakeholder consultations and engagements provide us an opportunity to integrate ESG parameters in the supply chain and specifically focus on scope 3 GHG emission reduction. |
| 7. | Materiality assessment | Black Box identifies the material ESG topics through materiality assessment. | Materiality Assessment helps us identify important material topics relevant to our business. This provides a guideline for planning various initiatives to integrate sustainability into our business operations. |
| 8. | ESG Roadmap | ESG roadmap consists of an action plan for integrating ESG operations in our business. This includes Assessment of GHG emissions, decarbonization project, Zero Plastic Program, etc. | ESG roadmap provides guidance as well as timelines for achieving ESG targets. |
| 9. | Assessment of GHG emission | We conduct the operation mapping and the source mapping to identify the key GHG-contributing sources from our business. We also consider the key supply chain partners who are majorly contributing to our GHG emissions. Based on this assessment we conduct a detailed GHG inventory. | Assessment of GHG emissions helps in designing a data collection system for estimation of carbon footprint. This also helps in understanding the carbon footprint in our business as well as in the supply chain. |
| 10. | SBTi emission reduction target setting | We have adopted the SBTi protocol, and we are on the journey of taking action to achieve a net-zero target. We are hopeful about achieving those targets within the stipulated time frames. | Adoption of the SBTi protocol enabled us to set a SBTi net zero target and design an action plan for achieving decarbonization through the ESG roadmap. |
| 11. | CDP – Environmental Disclosure | For disclosure of the Company's climate-related data through the Climate Disclosure Project (CDP), initiatives such as assessment of current practices policies, ESG oversight, carbon emission calculation, etc. were taken. | Disclosure through the Climate Disclosure Project is an opportunity to better understand and manage the risks associated with climate change. It helps in providing data to our investors to make informed investment decisions and fulfills customer requests regarding carbon disclosure. |



5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Black Box has a well-defined Business Continuity Plan to ensure the safety of all the employees, customers, and stakeholders. In the event of a natural disaster, global or local emergency, or a pandemic, Black Box plans to remain operational. The Business Continuity Plan (BCP) is managed and maintained by a cross-functional team of subject matter experts.

In the case of a pandemic or other business disruption, the chief customer officer is appointed as the coordinator responsible for dealing with disease issues and their impact on the workplace. The Executive Management Team engages with the business continuity plan in order to support continuance and recovery during disruption. The BCP is systematically reviewed annually to help ensure it stays current and up-to-date.

The Business Continuity and Management Plan includes:

- Safeguarding the lives of team members
- Recovery and maintenance of required operations during a disruption
- Assessment of financial and operational impact of disruption
- Sustainance and resuming of operations.

We prepare preparedness and response plans to safeguard lives, property, assess the financial and operational impact and recover from or maintain required operations, and resume normal operations afterward. Corrective actions are implemented from the lessons learned during the process.

Employees are made aware of the Emergency Evacuation Plan through the Environment, Health, and Safety Policy. All the employees are covered under Accident Insurance provided by Black Box.

We conduct Quarterly Fire Drill Training at all our branches to respond to any fire emergencies. Employees are informed about emergency exits and assembly points. Emergency contact details are displayed on the notice board with contacts of the nearest police station.

Web Link: [Business Continuity Plan](#)

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

We have commenced the supply chain engagement process specifically to identify significant adverse environmental impacts. We incorporate the ESG-related parameters in our vendor evaluation/selection criteria.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Through consultations with our supply chain partners, we engage with them and ensure our environmental and social requirements are captured in the contract documents and fulfilled by our suppliers as part of business transactions.

7 PRINCIPLE

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

Black Box is affiliated with many trade and industry chambers/ associations to ensure a collaborative environment that helps us to access knowledge, build a network, improve our reputation, advertise, educate, market, and collaborate with the government for policy changes that help businesses and society.

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such a body) the entity is a member of/ affiliated to.

| S. No. | Name of the trade and industry chambers/ associations | Reach of trade and industry chambers/ associations (State/National) |
|--------|---|---|
| 1 | AFCEA | US National - Global |
| 2 | Airports Council International | US National - Global |
| 3 | AVIXA | US National - Global |
| 4 | HIMSS Healthcare Information Management Systems Society | US National - Global |
| 5 | IABM | UK -Global |
| 6 | 7x24 Exchange | US National |
| 7 | AFCOM | US National |
| 8 | BICSI | US National |
| 9 | CBRS/ON GO | US National |
| 10 | Esports Business Community | US National |
| 11 | SDVoE | US National |
| 12 | SVG (Sports Video Group) | US National |
| 13 | CII Corporate Governance Council | India |
| 14 | CII Western Region Council | India |
| 15 | Fernseh- und Kinotechnische Gesellschaft e.V. | Germany |

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

No issues of anti-competitive conduct were identified within Black Box; therefore, no corrective action was required.

Leadership Indicators

1. Details of public policy positions advocated by the entity:

Black Box, through its marketing and communication efforts, engages with the various Industry chambers and associations, government agencies, and regulators to explore the opportunities for collaborations as well as to provide strategic advocacy with our in-depth understanding of the industry.

a) **Forbes Council** – Erik Jost, Vice President of Modern Workplace at Black Box – has been appointed as a distinguished member of the Forbes Council, selected by a review committee for his exceptional experience and achievements. The criteria for acceptance included a proven track record of driving business growth, as well as notable personal and professional accomplishments. As a Council member, Jost will leverage exclusive opportunities to amplify his professional influence, including:

- Private collaboration with esteemed leaders
- Publication of expert insights on (link unavailable)



- Participation in Expert Panels
- Access to bespoke marketing materials and concierge support
- Complimentary membership in EXEC, a luxury lifestyle and business benefits program

This membership recognizes Jost's expertise and provides a platform for continued growth and thought leadership.

- b. **BICSI** - David Richards, RCDD, NTS, OSP, TECH, CT, and the Quality and Training Manager at Black Box is the 27th President of BICSI in the US. During his 2-year term and as the principal official of BICSI, Dave will lead the Board of Directors, contribute to the technical content and editorial oversight of the BICSI Information Transport Systems Installation Methods Manual (ITSIMM) update process, and host BICSI's US Winter and Fall Conference Exhibitions, among other responsibilities. - Lead the Board of Directors

- Contribute to the technical content and editorial oversight of the BICSI Information Transport Systems Installation Methods Manual (ITSIMM) update process

- Host BICSI's US Winter and Fall Conference Exhibitions

As a renowned industry expert and longtime BICSI contributor, Dave's presidency underscores Black Box's commitment to upholding the highest standards in structured cabling and connected buildings. BICSI remains the gold standard for education and technical best practices training in the global ICT industry. Dave's leadership will undoubtedly enrich our business and reinforce our value proposition to customers, strategic channel partners, and the market at large.

8

PRINCIPLE

Businesses should promote inclusive growth and equitable development.

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year:**

Not Applicable

2. **Provide information on the project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

Not Applicable

3. **Describe the mechanisms to receive and redress grievances of the community.**

Yes, the Company has the necessary mechanisms to receive and redress the grievances of the community through the Whistleblower Policy. The policy document is available on our website for access to the public.

Web link: [Black Box Whistleblower Policy](#)

The dedicated email ID is provided to receive and redress grievances:

whistleblower.indiabbl@blackbox.com

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers.

| | FY 2023-2024 | FY 2022-2023 |
|--|--------------|-----------------------------------|
| Directly sourced from MSMEs/ small producers | 5.5% | 32% |
| Directly from within India | 5% | Not tracked in the reporting year |

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost.

We offer employment opportunities across all levels of society, including rural, semi-urban, urban, and metropolitan areas, ensuring inclusivity and equal access to jobs regardless of geographical location.

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Not Applicable

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

None of our CSR projects have been undertaken in any of the aspirational districts designated by government bodies. We are committed to enhancing our CSR footprint and exploring opportunities to support the government's initiatives in aspirational districts, furthering our dedication to driving positive change and inclusive growth

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No/NA):

No

(b) From which marginalized /vulnerable groups do you procure?

Not Applicable

(c) What percentage of total procurement (by value) does it constitute?

0%

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Not Applicable

5. Details of corrective actions taken or underway based on any adverse order in intellectual property-related disputes wherein usage of traditional knowledge is involved.

Not Applicable

6. Details of beneficiaries of CSR Projects:

| Sr. No. | CSR Project | No. of persons benefited from CSR Projects | % of beneficiaries from vulnerable and marginalized groups |
|---------|--|--|--|
| 1. | Job Entrepreneurship and Empowerment Training (JEET) with Sarthak Foundation | 28 | The project focuses on empowering the differently abled individual |
| 2. | Urban Conventional Plantation with Green Yatra | - | Increase Green Cover at site selected in the Land of CRPF, Plantation Execution & Maintenance for 2 years. |



Black Box is committed to creating a healthier world and enriching the lives of our community toward an inclusive society by providing support through our CSR projects. We strongly believe that our business needs to make a positive impact with the emphasis on two vital pillars: Inclusivity and Sustainability. A testament to this is our investment in Corporate Social Responsibility (CSR) initiatives specifically targeted at empowering people with disabilities and promoting environmental sustainability.

While we embrace diversity and inclusion, we also recognize the importance of empowering people with disabilities to reach their maximum potential. We are also dedicated to environmental sustainability and actively supporting initiatives towards restoring biodiversity and mitigating the environmental impacts owing to deforestation.



CSR Project 1: Job Entrepreneurship and Empowerment Training (JEET) by Sarthak Foundation

In our ongoing journey to create a fairer and more equitable world for all, we collaborate with Sarthak Foundation by sponsoring training programs for People with Disabilities (PWDs). The objective of this project is to empower youth, by equipping them with skills that open doors to employment and numerous economic opportunities.

Sarthak JEET program addresses the requirements of persons with disability aged between 18-35 years by providing vocational skill-building training and sustainable employment opportunities. This program aims at enabling youth with disabilities to live financially independent lives through vocational skill building and placement support.

Interventions - The program encompasses Basic Skill building, sector-specific training, Pre-Employment Training, Allied Activities regular assessments, and feedback. Practical knowledge of various trades (IT – ITeS/ Tourism & Hospitality / Organized Retail, E-commerce, Marketing) is provided to the candidates in the well-equipped Sector Skill Labs set up at each center.



CSR Project 2: Miyawaki Method of Tree Plantation with 'SayTrees' Community

In our humble effort to neutralize the impact of climate change and rejuvenate the ecosystem, we collaborate with SayTrees, a registered environmental NGO in India.

SayTrees is a community of ardent environment enthusiasts who believe in protecting and maintaining our planet for future generations. They manage and monitor several projects in agroforestry, social forestry, rejuvenation of water bodies, urban forestry, and waste management. As an organization committed to long-term sustainable change, they intend to increase the impact to two million hectares of land and water bodies, touch two million livelihoods, and sequester 2 million metric tonnes of carbon by 2035. SayTrees has created 100+ green patch covers with a total sapling count of more than 2.2 million.

We also encourage our employees to participate in the plantation drive.

9

PRINCIPLE

Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Black Box employs multiple channels including websites, emails, contact numbers, contact centers, and social media to receive and respond to customer complaints and feedback. The objective is to resolve customer grievances promptly, aiming to respond within a 24-hour timeframe. Customers can directly contact the Legal department for any complaints. Complaint boxes are also available at the offices to receive complaints. The respective regional representatives and the managers of each regional office ensure that ongoing customer engagement and proper customer relationships are maintained. The Global team of technicians and customer experience representatives have all the resources and expertise to promptly address customer feedback and grievances.

Weblink to receive customer grievances or other requests: <https://www.blackbox.com/en-in/contact-us/customer-grievances>

Web Link for consumer support: <https://www.blackbox.com/en-us/support/product-support/customer-support>

2. Turnover of products and/ services as a percentage of turnover from all products/services that carry information about:

We are not a manufacturing Company. However, we have stringent policies and procedures across the globe to ensure compliance with Environmental and Social parameters, Health and Safety Aspects, and recycling and safe disposal requirements at various geographies.

3. Number of consumer complaints in respect of the following:

There were no consumer complaints related to data privacy, cybersecurity, delivery of essential services, or restrictive or unfair trade practices in FY 2023-2024.

4. Details of instances of product recalls on account of safety issues:

There are no product recalls on account of safety issues in FY 2023-2024.

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web link to the policy.

Yes. Black Box has a Risk Management Policy in which cybersecurity and risks related to data security are covered. We have a separate insurance policy for Cyber Security.

Black Box holds certifications such as ISO 27001 for information security management systems (ISMS), ISO 20000 for Information Security, Payment Card Industry Data Security Standard (PCI DSS), and Payment Application Data Security Standard (PA DSS). Black Box also has product-specific certifications such as NIAP3, and NIAP4 provided by the National Information Assurance Partnership for KVM switches (non-CAC models), KVM switch/ Isolator for CAC models, and KM switch for KM models.

At Black Box, we value our customers and recognize the need to safeguard the personal information that the customer provides to us. We have a Privacy Policy that explains how we collect, use, and safeguard personal information. We also have a California Privacy Policy which complies with the California Consumer Privacy Act of 2018 ("CCPA"). Our parent companies, subsidiary companies, or companies under common control therewith around the world are governed by this Privacy Policy or are bound by the appropriate confidentiality agreements.

We have team members certified with Registered Communications Distribution Designers certification (RCDD) provided by Building Industry Consulting Services International (BICS).

Black Box complies with all applicable data privacy laws, including applicable comprehensive data protection laws.

Weblink: [Black Box Privacy Policy](#)



6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.

During the financial year 2023-2024, there were no reported issues concerning advertising, the delivery of essential services, cyber security, data privacy of customers, or recurring instances of product recalls. As a result, no specific corrective actions were necessary or implemented during this period.

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches:

Zero. There were no instances of data breaches in the year 2023-2024.

b. Percentage of data breaches involving personally identifiable information of customers:

0%

c. Impact, if any, of the data breaches:

No impacts, as there were no instances of data breaches.

Leadership Indicators

1. Channels/platforms where information on products and services of the entity can be accessed (provide a web link, if available):

Company Website <https://www.blackbox.com>

LinkedIn <https://www.linkedin.com/company/black-box/>

Facebook <https://www.facebook.com/blackbox.ns>

Instagram <https://www.instagram.com/blackboxcorporation/>

X https://x.com/blackbox_ns

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Black Box considers customer safety as the highest priority. To ensure the safe and responsible usage of products and services, Black Box communicates with customers about the safety protocols through various communication channels:

- Product specifications and safety procedures
- Regular inspection and maintenance visits
- Outreach programs
- Emails and newsletters
- Social media

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Any disruption or discontinuation of essential services is timely informed through emails and website updates.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable)

Not Applicable.

If yes, provide details in brief.

Not Applicable.

Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity, or the entity as a whole? (Yes/No)

We regularly interact with our customers through events and seminars, webinars, and multi-channel marketing modes. Additionally, we participate in and sponsor local events. We share information regarding policies such as conflict minerals, RoHS and WEEE compliance, certifications, and various company operations with them. Any information regarding the Company operations, policies, and procedures is shared with customers upon request.

We primarily conduct campaign marketing, mass print media, social media, and video marketing, with website activities playing an important role. Recently, we have started including ESG perspectives in our corporate deck to demonstrate our efforts in environmental, social, and governance (ESG) initiatives.



Independent Auditor's Report

To the Members of Black Box Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of **Black Box Limited** (the 'Company'), which comprise the standalone balance sheet as at 31 March 2024, the standalone statement of profit and loss (including other comprehensive loss), the standalone statement of cash flows and the standalone statement of changes in equity for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its loss (including other comprehensive loss), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter – Non-compliance with laws and regulations

4. We draw attention to Note 46 to the accompanying standalone financial statements which describes the delay in remittance of import payments, repatriation of proceeds of export of goods and services and settlement of advance, outstanding as at 31 March 2024 beyond the timelines stipulated under the Foreign Exchange Management Act, 1999, as amended from time to time. The management of the Company has filed necessary applications with the appropriate authority for extension of time period and condonation of such delays. The management is of the view that the fines/ penalties, if any, that may be levied, are currently unascertainable but not expected to be material and accordingly, no adjustments have been made to the accompanying standalone financial statements in respect of aforesaid delays. Our opinion is not modified in respect of this matter.

Key Audit Matter

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

6. We have determined the matter described below to be the key audit matter to be communicated in our report.

| Key audit matter | How our audit addressed the key audit matter |
|---|---|
| <p>Revenue Recognition under Ind AS 115, Revenue from Contracts with Customers ('Ind AS 115')</p> <p>Refer note 2D(xvi) – 'Income recognition' and notes 23 and 41 – 'Revenue from contracts with customers' to the standalone financial statements for the related accounting policy on revenue recognition and details of revenue recognised during the year.</p> <p>Revenue for the Company consists primarily of sale of products and sale of implementation and maintenance services for networking equipment and communications technology solutions.</p> <p>Owing to the multiplicity of the Company's products and services, compliance with varied customer specifications, and diverse terms of contracts with customers, revenue is determined to be an area involving significant risk and hence, requiring significant auditor attention.</p> <p>Further, the application of Ind AS 115 involves significant judgements/ material estimates relating to identification of distinct performance obligations, determination of transaction price, including impact of variable consideration, of the identified performance obligations and the appropriateness of the basis used to measure revenue recognised over a period of time.</p> <p>Considering the materiality of amounts involved, significance of the area to the standalone financial statements, combined with significant judgements and estimates involved, revenue recognition is considered to be a key audit matter for the current year audit.</p> | <p>Our audit included, but was not limited to, the following procedures performed in respect of revenue recognition:</p> <ul style="list-style-type: none"> Evaluated the design and tested the operating effectiveness of internal financial controls relating to the application of revenue accounting standard specifically those relating to identification of the distinct performance obligations and determination of transaction price. Procedures performed included enquiry, observation, reperformance or inspection, as applicable, of evidence in respect of operation of these controls. Tested the relevant information technology systems' access and change management controls relating to contracts and related information used in recording and presenting revenue in accordance with the revenue accounting standard. Selected a sample of contracts and performed the following procedures: <ul style="list-style-type: none"> Read, analysed and identified the distinct performance obligations in these contracts; Compared such performance obligations with those identified and recorded by the management; and Reviewed contract terms to determine the transaction price including variable consideration, if any, to determine the appropriate transaction price for computing revenue. Samples in respect of revenue recorded for sale of products were tested by inspecting either the customer acceptances, invoices and/ or historical trend of collections and disputes. Further, tested sample transactions before and after year end to ensure revenue is recorded in the correct period. In respect of samples relating to fixed maintenance contracts, verified the period of the contract with the customer agreements and verified whether the revenue was recognised appropriately over the period of contract as services were being rendered basis the method of determination of satisfaction of performance obligations in accordance with Ind AS 115. Tested samples of credit notes issued during the year and subsequent to year end, if any to confirm revenue recognised during the period was appropriate. Performed analytical procedures for reasonableness of revenue recorded. Assessed the appropriateness and adequacy of disclosures included in the standalone financial statements, in accordance with the requirements of applicable financial reporting framework. |



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

7. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

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

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

8. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive loss, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation, and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
9. In preparing the standalone financial statements, the Board of Directors of the Company is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of the Company either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
10. The Board of Directors of the Company is also responsible for overseeing the Company's financial reporting process.

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

11. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.
12. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement

resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate Internal Financial Controls with reference to standalone 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 of the Company;
 - Conclude on the appropriateness of Company's Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
 - Evaluate the overall presentation, structure, and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
13. We communicate with those charged with governance of the Company 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.
14. We also provide those charged with governance of the Company 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.
15. From the matters communicated with those charged with governance of the Company, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

16. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
17. As required by the Companies (Auditor's Report) Order, 2020 (the 'Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure – I, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
18. Further to our comments in Annexure – I, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;
 - 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 matters stated in paragraph 18(h)(vi) below on reporting



under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended). Further, the back-up of the books of accounts and other books and papers of the Company maintained in electronic mode has not been maintained on servers physically located in India, on a daily basis;

- c) The standalone financial statements dealt with by this report are in agreement with the books of account;
- d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
- e) On the basis of the written representations received from the directors and taken on record by the Board of Directors of the Company, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act;
- f) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
- g) With respect to the adequacy of the Internal Financial Controls with reference to standalone financial statements of the Company as on 31 March 2024 and the operating effectiveness of such controls, refer to our separate report in Annexure – II wherein we have expressed an unmodified opinion; and
- h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company, as detailed in note 36(A) to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2024;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2024;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2024;
 - iv.
 - a. The management of the Company has represented that, to the best of its knowledge and belief, as disclosed in note 50(f) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any persons or entities, including foreign entities (the 'intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (the 'Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
 - b. The management of the Company has represented that, to the best of its knowledge and belief, as disclosed in note 50(f) to the standalone financial statements, no funds have been received by the Company from any persons or entities, including foreign entities (the 'Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
 - v. The Company has not declared or paid any dividend during the year ended 31 March 2024.

- vi. As stated in note 47 to the standalone financial statements and based on our examination which included test checks, except for instance mentioned below, the Company, in respect of financial year commencing on 01 April 2023, has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, other than the consequential impact of the exception given below.

| Nature of exception noted | Details of Exception |
|--|---|
| Instances of accounting software used for maintaining books of account for which the feature of recording audit trail (edit log) facility was not operated throughout the year for all relevant transactions recorded in the software. | The audit trail feature was not enabled at the database level for accounting software SAP S/4 Hana to log any direct data changes, used for maintenance of all accounting records by the Company. |

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Bharat Shetty
Partner
Membership No.: 106815
UDIN: 24106815BKFNIV5431

Place: Mumbai
Date: 30 May 2024



Annexure – I referred to in paragraph 17 of the Independent Auditor’s Report of even date to the members of Black Box Limited on the standalone financial statements for the year ended 31 March 2024

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment ('PPE') and relevant details of right-of-use assets ('ROU assets').
(B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The PPE and relevant details of ROU assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification programme adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in note 3 to the standalone financial statements, are held in the name of the Company.
- (d) The Company has not revalued its PPE (including ROU assets) or intangible assets during the year.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for inventory lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records.
- (b) The Company has been sanctioned a working capital limit in excess of ₹ 5 Crores, by banks on the basis of security of current assets. The quarterly returns/ statements, in respect of the working capital limits have been filed by the Company with such banks and such returns/ statements are in agreement with the books of account of the Company for the respective periods, which were not subject to audit, except as disclosed in note 49 to the accompanying standalone financial statements.
- (iii) The Company has not made any investment in, provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.
- (iv) The Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products, services and business activities. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
- (vii) (a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

| Name of the statute | Nature of dues | Amount (₹ in Crores) | Amount paid under Protest (₹ in Crores) | Period to which the amount relates | Forum where dispute is pending |
|---|-----------------|----------------------|---|---------------------------------------|---|
| Income-tax Act, 1961 | Income tax | 5.53 | 5.53 | Assessment year 2010-11 | Commissioner of Income Tax (Appeals) |
| Income-tax Act, 1961 | Income tax | 0.55 | 0.55 | Assessment year 2015-16 | Commissioner of Income Tax (Appeals) |
| Income-tax Act, 1961 | Income tax | 0.04 | - | Assessment year 2016-17 | Commissioner of Income Tax (Appeals) |
| Income-tax Act, 1961 | Income tax | 0.21 | 0.21 | Assessment year 2018-19 | Assistant Director of Income Tax, Centralised Processing Center |
| West Bengal Sales Tax Act, 1994 | Sales tax | 0.03 | - | 2003-04, 2005-06 and 2006-07 | Sr. Joint Commissioner of Commercial Tax, West Bengal |
| The Kerala Value Added Tax Act, 2003 | Value added tax | 0.08 | - | 2008-09 | Deputy Commissioner (Appeals) of Commercial Tax, Kerala |
| The Uttar Pradesh Value Added Tax Act, 2008 | Value added tax | 0.28 | 0.08 | 2008-09 | Additional Commissioner (Appeals) of Commercial Tax, Lucknow |
| The Kerala Value Added Tax Act, 2003 | Value added tax | 0.05 | 0.02 | 2011-12 | Assistant Commissioner (Appeals) |
| The Kerala Value Added Tax Act, 2003 | Value added tax | 0.03 | 0.01 | 2009-10 | Assistant Commissioner (Appeals) |
| The Gujarat Value Added Tax Act, 2003 | Value added tax | 0.74 | 0.26 | 2011-12 | Gujarat VAT Tribunal |
| The Gujarat Value Added Tax Act, 2003 | Value added tax | 1.58 | 0.44 | 2012-13 | Gujarat VAT Tribunal |
| The Gujarat Value Added Tax Act, 2003 | Value added tax | 0.20 | 0.06 | 2013-14 | Gujarat VAT Tribunal |
| The Maharashtra Value Added Tax Act, 2002 | Value added tax | 0.47 | 0.03 | 2013-14 | Joint Commissioner of Appeals |
| The Gujarat Value Added Tax Act, 2003 | Value added tax | 0.54 | 0.07 | 2015-16 | Gujarat VAT Tribunal |
| Tamil Nadu Value Added Tax Act, 2006 | Value added tax | 0.10 | - | 2015-16 | Deputy Commissioner (Appeals), Chennai |
| The Kerala Value Added Tax Act, 2003 | Value added tax | 1.15 | - | 2013-14, 2014-15, 2015-16 and 2016-17 | State Tax Officer (State GST department) |
| The Maharashtra Value Added Tax Act, 2002 | Value added tax | 0.51 | - | 2015-16 | Joint Commissioner of Commercial Tax (Appeals), Mumbai |
| The Gujarat Value Added Tax Act, 2003 | Value added tax | 2.50 | 0.11 | 2016-17 | Commissioner of State Tax, Ahmedabad |
| The Haryana Value Added Tax Act, 2003 | Value added tax | 0.21 | - | 2014-15 | Excise and Taxation Officer, Gurgaon |
| The Gujarat Value Added Tax Act, 2003 | Value added tax | 0.60 | 0.02 | 2017-18 | Joint Commissioner of Commercial Tax, Ahmedabad |
| The Maharashtra Value Added Tax Act, 2002 | Value added tax | 1.09 | - | 2016-17 | Deputy Commissioner of Sales Tax, Mumbai |
| Delhi Value Added Tax Act, 2004 | Value added tax | 0.64 | - | 2012-13 2015-16 | SOHA (Special Objection Hearing Authority Appeals) |



| Name of the statute | Nature of dues | Amount (₹ in Crores) | Amount paid under Protest (₹ in Crores) | Period to which the amount relates | Forum where dispute is pending |
|---------------------|----------------|----------------------|---|------------------------------------|--|
| Finance Act,1994 | Service tax | 0.74 | 0.04 | 2004-05 to 2006-07 | Customs, Excise and Service Tax Appellate Tribunal, Mumbai |
| Finance Act,1994 | Service tax | 0.06 | 0.03 | 2005-06 | Commissioner of Central Excise and Service Tax - Appeals |
| Finance Act,1994 | Service tax | 2.90 | 0.14 | 2016-17 | Commissioner (Appeals), Gandhinagar |

- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of account.
- (ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the standalone financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries and associate.
- (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries or associate.
- (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 to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the period covered by our audit.
- (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.
- (b) We were unable to obtain some of the Internal Audit Reports of the Company on timely basis, hence the Internal Audit Reports have been considered by us, only to the extent made available to us.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.
- (a) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- (xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information in the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) According to the information and explanations given to us, the Company does not have any unspent amounts towards Corporate Social Responsibility in respect of any ongoing or other than ongoing project as at the end of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Bharat Shetty
Partner
Membership No.: 106815
UDIN: 24106815BKFNIV5431

Place: Mumbai
Date: 30 May 2024



Annexure – II to the Independent Auditor’s Report of even date to the members of Black Box Limited on the standalone financial statements for the year ended 31 March 2024

Independent Auditor’s Report on the Internal Financial Controls with reference to standalone financial statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 (the ‘Act’)

1. In conjunction with our audit of the standalone financial statements of **Black Box Limited** (the ‘Company’) as at and for the year ended 31 March 2024, we have audited the Internal Financial Controls with reference to standalone financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

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

Auditor’s Responsibilities for the Audit of the Internal Financial Controls with Reference to Standalone Financial Statements

3. Our responsibility is to express an opinion on the Company’s Internal Financial Controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under section 143(10) of the Act, to the extent applicable to an audit of Internal Financial Controls with reference to standalone financial statements, and the IFC Guidance Note issued by the ICAI. Those Standards and the IFC Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls with reference to standalone financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls with reference to standalone financial statements and their operating effectiveness. Our audit of Internal Financial Controls with reference to standalone financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s Internal Financial Controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

6. A company’s Internal Financial Controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company’s Internal Financial Controls with reference to standalone financial statements include 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

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

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate Internal Financial Controls with reference to standalone financial statements and such controls were operating effectively as at 31 March 2024, based on the Internal Financial Controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the IFC Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Bharat Shetty
Partner
Membership No.: 106815
UDIN: 24106815BKFNIV5431

Place: Mumbai
Date: 30 May 2024



Standalone Balance Sheet

as at 31 March 2024

₹ in Crores

| | Notes | As at 31 March 2024 | As at 31 March 2023 |
|--|-------|------------------------|------------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 3 | 6.74 | 7.48 |
| Right of use assets | 4 | 18.25 | 22.42 |
| Intangible assets | 5 | 6.12 | 3.76 |
| Intangible assets under development | 5.1 | - | 2.23 |
| Financial assets | | | |
| Investment in subsidiary | 6 | 234.16 | 234.16 |
| Other financial assets | 7 | 14.22 | 11.78 |
| Deferred tax assets (net) | 9 | - | - |
| Income-tax assets (net) | | 14.24 | 38.65 |
| Other non-current assets | 10 | 7.15 | 5.13 |
| Total non-current assets | | 300.88 | 325.61 |
| Current assets | | | |
| Inventories | 11 | 13.58 | 11.49 |
| Financial assets | | | |
| Trade receivables | 12 | 97.29 | 118.52 |
| Cash and cash equivalents | 13 | 0.02 | 0.05 |
| Bank balances other than cash and cash equivalents | 13 | 0.24 | 1.23 |
| Other financial assets | 7 | 23.52 | 24.79 |
| Contract assets | 8 | 14.01 | 2.75 |
| Other current assets | 10 | 25.70 | 35.46 |
| Total current assets | | 174.36 | 194.29 |
| TOTAL ASSETS | | 475.24 | 519.90 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Equity share capital | 14 | 33.61 | 33.58 |
| Other equity | | 280.85 | 295.62 |
| Total equity | | 314.46 | 329.20 |
| Liabilities | | | |
| Non-current liabilities | | | |
| Financial liabilities | | | |
| Borrowings | 15 | 0.45 | 0.62 |
| Lease liabilities | 16 | 23.14 | 26.89 |
| Other financial liabilities | 17 | 0.27 | 0.25 |
| Contract liabilities | 19 | 2.88 | 6.52 |
| Provisions | 18 | 5.27 | 7.26 |
| Other non-current liabilities | 20 | 0.16 | 0.18 |
| Total non-current liabilities | | 32.17 | 41.72 |

Standalone Balance Sheet

as at 31 March 2024

₹ in Crores

| | Notes | As at 31 March 2024 | As at 31 March 2023 |
|--|-------|------------------------|------------------------|
| Current liabilities | | | |
| Financial liabilities | | | |
| Borrowings | 21 | 11.55 | 23.61 |
| Lease liabilities | 16 | 3.81 | 3.49 |
| Trade payables | 22 | | |
| Total outstanding dues to micro enterprises and small enterprises | | 6.94 | 14.43 |
| Total outstanding dues to creditors other than micro enterprises and small enterprises | | 88.61 | 87.29 |
| Other financial liabilities | 17 | - | 1.03 |
| Contract liabilities | 19 | 10.10 | 12.29 |
| Other current liabilities | 20 | 4.75 | 5.97 |
| Provisions | 18 | 2.85 | 0.87 |
| Total current liabilities | | 128.61 | 148.98 |
| TOTAL LIABILITIES | | 160.78 | 190.70 |
| TOTAL EQUITY AND LIABILITIES | | 475.24 | 519.90 |

The accompanying notes form an integral part of the standalone financial statements

This is the standalone balance sheet referred to in our report of even date

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm Registration No. : 001076N/N500013

BHARAT SHETTY
Partner
Membership No. 106815

Place : Mumbai
Date : 30 May 2024

For and on behalf of the Board of Directors of
Black Box Limited

SANJEEV VERMA
Whole-time Director
DIN - 06871685
Place : Dallas, Texas, USA

ADITYA GOSWAMI
Company Secretary

Place: Navi Mumbai
Date : 30 May 2024

ANSHUMAN RUIA
Executive Director
DIN - 00008501
Place : Mumbai

DEEPAK KUMAR BANSAL
Chief Financial Officer and
Executive Director
DIN - 07495199

Place : Ajmer



Standalone Statement of Profit and Loss

for the year ended 31 March 2024

₹ in Crores

| | Notes | 31 March 2024 | 31 March 2023 |
|---|-------|----------------|---------------|
| Income | | | |
| Revenue from operations | 23 | 386.65 | 363.37 |
| Other income | 24 | 13.11 | 2.22 |
| Total income (I) | | 399.76 | 365.59 |
| Expenses | | | |
| Purchase of stock-in-trade | | 165.65 | 166.54 |
| Changes in inventories of work-in-progress and stock-in-trade | 25 | (2.09) | (6.01) |
| Service charges | | 128.97 | 104.28 |
| Employee benefits expense (net) | 26 | 56.83 | 44.73 |
| Finance costs | 27 | 6.68 | 7.75 |
| Depreciation and amortisation expense | 28 | 7.91 | 6.51 |
| Other expenses | 29 | 37.79 | 37.65 |
| Total expenses (II) | | 401.74 | 361.45 |
| (Loss) / profit before impact of foreign currency transactions and translations and tax (I-II) | | (1.98) | 4.14 |
| Gain on foreign currency transactions and translations (net) | | 0.87 | 1.65 |
| Net (loss)/ profit before tax | | (1.11) | 5.79 |
| Tax expense / (credit) | 30 | | |
| Current tax | | - | - |
| Deferred tax | | 0.10 | (0.05) |
| Tax adjustment relating to earlier years | | 13.77 | - |
| Total tax expense/ (credit) | | 13.87 | (0.05) |
| Net (loss)/ profit for the year | | (14.98) | 5.84 |
| Other Comprehensive Income - (loss)/ gain | | | |
| Items that will not be reclassified subsequently to profit or loss | | | |
| - Remeasurement (loss)/ gain on defined benefit plan | | (0.41) | 0.19 |
| - Income tax relating to above item | 30 | 0.10 | (0.05) |
| Other Comprehensive Income for the year (net of taxes) - (loss)/ gain | | (0.31) | 0.14 |
| Total Comprehensive Income for the year (net of taxes) - (loss)/ gain | | (15.29) | 5.98 |

Standalone Statement of Profit and Loss

for the year ended 31 March 2024

₹ in Crores

| | Notes | 31 March 2024 | 31 March 2023 |
|--|-----------|---------------|---------------|
| (Loss) / earnings per equity share (Face value of ₹ 2 each) | 31 and 47 | | |
| Basic (in ₹) | | (0.89) | 0.35 |
| Diluted (in ₹) | | (0.89) | 0.35 |

The accompanying notes form an integral part of the standalone financial statements

This is the standalone statement of profit and loss referred to in our report of even date

For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm Registration No. : 001076N/N500013

**For and on behalf of the Board of Directors of
Black Box Limited**

BHARAT SHETTY
Partner
Membership No. 106815

SANJEEV VERMA
Whole-time Director
DIN - 06871685
Place : Dallas, Texas, USA

ANSHUMAN RUIA
Executive Director
DIN - 00008501
Place : Mumbai

ADITYA GOSWAMI
Company Secretary

DEEPAK KUMAR BANSAL
Chief Financial Officer and
Executive Director
DIN - 07495199

Place : Mumbai
Date : 30 May 2024

Place : Navi Mumbai
Date : 30 May 2024

Place : Ajmer



Standalone Statement of Cash Flows

for the year ended 31 March 2024

₹ in Crores

| | 31 March 2024 | 31 March 2023 |
|---|----------------|----------------|
| (A) Cash flows from operating activities | | |
| (Loss)/ profit before tax | (1.11) | 5.79 |
| Adjustments for non-cash transactions and items considered separately: | | |
| Depreciation and amortisation expense | 7.91 | 6.51 |
| Interest on income-tax refund | (10.56) | (0.60) |
| Actuarial (loss)/ gain on defined benefits plan | (0.41) | 0.19 |
| Creation of provision for warranties (net) | - | 0.12 |
| Allowance for expected credit loss (net) | (1.48) | 10.05 |
| Bad debts | 8.33 | 2.63 |
| Sundry balances written off | - | 1.93 |
| Liabilities/ provisions for earlier years no longer required written back/ reversed | (2.11) | (6.46) |
| Interest income on sublease arrangements | (1.09) | (0.87) |
| Interest income on security deposits | (0.03) | (0.05) |
| Impairment in value of inventory (net) | 0.74 | 0.39 |
| Net gain on foreign currency translation | (0.46) | (0.19) |
| Finance costs | 3.15 | 3.93 |
| Interest on lease liabilities | 3.53 | 3.82 |
| Interest income on margin money deposits | (0.38) | (0.27) |
| Expenses on share based payments | 0.28 | 0.42 |
| Operating profit before working capital changes | 6.31 | 27.34 |
| Changes in working capital : | | |
| Trade receivables | 15.13 | (45.49) |
| Inventories | (2.83) | (5.03) |
| Financial and other assets | (3.49) | 11.61 |
| Trade payables | (5.00) | 15.78 |
| Provisions and other liabilities | (7.30) | 4.11 |
| Cash generated from operating activities before taxes | 2.82 | 8.32 |
| Income taxes refund (net) | 21.20 | 6.28 |
| Net cash generated from operating activities (A) | 24.02 | 14.60 |
| (B) Cash flows from investing activities | | |
| Purchase of property, plant and equipment and intangible assets | (3.03) | (6.44) |
| Interest received on bank deposits | - | 0.33 |
| Investment made in equity shares of subsidiary | - | (39.68) |
| Net cash used in investing activities (B) | (3.03) | (45.79) |
| (C) Cash flows from financing activities | | |
| Proceeds from issue of equity shares under ESOP (including securities premium) | 0.27 | 0.36 |
| Money received against share warrants (including securities premium) [refer note 35(II)] | - | 37.30 |
| Availment of term loan | - | 0.89 |
| Repayment of term loan | (0.16) | (0.11) |
| (Repayment)/ availment of cash credit facilities (net) | (12.07) | 0.78 |
| Receipt under sublease arrangement [refer note 35(II)] | 1.16 | 1.11 |
| Payment of lease liabilities | (3.50) | (2.95) |
| Payment of interest on lease liabilities | (3.53) | (3.82) |
| Payment of interest (excluding interest on lease liabilities) | (1.84) | (2.28) |
| Payment of other financing costs | (1.31) | (0.36) |
| Net cash (used in)/ generated from financing activities (C) | (20.98) | 30.92 |
| Net increase/ (decrease) in cash and cash equivalents (A + B + C) | 0.01 | (0.27) |

Standalone Statement of Cash Flows

for the year ended 31 March 2024

| | ₹ in Crores | |
|--|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Cash and cash equivalents at the beginning of the year | 0.05 | 0.30 |
| Unrealised gain on foreign currency cash and cash equivalents | (0.04) | 0.02 |
| Cash and cash equivalents at the end of the year | 0.02 | 0.05 |
| Components of cash and cash equivalents (refer note 13) | | |
| Balances with banks: | | |
| – In current accounts | 0.02 | 0.04 |
| Cash on hand | - | 0.01 |
| Total cash and cash equivalents | 0.02 | 0.05 |
| Refer note 21 for cash flow changes in liabilities arising from financial activities | | |

The accompanying notes form an integral part of the standalone financial statements

The above standalone statement of cash flows has been prepared under the "Indirect Method" as set out in Ind AS 7 "Statement of Cash Flows" specified under section 133 of the Companies Act, 2013 ('the Act').

This is the standalone statement of cash flows referred to in our report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. : 001076N/N500013

BHARAT SHETTY
Partner
Membership No. 106815

Place : Mumbai
Date : 30 May 2024

**For and on behalf of the Board of Directors of
Black Box Limited**

SANJEEV VERMA
Whole-time Director
DIN - 06871685
Place : Dallas, Texas, USA

ADITYA GOSWAMI
Company Secretary

Place : Navi Mumbai
Date : 30 May 2024

ANSHUMAN RUIA
Executive Director
DIN - 00008501
Place : Mumbai

DEEPAK KUMAR BANSAL
Chief Financial Officer and
Executive Director
DIN - 07495199

Place : Ajmer



Standalone statement of changes in equity

for the year ended 31 March 2024

Equity share capital

| Particulars | Note | Number of shares | ₹ in Crores |
|----------------------------|-----------|--------------------|--------------|
| As at 1 April 2022 | 14 | 164,064,270 | 32.81 |
| Changes during the year | | 3,840,340 | 0.77 |
| As at 31 March 2023 | 14 | 167,904,610 | 33.58 |
| Changes during the year | | 120,980 | 0.03 |
| As at 31 March 2024 | 14 | 168,025,590 | 33.61 |

Other equity

| Particulars | Reserves and surplus | | | | | | Money received against share warrants | Total |
|---|----------------------|--------------------|-----------------|-------------------|-----------------------------------|--|---------------------------------------|---------------|
| | Capital reserve | Securities premium | General reserve | Retained earnings | Stock options outstanding account | Remeasurement of defined benefit plan (net of taxes) | | |
| As at 1 April 2022 | 22.64 | 223.11 | 100.59 | (107.95) | 1.01 | 0.64 | 12.40 | 252.44 |
| Total Comprehensive Income ('TCI') for the year | | | | | | | | |
| Profit for the year | - | - | - | 5.84 | - | - | - | 5.84 |
| Remeasurement of defined benefit plan | - | - | - | - | - | 0.14 | - | 0.14 |
| TCI for the year | - | - | - | 5.84 | - | 0.14 | - | 5.98 |
| Transactions with owners of the Company | | | | | | | | |
| Contributions and distributions | | | | | | | | |
| Expenses on employee stock option scheme | - | - | - | - | 0.42 | - | - | 0.42 |
| Money received against share warrants | - | - | - | - | - | - | 37.30 | 37.30 |
| Transferred to other financial liabilities [refer footnote to Note 14(a)] | - | - | - | - | - | - | (0.10) | (0.10) |
| Transferred to securities premium | - | 0.24 | - | - | (0.24) | - | - | - |
| Transferred to securities premium on exercise of share warrants [refer note 35(II)] | - | 48.86 | - | - | - | - | (48.86) | - |
| Issue of equity shares on exercise of share warrants [refer note 35(II)] | - | - | - | - | - | - | (0.74) | (0.74) |

Standalone statement of changes in equity

for the year ended 31 March 2024

₹ in Crores

| Particulars | Reserves and surplus | | | | | | Money received against share warrants | Total |
|--|----------------------|--------------------|-----------------|-------------------|-----------------------------------|--|---------------------------------------|----------------|
| | Capital reserve | Securities premium | General reserve | Retained earnings | Stock options outstanding account | Remeasurement of defined benefit plan (net of taxes) | | |
| Issue of equity shares on exercise of employee stock options | - | 0.32 | - | - | - | - | - | 0.32 |
| Total transactions with owners of the Company | - | 49.42 | - | - | 0.18 | - | (12.40) | 37.20 |
| As at 31 March 2023 | 22.64 | 272.53 | 100.59 | (102.11) | 1.19 | 0.78 | - | 295.62 |
| Loss for the year | - | - | - | (14.98) | - | - | - | (14.98) |
| Remeasurement of defined benefit plan | - | - | - | - | - | (0.31) | - | (0.31) |
| TCI for the year | - | - | - | (14.98) | - | (0.31) | - | (15.29) |
| Transactions with owners of the Company | | | | | | | | |
| Contributions and distributions | - | - | - | - | - | - | - | - |
| Expenses on employee stock option scheme | - | - | - | - | 0.28 | - | - | 0.28 |
| Transferred to securities premium | - | 0.17 | - | - | (0.17) | - | - | - |
| Issue of equity shares on exercise of employee stock options | - | 0.24 | - | - | - | - | - | 0.24 |
| Total transactions with owners of the Company | - | 0.41 | - | - | 0.11 | - | - | 0.52 |
| As at 31 March 2024 | 22.64 | 272.94 | 100.59 | (117.09) | 1.30 | 0.47 | - | 280.85 |

Nature and purpose of reserves:

Capital reserve

Any profit or loss on purchase, sale, issue or cancellation of the Company's own equity instrument is transferred to capital reserve.

Securities premium

Amount received (on issue of shares) in excess of the par value has been classified as securities premium. The reserve is utilised in accordance with the provisions of the Act.

General reserve

This represents appropriation of profit by the Company.

Retained earnings

Retained earnings comprises of current year and prior years undistributed earnings/ (loss) after taxes.



Standalone statement of changes in equity

for the year ended 31 March 2024

Stock option outstanding account

The stock option outstanding account is used to record the value of equity-settled share based payment transactions with employees. The amounts recorded in this account are transferred to the securities premium account upon exercise of stock options by employees, as applicable. In case of forfeiture, corresponding balance is transferred to general reserve.

Remeasurement of defined benefit plan

Differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in Other Comprehensive Income and are adjusted to retained earnings.

The accompanying notes form an integral part of the standalone financial statements

This is the standalone statement of changes in equity referred to in our report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. : 001076N/N500013

BHARAT SHETTY
Partner
Membership No. 106815

Place : Mumbai
Date : 30 May 2024

**For and on behalf of the Board of Directors of
Black Box Limited**

SANJEEV VERMA
Whole-time Director
DIN - 06871685
Place : Dallas, Texas, USA

ADITYA GOSWAMI
Company Secretary

Place : Navi Mumbai
Date : 30 May 2024

ANSHUMAN RUIA
Executive Director
DIN - 00008501
Place : Mumbai

DEEPAK KUMAR BANSAL
Chief Financial Officer and
Executive Director
DIN - 07495199

Place : Ajmer

Summary of Material Accounting Policies and Other Explanatory Information

as at and for the year ended 31 March 2024

1 Corporate information

Black Box Limited ('the Company') or 'BBL' is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on two stock exchanges in India, Bombay Stock Exchange ('BSE') and National Stock Exchange ('NSE'). The Company's registered office is located at 501, 5th Floor, Building No.9, Airoli Knowledge Park, MIDC Industrial Area, Airoli, Navi Mumbai - 400708. The Company, along with its foreign and Indian subsidiaries, is a global information, communications technology (ICT) solutions provider and integrator seamlessly delivering technology based solutions across global markets and verticals layered with a spectrum of applications and services. The Company is the leader in Enterprise Communications in India with global footprint in locations spanning India, Middle East and Africa, North America, Australia, New Zealand, Singapore and Europe.

2 Basis of preparation and presentation

A. General information and statement of compliance

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 (as amended) and relevant amendment rules thereafter, including the presentation and disclosure requirements of Division II of Schedule III to the Act and the guidelines issued by the Securities and Exchange Board of India ('SEBI'), to the extent applicable. The accounting policies for the years ended 31 March 2024 and 31 March 2023 are consistent.

The revision to standalone financial statements is permitted by Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per the provisions of the Act.

All amounts included in the standalone financial statements are reported in Indian Rupees ('INR') in Crores unless otherwise stated and rounded up to two decimals. Further, "0" denotes amounts less than fifty thousands rupees.

These standalone financial statements are separate financial statements of the Company under Ind AS 27 "Separate Financial Statements" ('Ind AS 27').

B. Basis of preparation

The standalone financial statements have been prepared on a historical cost convention and on an accrual and going concern basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

- i. Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments);
- ii. Share based payment transactions; and
- iii. Defined benefit and other long-term employee benefits.

C. Use of estimate and judgment

The preparation of standalone financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of



Summary of Material Accounting Policies and Other Explanatory Information

as at and for the year ended 31 March 2024

estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the standalone financial statements is included in the following notes:

- (i) **Income tax:** Significant judgments are involved in determining the provision for income tax, including the amount expected to be paid or recovered in connection with uncertain tax positions.
- (ii) **Deferred tax:** Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry forwards become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.
- (iii) **Defined benefit plan and compensated absences:** The cost of the defined benefit plan, compensated absences and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, average future service and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

In case of compensated absences, employees generally have an unconditional right to avail the accumulated leaves, however there are certain circumstances which also gives a right to the Company to defer the employee's leave (for example: Company's right to postpone/ deny the leave, restriction to avail leave in the next year for a maximum number of days etc.). Thus, for the bifurcation of provision between current and non-current, actuarial services are availed.

- (iv) **Share-based payments:** The grant date fair value of options granted to employees is recognised as employee benefit expense, with corresponding increase in equity, over the period that the employees become unconditionally entitled to the option. The increase in equity recognised in connection with share based payment transaction is presented as a separate component in equity under "stock options outstanding account". The amount recognised as an expense is adjusted to reflect the impact of the revision estimates based on number of options that are expected to vest, in the standalone statement of profit and loss with a corresponding adjustment to equity.
- (v) **Property, plant and equipment:** The charge in respect of periodic depreciation is derived after determining an estimate of the PPE's expected useful life and the expected residual value at the end of its useful life. The useful lives and residual values of the Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The estimated useful lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. Depreciation of PPE is calculated on straight-line basis over the useful life estimated by the management either based on technical evaluation or those prescribed under schedule II of the Act.

Intangible assets: The charge in respect of periodic amortisation is derived after determining an estimate of the expected useful life and the expected residual value at the end of its useful life. Amortisation of intangible assets is calculated on straight-line basis over the useful life estimated by the management which reflects the manner in which the economic benefit is expected to be generated.

Summary of Material Accounting Policies and Other Explanatory Information

as at and for the year ended 31 March 2024

(vi) Expected credit losses on financial assets: On application of Ind AS 109 "Financial Instruments", the impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgments in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's history of collections, customer's credit-worthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

(vii) Provisions: Provisions are recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding defined benefit plan and compensated absences) are not discounted to their present value and are determined based on best estimate of the amount required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

(viii) Leases: Ind AS 116 "Leases" requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

Where the rate implicit in the lease is not readily available, an incremental borrowing rate is applied. This incremental borrowing rate reflects the rate of interest that the lessee would have to pay to borrow over a similar term, with a similar security, the funds necessary to obtain an asset of a similar nature and value to the right-of-use asset in a similar economic environment. Determination of the incremental borrowing rate requires estimation.

(ix) Evaluation of indicators for impairment of assets: The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets. The carrying amount of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal and external factors. An asset is treated as impaired when the carrying value exceeds its recoverable value. The recoverable amount is the higher of the fair value less cost to sell and the value in use. In assessing value in use, the estimated future cash flows are discounted to the present value using a pre-tax discount rate that reflects current market assessment of the time value of money and risk specific to the assets. An impairment loss is charged to the standalone statement of profit and loss in the year in which an assets is identified as impaired. After impairment, depreciation or amortisation is provided on the revised carrying amount of the asset over its remaining useful life.

(x) Contingent liabilities: Contingent liability is possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Initially, Company makes an assessment of whether a transaction is to be disclosed as contingent liability or to be recorded as provision. Also at each balance sheet date, basis the management judgement, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.



Summary of Material Accounting Policies and Other Explanatory Information

as at and for the year ended 31 March 2024

(xi) Fair value measurement: Management applies valuation techniques to determine fair value of financial assets and liabilities (where active market quotes are not available). This involves developing estimates and assumptions around volatility and dividend yield etc. which may affect the value of financial assets and liabilities.

(xii) Revenue recognition

Timing of satisfaction of performance obligations - Revenue from sale of product, including leasing of specific inventory item, is recognised when control of the product is transferred to the buyer and performance obligation is satisfied, which generally coincides with acknowledgement of delivery. Revenue from implementation services (including installation and commissioning) related to products supplied or on a standalone basis are recognised when services are rendered, as the performance obligations are met. Revenue from maintenance contracts is recognised based on time elapsed and revenue is straight lined over the period of the performance or on the performance of services as specified in the contract.

Transaction price and amount allocated to performance obligations - The Company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration which Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, goods and services tax). While determining the transaction price, Company also considers variable consideration, existence of significant financing component in the contract, non-cash consideration and consideration payable to a customer (if any). The transaction price to be allocated to performance obligations is determined basis the terms of individual contracts.

(xiii) Control and significant influence - Subsidiaries are all entities over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Associate is an entity over which the investor has significant influence. If a Company holds, directly or indirectly through intermediaries, 20% or more of the voting power of the enterprise, it is presumed that the Company has significant influence, unless it can be clearly demonstrated that this is not the case. Also, the fact that the Company does not have significant influence in an enterprise can be demonstrated through following conditions:

- (i) The Company does not have any representation on the board of directors or corresponding governing body of the investee.
- (ii) The Company does not participate in policy making process.
- (iii) The Company does not have any material transactions with the investee.
- (iv) The Company does not interchange any managerial personnel.
- (v) The Company does not provide any essential technical information to the investee.

Estimates and judgements are continuously evaluated. These are based on historical experience and other factors including expectation of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Summary of Material Accounting Policies and Other Explanatory Information

as at and for the year ended 31 March 2024

D. Summary of material accounting policy information

(i) Functional and presentation currency

Items included in the standalone financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (i.e. the “functional currency”). The standalone financial statements are presented in INR, which is the functional and presentation currency of the Company.

(ii) Foreign currency transactions and translations

Foreign currency transactions of the Company are accounted at the exchange rates prevailing on the date of the transaction. Monetary assets and liabilities are translated at the rate prevailing on the balance sheet date whereas non-monetary assets and liabilities are translated at the rate prevailing on the date of the transaction. Gains and losses resulting from the settlement of foreign currency monetary items and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the standalone statement of profit and loss.

(iii) Financial instruments

a. Initial recognition and measurement

The Company recognises financial assets and liabilities when it becomes a party to the contractual provisions of the instrument. Financial assets (except trade receivables) and financial liabilities are recognised at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition. Regular purchase and sale of financial assets are recognised on the trade date. Further, trade receivables are measured at transaction price on initial recognition.

b. Subsequent measurement

Non derivative financial instruments

a. Financial assets carried at amortised cost

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

b. Financial assets at fair value through other comprehensive income ('FVOCI')

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

c. Financial assets at fair value through profit or loss ('FVTPL')

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

d. Financial liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.



Summary of Material Accounting Policies and Other Explanatory Information

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c. De-recognition of financial instruments

The Company derecognises a financial asset when the contractual right to receive the cash flows from the financial asset expire or it transfers the financial asset. A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

d. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

(iv) Current versus non-current classification

- (i) An asset is considered as current when it is:
 - a. Expected to be realised or intended to be sold or consumed in the normal operating cycle, or
 - b. Held primarily for the purpose of trading, or
 - c. Expected to be realised within twelve months after the reporting period, or
 - d. Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- (ii) All other assets are classified as non-current.
- (iii) Liability is considered as current when it is:
 - a. Expected to be settled in the normal operating cycle, or
 - b. Held primarily for the purpose of trading, or
 - c. Due to be settled within twelve months after the reporting period, or
 - d. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- (iv) All other liabilities are classified as non-current.
- (v) Deferred tax assets and liabilities are classified as non-current assets and liabilities.
- (vi) All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of products and services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

Summary of Material Accounting Policies and Other Explanatory Information

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(v) Property, plant and equipment ('PPE')

PPE are stated at historical cost, less accumulated depreciation and impairment losses, if any. Historical costs include expenditure directly attributable to acquisition which are capitalised until the PPE are ready for use, as intended by management, including non-refundable taxes. Any trade discount and rebates are deducted in arriving at the purchase price.

An item of PPE initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from disposals of assets are measured as the difference between the net disposal proceeds and the carrying value of the asset on the date of disposal and are recognised in the standalone statement of profit and loss, in the period of disposal.

The cost of an item of PPE shall be recognised as an asset if, and only if:

- (a) it is probable that future economic benefits associated with the item will flow to the Company; and
- (b) the cost of the item can be measured reliably.

Items such as spare parts are recognised as PPE when they meet the definition of PPE. Otherwise, such items are classified as inventory.

The Company depreciates PPE over their estimated useful lives using the straight-line method. The estimated useful lives of PPE for the current and comparative periods are as follows:

| Assets | Number of years |
|--------------------------|-----------------|
| Plant and equipment | 3 to 15 years |
| Furniture and fixtures | 5 years |
| Office equipment | 3 to 5 years |
| Buildings | 30 to 60 years |
| Computers and servers | 3 to 4 years |
| Electrical installations | 5 years |

In case of certain PPE, the Company uses useful life different from those specified in Schedule II of the Act which is duly supported by technical evaluation. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation methods, estimated useful lives and residual values are reviewed at each reporting date. Depreciation on addition to PPE or on disposal of PPE is calculated pro-rata from the month of such addition or up to the month of such disposal as the case may be.

Capital work-in-progress includes PPE under construction and not ready for intended use as on the balance sheet date.

(vi) Intangible assets

Intangible assets acquired separately are initially recognised at cost of acquisition which includes purchase price including import duties and non-refundable taxes, if any and further includes directly attributable cost of preparing the asset for its intended use. Identifiable intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured. Computer software is amortised on a straight line basis over the estimated useful economic life which is expected as four years. Following initial recognition, intangible assets are carried at cost less accumulated



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amortisation and impairment losses, if any. The amortisation of an intangible asset with a finite useful life reflects the manner in which the economic benefit is expected to be generated. The estimated useful life of amortisable intangibles are reviewed and where appropriate are adjusted, annually.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset on the date of disposal and are recognised in the standalone statement of profit and loss when the asset is derecognised.

Amortisation on addition to intangible assets or on disposal of intangible assets is calculated pro-rata from the month of such addition or up to the month of such disposal as the case may be.

Intangible assets under development include purchase and implementation cost of new enterprise resource planning system/ application and are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and impairment losses, if any.

(vii) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

(i) Company as a lessee

The Company's lease asset class consists of leases for buildings, furniture and computers & servers. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right of use ('ROU') asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low value assets. For these short-term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The ROU assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit ('CGU') to which the asset belongs.

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The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment on whether it will exercise an extension or a termination option.

Lease liabilities and ROU assets have been separately presented in the standalone balance sheet and lease payments have been classified as financing cash flows.

(ii) The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the ROU asset arising from the head lease.

For operating leases, rental income is recognised on a straight-line basis over the term of the relevant lease. Contingent rents are recognised as revenue in the period in which they are earned.

(viii) Impairment of assets

a. Non-financial assets

Intangible assets, ROU assets and PPE are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value in use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognised in the standalone statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the standalone statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. For impairment of inventory, refer accounting policy of "Inventories".

b. Financial assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 "Financial Instruments" requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all trade receivables and contract assets that do not constitute a financing component. In determining the allowances for doubtful trade receivables and contract assets, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables and contract assets based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to



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the 12-months expected credit losses or at an amount equal to the lifetime credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment, that includes forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due (inclusive of additional 60 days over and above 30 days rebuttable presumption, where the delay could be due to administrative oversight which is considered normal in the industry and/ or geographies where Company is operating).

For impairment of investment in subsidiaries and associates, refer accounting policy of "Investment in subsidiaries and associate".

(ix) Investment in subsidiaries and associates

Investment in subsidiaries and associates are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and associates, the difference between net disposal proceeds and the carrying amounts are recognised in the standalone statement of profit and loss.

(x) Employee benefits

a. Long-term employee benefits

(i) Defined contribution plan

The Company has defined contribution plan for post employment benefits in the form of provident fund, employees' state insurance and labour welfare fund. Under the defined contribution plan, the Company has no further obligation beyond making the contributions. Such contributions are charged to the standalone statement of profit and loss as incurred.

(ii) Defined benefit plan

The Company has defined benefit plan for post employment benefits in the form of gratuity for its employees in India. Liability for defined benefit plan is provided on the basis of actuarial valuations, as at the balance sheet date, carried out by an independent actuary. The actuarial valuation method used by independent actuary for measuring the liability is the projected unit credit method.

Actuarial gains or losses are recognised in Other Comprehensive Income ('OCI'). Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognised in standalone statement of profit and loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognised as part of remeasurement of net defined benefit liability or asset through OCI.

Remeasurement comprising of actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability or asset) are not reclassified to standalone statement of profit and loss in subsequent periods.

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(iii) Other long-term employee benefits

The employees of the Company are also entitled to other long-term employee benefits in the form of compensated absences as per the policy of the Company. Accumulated leave, which is expected to be utilised within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. In case of compensated absences, employees generally have an unconditional right to avail the accumulated leaves, however there are certain circumstances which also gives a right to the Company to defer the employee's leave (for example: Company's right to postpone/ deny the leave, restriction to avail leave in the next year for a maximum number of days etc.). Thus, compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end. Actuarial gains and loss are recognised in the standalone statement of profit and loss during the period in which they arise.

b. Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised in the year during which the employee rendered the services. These benefits include salary and performance incentives etc.

c. Termination benefits

Termination benefits, including those in the nature of voluntary retirement benefits or those arising from restructuring, are recognised in the standalone statement of profit and loss when the Company has a present obligation as a result of past event, when a reliable estimate can be made of the amount of the obligation and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations.

(xi) Share based payments

The Company determines the compensation cost based on the fair value method using Black-Scholes-Merton formula, in accordance with Ind AS 102 "Share-based Payment". The Company grants options to its employees which will be vested in a graded manner and are to be exercised within a specified period. The compensation cost is amortised on graded basis over the vesting period. The share based payment expense is determined based on the Company's estimate of equity instrument that will eventually vest.

The amounts recognised in "Share options outstanding account" are transferred to share capital and securities premium upon exercise of stock options by employees. Where employee stock options lapse after vesting, an amount equivalent to the cumulative cost for the lapsed option is transferred from "Share options outstanding account" to "General reserve".

(xii) Unamortised cost for maintenance contracts

Contractual obligation relating to maintenance contracts, benefits of which will be consumed in subsequent years, have been recognised as unamortised cost for maintenance contracts and disclosed under "other assets".

(xiii) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present obligation as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the



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occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Provisions are reviewed regularly and are adjusted where necessary to reflect the current best estimates of the obligation. Where the Company expects a provision to be reimbursed, the reimbursement is recognised as a separate asset, only when such reimbursement is virtually certain.

Contingent asset is not recognised in the standalone financial statements. However, it is recognised only when an inflow of economic benefits is probable.

(xiv) Borrowing costs

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

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. All other borrowing costs are expensed in the period in which they occur. The Company cease capitalising borrowing costs when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

(xv) Inventories

Inventories of work-in-progress and stock-in-trade are valued at cost or net realisable value, whichever is lower. The cost is determined on weighted average basis, and includes all costs incurred in bringing the inventories to their present location and condition including non-recoverable taxes. In the case of work-in-progress, cost also includes costs of conversion.

Net realisable 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.

Further, inventory contains service spares which are used as replacement stocks by the Company for servicing the customers repairs and maintenance requirements during the service period. Adequate allowances are recognised as a measure of consumption over their expected life based on their usage.

Cost related to product and implementation contracts where performance obligation is not complete and certain goods or service inventories transferred to customer premises as a part of contract, is recognised and presented as "Inventory at customer site".

Cost of stores and spares includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition including non-recoverable taxes. The aforesaid items are valued at net realisable value if the finished products in which they are to be incorporated are expected to be sold at a loss.

(xvi) Income recognition

(a) Revenue recognition

When a performance obligation is satisfied, the Company recognises as revenue the amount of the transaction price (which excludes estimates of variable consideration) that is allocated to that performance obligation. Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

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Ind AS 115 specifies five step model for revenue recognition:

1. Identify the contract with a customer;
2. Identify the separate performance obligations in the contract;
3. Determine the transaction price;
4. Allocate the transaction price to the separate performance obligations; and
5. Recognize revenue when (or as) each performance obligation is satisfied.

Company accounts for a contract when it has approval and commitment from all parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable.

Revenue is recognised in the statement of profit and loss with the contracted price showing separately each of the adjustments made to the contract price and specifying the nature and amount of each such adjustment separately.

Sale of products

Revenue from sale of products, including leasing of specific inventory item, is recognised when control of the product is transferred to the buyer and performance obligation is satisfied, which generally coincides with acknowledgement of delivery pending which the sale is disclosed as "Contract liabilities". The Company collects goods and services tax ('GST') and other indirect taxes on behalf of the government and, therefore, these are not economic benefits flowing to the Company and are accordingly excluded from the revenue.

Sale of services

1. Revenue from implementation services (including installation and commissioning) related to products supplied or on a standalone basis are recognised when services are rendered, as the performance obligations are met.
2. Revenue from maintenance contracts is recognised based on time elapsed and revenue is straight lined over the period of the performance or on the performance of services as specified in the contract. This method of revenue recognition provides a faithful depiction of transfer of services.
3. Service income of a periodic nature which is billed but has not accrued during the year is disclosed as "Contract liabilities".
4. The Company collects GST and other indirect taxes on behalf of the government and therefore, these are not economic benefits flowing to the Company and are accordingly excluded from the revenue.

Any modification or change in existing performance obligations is assessed whether the services is added to the existing contracts or not. The distinct services are accounted for as a new contract and services which are not distinct are accounted for on a cumulative catch-up basis.

Cost to fulfil the contracts

Recurring operating costs for contracts with customers are recognised as incurred. Revenue recognition excludes any government taxes but includes reimbursement of out of pocket expenses. Provision of onerous contract are recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting the future obligations under the contract. The provision is measured



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at present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

Incremental costs of obtaining a contract

The incremental costs of obtaining a contract are those costs that an entity incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained. For certain contracts, Company does incur insignificant incremental costs to obtain the contract. Company applies practical expedient by recognising such cost as expense, when incurred, in the standalone statement of profit and loss instead of creating an asset as the amortisation period of the asset that the Company otherwise would have recognised is one year or less.

Significant financing component

Company considers all relevant facts and circumstances in assessing whether a contract contains a financing component and whether that financing component is significant to the contract, including both the conditions:

- (a) the difference, if any, between the amount of promised consideration and the cash selling price of the promised goods or services; and
- (b) the combined effect of both the following conditions:
 - (i) the expected length of time between when the entity transfers the promised goods or services to the customer and when the customer pays for those goods or services; and
 - (ii) the prevailing interest rates in the relevant market.

(b) Other operating revenue

It includes revenue arising from the reversal of operating liabilities / provisions no longer required or revenue arising from Company's ancillary revenue-generating activities. Revenue from these activities are recorded only when Company is reasonably certain of such income.

(c) Other income

Other income majorly comprises interest income which is recognised using the effective interest method and on time proportion basis.

(d) Trade receivables, contract assets and contract liabilities

Trade Receivable, net is primarily comprised of billed and unbilled receivables (i.e. only the passage of time is required before payment is due) for which the Company has an unconditional right to consideration, net of an allowance for doubtful accounts. A contract asset is a right to consideration that is conditional upon factors other than the passage of time. Contract assets are primarily related to unbilled amounts on fixed-price contracts utilising the cost to cost method i.e. percentage of completion method ('POCM') of revenue recognition. Contract liabilities consist of advance payments and billings in excess of revenues recognised. The difference between opening and closing balance of the contract assets and liabilities results from the timing differences between the performance obligation and customer payment.

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(xvii) Income tax

Tax expense for the year comprises of current tax and deferred tax. Current tax is measured by the amount of tax expected to be paid to the taxation authorities on the taxable profits after considering tax allowances and exemptions and using applicable tax rates and laws. Deferred tax is recognised on temporary differences between the accounting base and the tax base for the year and quantified using the tax rates and tax laws enacted or substantively enacted as on the balance sheet date.

Deferred tax is recognised using the balance sheet approach. Deferred tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in standalone financial statements, except when the deferred tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

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

Current tax and deferred tax assets and liabilities are offset when there is a legally enforceable right to set off the recognised amount and there is an intention to settle the asset and liability on a net basis.

(xviii) Financial guarantee contract/ Guarantee commission

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115 "Revenue from Contracts with Customers" (Ind AS 115).

(xix) Service charges

Service charges comprise of cost for back to back implementation services/ installation and commissioning related to products supplied at customer location. Cost is recognised when services are received/ commissioned or on completion of performance obligation.

Further, cost towards maintenance contracts is recognised based on receipt/ delivery of services under the contract. It includes charges paid/ payable to vendors towards annual maintenance contracts/ warranty contracts/ software support charges/ engineers posted at customer sites.

(xx) Recent accounting pronouncements

Ministry of Corporate Affairs ('MCA') notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

New standards and amendments issued but not effective – There are no such standards which are notified but not yet effective.



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E. Details of significant investments in subsidiary companies in accordance with Ind AS 27

| Sr. No. | Name of subsidiary | Principal place of business and country of incorporation | % ownership interest held by the Company as at 31 March 2024 | % ownership interest held by the Company as at 31 March 2023 |
|---------|---|--|--|--|
| 1 | Black Box Technologies Pte. Ltd. | Singapore | 100.00% | 100.00% |
| 2 | AGC Networks LLC, USA | United States of America ('USA') | 100.00% | 100.00% |
| 3 | AGC Networks Philippines, Inc. | Philippines | 100.00% | 100.00% |
| 4 | AGC Networks & Cyber Solutions Limited | Kenya | 100.00% | 100.00% |
| 5 | AGC Networks LLC, Dubai * | Dubai | 49.00% | 49.00% |
| 6 | AGC Networks LLC, Abu Dhabi * | Abu Dhabi | 0.00% | 0.00% |
| 7 | BBX Main Inc. | USA | 100.00% | 100.00% |
| 8 | BBX Inc. | USA | 100.00% | 100.00% |
| 9 | Black Box Corporation | USA | 100.00% | 100.00% |
| 10 | ACS Dataline, LP | USA | 100.00% | 100.00% |
| 11 | ACS Investors, LLC | USA | 100.00% | 100.00% |
| 12 | BB Technologies, LLC (formerly known as BB Technologies, Inc.) | USA | 100.00% | 100.00% |
| 13 | BBOX Holdings Mexico LLC | Mexico | 100.00% | 100.00% |
| 14 | BBOX Holdings Puebla LLC | USA | 100.00% | 100.00% |
| 15 | Black Box Corporation of Pennsylvania | USA | 100.00% | 100.00% |
| 16 | Black Box Network Services, Inc. – Government Solutions | USA | 100.00% | 100.00% |
| 17 | Black Box Services LLC (formerly known as Black Box Services Company) | USA | 100.00% | 100.00% |
| 18 | Delaney Telecom, Inc. | USA | 100.00% | 100.00% |
| 19 | Norstan Communications, Inc. | USA | 100.00% | 100.00% |
| 20 | Black Box Network Services Australia Pty Ltd | Australia | 100.00% | 100.00% |
| 21 | Black Box GmbH | Austria | 100.00% | 100.00% |
| 22 | Black Box Network Services NV | Belgium | 100.00% | 100.00% |
| 23 | Black Box do Brasil Industria e Comercio Ltda. | Brazil | 100.00% | 100.00% |
| 24 | Black Box Canada Corporation | Canada | 100.00% | 100.00% |
| 25 | Norstan Canada, Ltd./Norstan Canada, Ltée | Canada | 100.00% | 100.00% |
| 26 | Black Box Holdings Ltd. | Cayman Islands | 100.00% | 100.00% |
| 27 | Black Box Chile S.A. | Chile | 100.00% | 100.00% |
| 28 | Black Box E-Commerce (Shanghai) Co., Ltd. | China | 100.00% | 100.00% |
| 29 | Black Box A/S | Denmark | 100.00% | 100.00% |
| 30 | Black Box Network Services (UK) Limited | United Kingdom | 100.00% | 100.00% |
| 31 | Black Box Finland OY | Finland | 100.00% | 100.00% |
| 32 | Black Box France | France | 100.00% | 100.00% |
| 33 | Black Box Deutschland GmbH | Germany | 100.00% | 100.00% |
| 34 | Black Box Network Services India Private Limited | India | 100.00% | 100.00% |
| 35 | Black Box Network Services (Dublin) Limited | Ireland | 100.00% | 100.00% |
| 36 | Black Box Software Development Services Limited | Ireland | 100.00% | 100.00% |

Summary of Material Accounting Policies and Other Explanatory Information

as at and for the year ended 31 March 2024

| Sr. No. | Name of subsidiary | Principal place of business and country of incorporation | % ownership interest held by the Company as at 31 March 2024 | % ownership interest held by the Company as at 31 March 2023 |
|---------|---|--|--|--|
| 37 | Black Box Network Services S.r.l. | Italy | 100.00% | 100.00% |
| 38 | Black Box Network Services Co., Ltd. | Japan | 100.00% | 100.00% |
| 39 | Black Box Network Services Korea Limited | Korea | 100.00% | 100.00% |
| 40 | Black Box Network Services SDN. BHD. | Malaysia | 100.00% | 100.00% |
| 41 | Black Box de Mexico, S. de R.L. de C.V. | Mexico | 100.00% | 100.00% |
| 42 | Black Box International B.V. | Netherlands | 100.00% | 100.00% |
| 43 | Black Box International Holdings B.V. | Netherlands | 100.00% | 100.00% |
| 44 | Black Box Network Services New Zealand Limited | New Zealand | 100.00% | 100.00% |
| 45 | Black Box Norge AS | Norway | 100.00% | 100.00% |
| 46 | Black Box P.R. Corp. | Puerto Rico | 100.00% | 100.00% |
| 47 | Black Box Network Services Singapore Pte Ltd | Singapore | 100.00% | 100.00% |
| 48 | Black Box Comunicaciones, S.A. | Spain | 100.00% | 100.00% |
| 49 | Black Box Network Services AB | Sweden | 100.00% | 100.00% |
| 50 | Black Box Network Services AG | Switzerland | 100.00% | 100.00% |
| 51 | Black Box Network Services Corporation | Taiwan | 100.00% | 100.00% |
| 52 | Servicios Black Box S.A. de C.V. | Mexico | 100.00% | 100.00% |
| 53 | Black Box Network Services Hong Kong Limited | Hong Kong | 100.00% | 100.00% |
| 54 | Black Box Network Services Philippines Inc. | Philippines | 100.00% | 100.00% |
| 55 | Black Box Technologies Australia Pty Limited | Australia | 100.00% | 100.00% |
| 56 | AGCN Solutions Pte. Limited | Singapore | 100.00% | 100.00% |
| 57 | COPC Holdings Inc. | USA | 100.00% | 100.00% |
| 58 | COPC Inc. | USA | 100.00% | 100.00% |
| 59 | COPC International Inc. | USA | 100.00% | 100.00% |
| 60 | COPC Asia Pacific Inc. | USA | 100.00% | 100.00% |
| 61 | COPC International Holdings LLC | USA | 100.00% | 100.00% |
| 62 | COPC India Private Limited | India | 100.00% | 100.00% |
| 63 | COPC Consultants (Beijing) Co. Limited | China | 100.00% | 100.00% |
| 64 | Black Box Technologies New Zealand Limited | New Zealand | 100.00% | 100.00% |
| 65 | Pyrios Pty Limited (up to 03 September 2022) | Australia | 0.00% | 0.00% |
| 66 | Fujisoft Security Solutions LLC * | Dubai | 49.00% | 49.00% |
| 67 | Black Box Technologies LLC, Dubai * | Dubai | 49.00% | 49.00% |
| 68 | Black Box Technologies LLC, Abu Dhabi (formerly known as Fujisoft Technology LLC) * | Abu Dhabi | 49.00% | 49.00% |
| 69 | Black Box Costa Rica S.R.L | Costa Rica | 100.00% | 100.00% |
| 70 | Black Box Network Services Colombia S.A.S. | Colombia | 100.00% | 100.00% |
| 71 | Black Box Bangladesh Technologies Private Limited | Bangladesh | 100.00% | 100.00% |
| 72 | Black Box Technologies Group B.V. | Netherlands | 100.00% | 100.00% |
| 73 | Dragonfly Technologies Pty Ltd | Australia | 100.00% | 100.00% |
| 74 | Cybalt LLC (formerly known as Cybalt Inc.) | USA | 100.00% | 100.00% |
| 75 | Black Box Products FZE | Dubai | 100.00% | 100.00% |
| 76 | Global Speech Networks Pty Limited (w.e.f. 16 June 2023) | Australia | 100.00% | 0.00% |
| 77 | Global Speech Networks Limited (w.e.f. 16 June 2023) | New Zealand | 100.00% | 0.00% |



Summary of Material Accounting Policies and Other Explanatory Information

as at and for the year ended 31 March 2024

Details of subsidiary companies merged during the year

| Sr. No. | Name of subsidiary | Principal place of business and country of incorporation | % ownership interest held by the Company as at 31 March 2024 | % ownership interest held by the Company as at 31 March 2023 |
|---------|--|--|--|--|
| 1 | Nu-Vision Technologies, LLC (merged with Norstan Communications, Inc. w.e.f. 31 March 2024) | USA | Not applicable | 100.00% |
| 2 | Service Journey Strategies Inc. (merged with COPC Holdings Inc. w.e.f. 31 March 2024) | USA | Not applicable | 100.00% |

*Represents legal ownership as per the local laws of respective country. However, Company through its subsidiaries, is holding 100% of the beneficial interest in these entities and accordingly 100% of the voting rights for such entities are also with the Company through its subsidiaries.

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

| Sr. No. | Name of associate | Principal place of business and country of incorporation | % ownership interest held by the Company as at 31 March 2024 | % ownership interest held by the Company as at 31 March 2023 |
|---------|-------------------|--|--|--|
| 1 | Black Box DMCC ** | Dubai | 39.50% | 39.50% |

** The relationship of associate was established on 31 March 2023. The Company through its subsidiaries, was holding 86% of the ownership interest as at 31 March 2022, however neither the Company had control over this entity as per Ind AS 110 "Consolidated Financial Statements", nor it exercised significant influence as per Ind AS 28 "Investment in Associates and Joint Ventures" until the relationship was established on 31 March 2023. Further, voting power was waived under a waiver agreement, thus voting power percentage was Nil until 31 March 2023.

Section 129(3) of the Act requires preparation of consolidated financial statements of the Holding Company and of all the subsidiaries including associate company and joint venture businesses in the same form and manner as that of its own. Ind AS 28 defines Associate as an entity over which the investor has significant influence. It mentions that if an entity holds, directly or indirectly through intermediaries, 20% or more of the voting power of the enterprise, it is presumed that the entity has significant influence, unless it can be clearly demonstrated that this is not the case. Also, the fact that an investor does not have significant influence in an enterprise can be demonstrated through following conditions:

- (i) The investor does not have any representation on the board of directors or corresponding governing body of the investee.
- (ii) The investor does not participate in policy making process.
- (iii) The investor does not have any material transactions with the investee.
- (iv) The investor does not interchange any managerial personnel.
- (v) The investor does not provide any essential technical information to the investee.

Investments in subsidiaries and associates are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and associates, the difference between net disposal proceeds and the carrying amounts are recognised in the standalone statement of profit and loss.

Summary of Material Accounting Policies and Other Explanatory Information

as at and for the year ended 31 March 2024

3 Property, plant and equipment

₹ in Crores

| | Building | Plant and equipment | Computers and servers | Electrical installations | Furniture and fixtures | Office equipment | Total |
|---------------------------------|-------------|---------------------|-----------------------|--------------------------|------------------------|------------------|--------------|
| Gross carrying amount | | | | | | | |
| As at 1 April 2022 | 0.09 | 11.06 | 7.74 | 0.24 | 1.49 | 3.46 | 24.08 |
| Additions | - | 0.06 | 0.01 | - | 0.68 | 0.50 | 1.25 |
| Disposals | - | 1.39 | - | - | - | - | 1.39 |
| As at 31 March 2023 | 0.09 | 9.73 | 7.75 | 0.24 | 2.17 | 3.96 | 23.94 |
| Additions | - | 0.10 | 0.07 | - | - | 1.21 | 1.38 |
| Disposals | - | 0.11 | 2.18 | 0.09 | 0.02 | 1.35 | 3.75 |
| As at 31 March 2024 | 0.09 | 9.72 | 5.64 | 0.15 | 2.15 | 3.82 | 21.57 |
| Accumulated depreciation | | | | | | | |
| As at 1 April 2022 | 0.08 | 7.54 | 6.53 | 0.19 | 0.25 | 1.07 | 15.66 |
| Charge for the year | 0.00 | 0.84 | 0.31 | 0.04 | 0.41 | 0.59 | 2.19 |
| Disposals | - | 1.39 | - | - | - | - | 1.39 |
| As at 31 March 2023 | 0.08 | 6.99 | 6.84 | 0.23 | 0.66 | 1.66 | 16.46 |
| Charge for the year | - | 0.50 | 0.32 | 0.01 | 0.44 | 0.85 | 2.12 |
| Disposals | - | 0.11 | 2.18 | 0.09 | 0.02 | 1.35 | 3.75 |
| As at 31 March 2024 | 0.08 | 7.38 | 4.98 | 0.15 | 1.08 | 1.16 | 14.83 |
| Net carrying amount | | | | | | | |
| As at 31 March 2023 | 0.01 | 2.74 | 0.91 | 0.01 | 1.51 | 2.30 | 7.48 |
| As at 31 March 2024 | 0.01 | 2.34 | 0.66 | - | 1.07 | 2.66 | 6.74 |

Footnotes:

- Building includes those constructed on leasehold land held in the name of group company.
- For capital commitments, refer note 36(B).
- The title deed of building is held in the name of the Company. Further, all the lease agreements are duly executed in favour of the Company (lessee).
- Information on PPE maintained as security by the Company (refer note 21):

| Class of asset | Net carrying amount | | Loans / financing facilities against which assets are pledged |
|--------------------------|---------------------|---------------|---|
| | 31 March 2024 | 31 March 2023 | |
| Plant and equipment | 2.34 | 2.74 | Cash credit facilities |
| Computers and servers | 0.66 | 0.91 | |
| Electrical installations | - | 0.01 | |
| Furniture and fixtures | 1.07 | 1.51 | |
| Office equipment | 2.66 | 2.30 | |



Summary of Material Accounting Policies and Other Explanatory Information

as at and for the year ended 31 March 2024

4 Right of use assets

| | ₹ in Crores | | | |
|---------------------------------|--------------|-------------|-----------------------|--------------|
| | Buildings | Furniture | Computers and servers | Total |
| Gross carrying amount | | | | |
| As at 1 April 2022 | 21.56 | 4.19 | 2.11 | 27.86 |
| Additions | 1.71 | - | 1.23 | 2.94 |
| Disposals | 1.58 | - | - | 1.58 |
| As at 31 March 2023 | 21.69 | 4.19 | 3.34 | 29.22 |
| Additions | 0.03 | - | 0.07 | 0.10 |
| Disposals | 0.02 | - | - | 0.02 |
| As at 31 March 2024 | 21.70 | 4.19 | 3.41 | 29.30 |
| Accumulated depreciation | | | | |
| As at 1 April 2022 | 4.10 | 0.26 | 0.03 | 4.39 |
| Charge for the year | 2.83 | 0.41 | 0.64 | 3.88 |
| Disposals | 1.47 | - | - | 1.47 |
| As at 31 March 2023 | 5.46 | 0.67 | 0.67 | 6.80 |
| Charge for the year | 3.18 | 0.42 | 0.67 | 4.27 |
| Disposals | 0.02 | - | - | 0.02 |
| As at 31 March 2024 | 8.62 | 1.09 | 1.34 | 11.05 |
| Net carrying amount | | | | |
| As at 31 March 2023 | 16.23 | 3.52 | 2.67 | 22.42 |
| As at 31 March 2024 | 13.08 | 3.10 | 2.07 | 18.25 |

Notes :

- Disposals includes lease reassessments in the nature of pre-termination of lease arrangements for the previous year.
- Refer note 40 for disclosure on leased assets and related lease liabilities.

5 Intangible assets

| | ₹ in Crores |
|---------------------------------|-------------------|
| | Computer software |
| Gross carrying amount | |
| As at 1 April 2022 | 12.11 |
| Additions | 2.96 |
| Disposals | - |
| As at 31 March 2023 | 15.07 |
| Additions | 3.88 |
| Disposals | 2.99 |
| As at 31 March 2024 | 15.96 |
| Accumulated amortisation | |
| As at 1 April 2022 | 10.87 |
| Charge for the year | 0.44 |
| Disposals | - |
| As at 31 March 2023 | 11.31 |

Summary of Material Accounting Policies and Other Explanatory Information

as at and for the year ended 31 March 2024

| | ₹ in Crores |
|----------------------------|--------------------------|
| | Computer software |
| Charge for the year | 1.52 |
| Disposals | 2.99 |
| As at 31 March 2024 | 9.84 |
| Net carrying amount | |
| As at 31 March 2023 | 3.76 |
| As at 31 March 2024 | 6.12 |

Footnote:

For capital commitments, refer note 36(B).

5.1 Intangible assets under development ('IAUD')

| | ₹ in Crores | | | |
|-------------|---------------------|-----------|-------------|---------------------|
| Particulars | As at 01 April 2023 | Additions | Capitalised | As at 31 March 2024 |
| IAUD | 2.23 | - | 2.23 | - |
| | 2.23 | - | 2.23 | - |

| | ₹ in Crores | | | |
|-------------|---------------------|-------------|-------------|---------------------|
| Particulars | As at 01 April 2022 | Additions | Capitalised | As at 31 March 2023 |
| IAUD | - | 2.23 | - | 2.23 |
| | - | 2.23 | - | 2.23 |

IAUD represents purchase and implementation cost of new enterprise resource planning system/ application

Ageing schedule as at 31 March 2024

| | ₹ in Crores | | | | |
|--------------------------------|----------------------|-------------|-------------|-------------------|----------|
| Particulars | IAUD for a period of | | | | Total |
| | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| Project in progress | - | - | - | - | - |
| Projects temporarily suspended | - | - | - | - | - |
| | - | - | - | - | - |

Ageing schedule as at 31 March 2023

| | ₹ in Crores | | | | |
|--------------------------------|----------------------|-------------|-------------|-------------------|-------------|
| Particulars | IAUD for a period of | | | | Total |
| | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| Project in progress | 2.23 | - | - | - | 2.23 |
| Projects temporarily suspended | - | - | - | - | - |
| | 2.23 | - | - | - | 2.23 |

There is no IAUD whose completion is overdue or which has exceeded its cost compared to its original plan.



Summary of Material Accounting Policies and Other Explanatory Information

as at and for the year ended 31 March 2024

6 Non-current investment

| | 31 March 2024 | | | | 31 March 2023 | | | |
|--|---------------|----------|------------|---------------|---------------|----------|------------|---------------|
| | No. of shares | Currency | Face value | ₹ in Crores | No. of shares | Currency | Face value | ₹ in Crores |
| Investment in equity instruments (at cost) | | | | | | | | |
| Unquoted (fully paid-up) | | | | | | | | |
| Investment in subsidiary | | | | | | | | |
| Black Box Technologies Pte. Limited (refer note below) | 100 | SGD | 1 | | 100 | SGD | 1 | |
| | 4 | SGD | 481,111 | 34.22 | 4 | SGD | 481,111 | 34.22 |
| | 10 | SGD | 607,870 | | 10 | SGD | 607,870 | |
| | 3 | SGD | 4,385,872 | 73.00 | 3 | SGD | 4,385,872 | 73.00 |
| | 3 | SGD | 4,020,000 | 65.52 | 3 | SGD | 4,020,000 | 65.52 |
| | 1 | SGD | 4,035,000 | 21.74 | 1 | SGD | 4,035,000 | 21.74 |
| | 2 | SGD | 3,488,145 | 39.68 | 2 | SGD | 3,488,145 | 39.68 |
| | | | | 234.16 | | | | 234.16 |
| Aggregate amount of unquoted investments (at cost) | | | | 234.16 | | | | 234.16 |
| Aggregate amount of impairment in value of investment | | | | - | | | | - |

Note:

The Company had made additional investment amounting to ₹ 39.68 Crores equivalent to US\$ 5.10 million in Black Box Technologies Pte. Limited, wholly-owned subsidiary of the Company, through Overseas Direct Investment route during June 2022 [refer note 35(II)].

7 Other financial assets

| | ₹ in Crores | | | |
|---|---------------|---------------|---------------|---------------|
| | Non-current | | Current | |
| | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
| Unsecured, considered good (unless otherwise specified) | | | | |
| Margin money deposits with maturity of more than twelve months * | 5.78 | 2.53 | - | - |
| Margin money deposits having remaining maturity less than twelve months * | - | - | 2.07 | 1.77 |
| Security deposits | 2.16 | 2.56 | 0.39 | 1.20 |
| Receivable from related parties [refer note 35(III)] ** | - | - | 19.70 | 20.40 |
| Net investment in finance lease [refer note 40(e)] | | | | |
| Related parties [refer note 35(III)] | 6.28 | 6.69 | 0.42 | 0.32 |
| Others (Credit impaired) | 1.24 | 1.77 | 2.14 | 1.37 |
| Less: Allowance for expected credit loss | (1.24) | (1.77) | (2.14) | (1.37) |
| Other receivables *** | - | - | 0.94 | 1.10 |
| | 14.22 | 11.78 | 23.52 | 24.79 |

Refer note 38 for information on credit risk and market risk.

Summary of Material Accounting Policies and Other Explanatory Information

as at and for the year ended 31 March 2024

Refer note 21 for information on assets provided as collateral or security for borrowings or financing facilities availed by the Company.

There are no repatriation restrictions with regard to margin money deposits, as at the end of the reporting period and prior periods.

* As lien against bank guarantees issued amounting to ₹ 5.75 Crores (31 March 2023: ₹ 7.37 Crores) towards performance guarantees

** Majorly includes reimbursement receivable on allocation of expenses

*** Majorly includes receivable for purchase related rebates

8 Contract assets

| | ₹ in Crores | |
|---|---------------|---------------|
| | Current | |
| | 31 March 2024 | 31 March 2023 |
| Unsecured | | |
| Considered good | 14.15 | 2.75 |
| Less: Allowance for expected credit loss | (0.14) | - |
| | 14.01 | 2.75 |
| Dues from directors or other officers of the Company | - | - |
| Dues from firms or private companies in which director is a partner or a director or a member | - | 0.00 |
| Includes due from related parties [refer note 35(III)] | - | 0.00 |

Notes:

- Refer note 21 for information on assets provided as collateral or security for borrowings or financing facilities availed by the Company.
- Refer note 41(c) for movement in contract assets.

9 Deferred tax assets (net)

| | ₹ in Crores | |
|--|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Deferred tax assets arising on account of * | | |
| Timing difference between book depreciation and depreciation as per the Income-tax Act, 1961 | 0.19 | 0.26 |
| Provision for employee benefits | 0.23 | 0.31 |
| Allowance for expected credit loss | 2.17 | 3.10 |
| Lease liabilities | 0.82 | 1.22 |
| Brought forward tax losses | 1.24 | 1.67 |
| | 4.65 | 6.56 |
| (Deferred tax liability) arising on account of | | |
| ROU assets | (4.59) | (5.66) |
| Others | (0.06) | (0.90) |
| | (4.65) | (6.56) |
| Deferred tax assets (net) | - | - |

* Deferred tax assets have been recognised to the extent of deferred tax liability as there is no reasonable certainty of future taxable income against which such deferred tax assets can be realised.



Summary of Material Accounting Policies and Other Explanatory Information

as at and for the year ended 31 March 2024

(a) Movement in deferred tax assets and deferred tax liability from 1 April 2023 to 31 March 2024

₹ in Crores

| | Opening balance as on 01 April 2023 | Recognised in profit or loss | Recognised in OCI | Recognised directly in equity | Closing balance as on 31 March 2024 |
|--|-------------------------------------|------------------------------|-------------------|-------------------------------|-------------------------------------|
| Deferred tax assets arising on account of | | | | | |
| Timing difference between book depreciation and depreciation as per the Income-tax Act, 1961 | 0.26 | (0.07) | - | - | 0.19 |
| Provision for employee benefits | 0.31 | (0.18) | 0.10 | - | 0.23 |
| Allowance for expected credit loss | 3.10 | (0.93) | - | - | 2.17 |
| Lease liabilities | 1.22 | (0.40) | - | - | 0.82 |
| Brought forward tax losses | 1.67 | (0.43) | - | - | 1.24 |
| | 6.56 | (2.01) | 0.10 | - | 4.65 |
| (Deferred tax liability) arising on account of | | | | | |
| ROU assets | (5.66) | 1.07 | - | - | (4.59) |
| Others | (0.90) | 0.84 | - | - | (0.06) |
| | (6.56) | 1.91 | - | - | (4.65) |
| Deferred tax assets (net) | - | (0.10) | 0.10 | - | - |

(b) Movement in deferred tax assets and deferred tax liability from 1 April 2022 to 31 March 2023

₹ in Crores

| | Opening balance as on 01 April 2022 | Recognised in profit or loss | Recognised in OCI | Recognised directly in equity | Closing balance as on 31 March 2023 |
|--|-------------------------------------|------------------------------|-------------------|-------------------------------|-------------------------------------|
| Deferred tax assets arising on account of | | | | | |
| Timing difference between book depreciation and depreciation as per the Income-tax Act, 1961 | 0.29 | (0.03) | - | - | 0.26 |
| Provision for employee benefits | 0.29 | 0.07 | (0.05) | - | 0.31 |
| Allowance for expected credit loss | 2.67 | 0.43 | - | - | 3.10 |
| Lease liabilities | 1.18 | 0.04 | - | - | 1.22 |
| Brought forward tax losses | 1.47 | 0.20 | - | - | 1.67 |
| | 5.90 | 0.71 | (0.05) | - | 6.56 |
| (Deferred tax liability) arising on account of | | | | | |
| ROU assets | (5.90) | 0.24 | - | - | (5.66) |
| Others | - | (0.90) | - | - | (0.90) |
| | (5.90) | (0.66) | - | - | (6.56) |
| Deferred tax assets (net) | - | 0.05 | (0.05) | - | - |

The Company offsets tax assets and tax liabilities if and only if it has a legally enforceable right to set off tax assets and tax liabilities and entity's intention is to settle on a net basis or to realise the asset and settle the liabilities simultaneously, and deferred tax assets and deferred tax liabilities relate to the income taxes levied by the same tax authorities.

Brought forward tax losses and other temporary differences on which no deferred tax asset is recognised in standalone balance sheet :

₹ in Crores

| | 31 March 2024 | 31 March 2023 |
|-----------------------------|---------------|---------------|
| Brought forward tax losses | 36.59 | 34.81 |
| Temporary differences (net) | 93.58 | 101.97 |
| | 130.17 | 136.78 |

Summary of Material Accounting Policies and Other Explanatory Information

as at and for the year ended 31 March 2024

10 Other assets

| | ₹ in Crores | | | |
|---|---------------|---------------|---------------|---------------|
| | Non-current | | Current | |
| | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
| Advances other than capital advances | | | | |
| Advance to vendors | | | | |
| - Related parties [refer note 35(III)] | - | - | - | 1.37 |
| - Others | - | - | 0.61 | 0.59 |
| Prepaid expenses | 0.03 | 0.03 | 1.71 | 1.27 |
| Balances with statutory/ government authorities | 7.12 | 5.10 | 11.66 | 13.15 |
| Unamortised cost for maintenance contracts | - | - | 11.72 | 19.08 |
| | 7.15 | 5.13 | 25.70 | 35.46 |
| Dues from directors or other officers of the Company | - | - | - | - |
| Dues from firms or private companies in which director is a partner or a director or a member | - | - | - | - |

Refer note 21 for information on assets provided as collateral or security for borrowings or financing facilities availed by the Company.

11 Inventories

| | ₹ in Crores | |
|--|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Stock-in-trade (includes in transit ₹ Nil) (31 March 2023: ₹ Nil) (refer footnote of note 25) * | 13.58 | 11.49 |
| | 13.58 | 11.49 |
| Impairment in value of inventories | 0.74 | 0.42 |
| Reversal of impairment in value of inventory | - | 0.03 |

* Includes inventory at customer site having net carrying value of ₹ 2.78 Crores as at 31 March 2024 (31 March 2023: ₹ 1.49 Crores) [refer note 40(e)]

Refer note 21 for information on assets provided as collateral or security for borrowings or financing facilities availed by the Company. The net carrying value of inventory pledged as security as at 31 March 2024 is ₹ 13.58 Crores (31 March 2023: ₹ 11.49 Crores)

12 Trade receivables

| | ₹ in Crores | |
|---|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Unsecured | | |
| Considered good | 85.53 | 98.99 |
| Significant increase in credit risk | 82.06 | 91.28 |
| Less: Allowance for expected credit loss | (70.30) | (71.75) |
| Credit impaired | 1.29 | 1.70 |
| Less: Allowance for expected credit loss | (1.29) | (1.70) |
| | 97.29 | 118.52 |
| Dues from directors or other officers of the Company (Gross) | - | - |
| Dues from firms or private companies in which director is a partner or a director or a member (Gross) | 5.69 | 11.73 |
| Includes due from related parties (Gross) [refer note 35(III)] | 17.15 | 27.60 |



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Notes:

- Trade receivables are non-interest bearing and are generally settled in 45 to 90 days.
- Refer note 38 for information on credit risk and market risk.
- Refer note 21 for information on assets provided as collateral or security for borrowings or financing facilities availed by the Company.

Ageing for gross trade receivables outstanding as at 31 March 2024 is as follows :

| Particulars | Outstanding for following periods from date of transaction | | | | | ₹ in Crores |
|---|--|-------------------|-------------|-------------|-------------------|---------------|
| | Less than 6 months | 6 months - 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | Total |
| | Undisputed trade receivables – considered good | 85.53 | - | - | - | - |
| Undisputed trade receivables – which have significant increase in credit risk | - | 6.45 | 9.51 | 8.21 | 57.89 | 82.06 |
| Undisputed trade receivables – credit impaired | - | - | - | - | - | - |
| Disputed trade receivables – considered good | - | - | - | - | - | - |
| Disputed trade receivables – which have significant increase in credit risk | - | - | - | - | - | - |
| Disputed trade receivables – credit impaired | - | - | - | - | 1.29 | 1.29 |
| | 85.53 | 6.45 | 9.51 | 8.21 | 59.18 | 168.88 |
| Less: Allowance for expected credit loss | | | | | | (71.59) |
| Trade receivables (net) | | | | | | 97.29 |

Ageing for gross trade receivables outstanding as at 31 March 2023 is as follows :

| Particulars | Outstanding for following periods from date of transaction | | | | | ₹ in Crores |
|---|--|-------------------|--------------|-------------|-------------------|---------------|
| | Less than 6 months | 6 months - 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | Total |
| | Undisputed trade receivables – considered good | 98.99 | - | - | - | - |
| Undisputed trade receivables – which have significant increase in credit risk | - | 9.81 | 12.56 | 6.41 | 62.50 | 91.28 |
| Undisputed trade receivables – credit impaired | - | - | - | - | - | - |
| Disputed trade receivables – considered good | - | - | - | - | - | - |
| Disputed trade receivables – which have significant increase in credit risk | - | - | - | - | - | - |
| Disputed trade receivables – credit impaired | - | - | - | - | 1.70 | 1.70 |
| | 98.99 | 9.81 | 12.56 | 6.41 | 64.20 | 191.97 |
| Less: Allowance for expected credit loss | | | | | | (73.45) |
| Trade receivables (net) | | | | | | 118.52 |

There are no unbilled receivables as at 31 March 2024 and 31 March 2023.

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as at and for the year ended 31 March 2024

13 Cash and cash equivalents and bank balances other than cash and cash equivalents

| | ₹ in Crores | |
|---|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Cash and cash equivalents | | |
| Balances with banks: | | |
| – In current accounts | 0.02 | 0.04 |
| Cash on hand | - | 0.01 |
| | 0.02 | 0.05 |
| Bank balances other than cash and cash equivalents | | |
| Margin money deposits with original maturity of more than three months and less than twelve months* | 0.24 | 1.23 |
| | 0.24 | 1.23 |

* As lien against bank guarantees issued amounting to ₹ 5.75 Crores (31 March 2023: ₹ 7.37 Crores) towards performance guarantees

There are no repatriation restrictions with regard to cash and cash equivalents and bank balances other than cash and cash equivalents, as at the end of the reporting period and prior periods.

Refer note 38 for information on credit risk and market risk.

Refer note 21 for information on assets provided as collateral or security for borrowings or financing facilities availed by the Company.

There are no significant cash and cash equivalents which will not be available for use by the Company.

14 Equity share capital

| | ₹ in Crores | |
|--|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Authorised share capital | | |
| 225,000,000 (31 March 2023: 225,000,000) equity shares of ₹ 2 each | 45.00 | 45.00 |
| 5,000,000 (31 March 2023: 5,000,000) Cumulative redeemable preference shares of ₹ 100 each | 50.00 | 50.00 |
| 5,000,000 (31 March 2023: 5,000,000) Convertible preference shares of ₹ 100 each | 50.00 | 50.00 |
| Issued, subscribed and fully paid-up share capital | | |
| 168,025,590 (31 March 2023: 167,904,610) equity shares of ₹ 2 each | 33.61 | 33.58 |
| Total issued, subscribed and fully paid-up share capital | 33.61 | 33.58 |



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as at and for the year ended 31 March 2024

Notes:

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares

| | 31 March 2024 | | 31 March 2023 | |
|---|--------------------|--------------|--------------------|--------------|
| | No. of shares | ₹ in Crores | No. of shares | ₹ in Crores |
| At the beginning of the year | 167,904,610 | 33.58 | 164,064,270 | 32.81 |
| Shares issued on exercise of employee stock option plan | 120,980 | 0.03 | 166,925 | 0.03 |
| Shares issued on conversion of share warrants issued on preferential basis (refer footnote below) | - | - | 3,673,415 | 0.74 |
| Outstanding at the end of the year | 168,025,590 | 33.61 | 167,904,610 | 33.58 |

Footnote:

Pursuant to shareholders' approval obtained in the Extraordinary General Meeting held on 11 December 2020, the Company had allotted on preferential basis, 3,333,334 convertible warrants of ₹ 10 each at a premium of ₹ 665 per warrant to Essar Telecom Limited and Onir Metalics Limited (now merged with Essar Steel Metal Trading Limited) on 8 January 2021. During the year ended 31 March 2021, the Company had received money aggregating to ₹ 187.81 Crores against convertible warrants. Initially each warrant was convertible into 1 equity share of ₹ 10 (before sub-division) each of the Company within 18 months from the date of allotment subject to payment of balance subscription amount. Out of total 3,333,334 convertible warrants, 2,598,651 warrants were converted into equity shares until 31 March 2021. During the year ended 31 March 2023, remaining 734,683 warrants were converted into equity shares of ₹ 2 each.

Also, Company had received consideration in excess by ₹ 0.10 Crores which was shown in other financial liabilities during the previous year. It is refunded during the current year. Refer note 17 and note 35(III).

(b) Rights, preference and restriction on equity shares

The Company has only one class of equity shares having par value of ₹ 2 per share. Each holder of equity share is entitled to one vote per equity share. The Company declares and pays dividends in INR. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except for interim dividend which is approved by the Board.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive assets of the Company remaining after distribution of all preferential amounts. The distribution will be in proportion to the number of fully paid-up equity shares held by the shareholders.

(c) Essar Telecom Limited ('ETL') is the holding company with effect from 28 December 2023. Essar Global Fund Limited is the ultimate holding company as at 31 March 2024 and 31 March 2023. Refer note (h) below.

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(d) Aggregate number of bonus shares issued or buy back of shares during the period of five years immediately preceding the reporting date

The Company has neither issued bonus shares nor has there been any buy back of shares during five years immediately preceding 31 March 2024.

(e) Shares issued for consideration other than cash

The Company had allotted 6,355,925 fully paid-up equity shares of ₹ 2 each on conversion of compulsorily convertible preference shares during the year ended 31 March 2019.

(f) Details of shareholders holding more than 5% equity share capital in the Company

| Name of the shareholder | 31 March 2024 | | 31 March 2023 | |
|--|---------------|------------------------|---------------|------------------------|
| | No. of shares | % holding in the class | No. of shares | % holding in the class |
| Equity shares of ₹ 2 each fully paid-up | | | | |
| - Essar Telecom Limited | 119,441,430 | 71.09% | 82,910,275 | 49.38% |
| - Essar Steel Metal Trading Limited | - | 0.00% | 36,531,155 | 21.76% |

(g) Shareholding of promoters

Details of equity shares held by promoters as at 31 March 2024 are as follows:

| Promoter name | No. of shares | % holding in the class | % change during the year |
|-------------------------------------|---------------|------------------------|--------------------------|
| - Essar Telecom Limited | 119,441,430 | 71.09% | 44.06% |
| - Essar Steel Metal Trading Limited | - | 0.00% | (100.00)% |

Details of equity shares held by promoters as at 31 March 2023 are as follows

| Promoter name | No. of shares | % holding in the class | % change during the year |
|-------------------------------------|---------------|------------------------|--------------------------|
| - Essar Telecom Limited | 82,910,275 | 49.38% | 1.44% |
| - Essar Steel Metal Trading Limited | 36,531,155 | 21.76% | 7.33% |

Details of equity shares held by promoters as at 01 April 2022 are as follows

| Promoter name | No. of shares | % holding in the class |
|-------------------------------------|---------------|------------------------|
| - Essar Telecom Limited | 81,731,680 | 49.82% |
| - Essar Steel Metal Trading Limited | 34,036,335 | 20.75% |

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 ownership of shares.



Summary of Material Accounting Policies and Other Explanatory Information

as at and for the year ended 31 March 2024

(h) Shares held by the group

| Particulars | No. of shares (in absolute) | |
|--|-----------------------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Equity shares held by | | |
| Holding company | 119,441,430 | - |
| Ultimate holding company | - | - |
| Subsidiary of holding company | - | - |
| Subsidiary of ultimate holding company | - | 119,441,430 |
| Associate of holding company | - | - |
| Associate of ultimate holding company | - | - |

(i) Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option plan of the Company, refer note 33.

Date of conversion of convertible securities

| Particulars | 31 March 2024 | 31 March 2023 |
|------------------|--------------------|--------------------|
| | Date of conversion | Date of conversion |
| Series 3 ESOPs * | 14 June 2025 | 14 June 2025 |
| | 14 June 2024 | 14 June 2024 |
| Series 4 ESOPs * | 18 October 2027 | 18 October 2027 |
| | 18 October 2026 | 18 October 2026 |
| | 18 October 2025 | 18 October 2025 |

* Includes both vested as well as unvested options and date of conversion represents last date of exercise under ESOP scheme 2015. However, vested options can be exercised on or before the last exercise date for each tranche.

15 Non current borrowings

| Particulars | ₹ in Crores | |
|-----------------------|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Unsecured | | |
| Term loan from others | 0.45 | 0.62 |
| | 0.45 | 0.62 |

Notes:

- The Company had taken an unsecured term loan of ₹ 0.89 Crores from Hewlett-Packard Financial Services (India) Private Limited during the year ended 31 March 2023. The term loan carry an effective interest rate of 10.49% p.a. (31 March 2023: 10.49% p.a.). The loan was initially repayable in 60 equal monthly instalments.
- Current maturity of the above-mentioned borrowings is disclosed under note 21 "Current borrowings".
- Details of repayment terms

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as at and for the year ended 31 March 2024

| ₹ in Crores | | |
|--|---|--------|
| Period of maturity with reference to standalone balance sheet date | Number of instalments outstanding as at 31 March 2024 | Amount |
| Term loan from others | 38 monthly instalments | 0.62 |

| ₹ in Crores | | |
|--|---|--------|
| Period of maturity with reference to standalone balance sheet date | Number of instalments outstanding as at 31 March 2023 | Amount |
| Term loan from others | 50 monthly instalments | 0.78 |

- (d) The Company had used the borrowing for the specific purpose for which it was availed.
- (e) There is no default in repayment of borrowings and payment of interest thereon during the year ended 31 March 2024 and 31 March 2023.
- (f) Refer note 38 for information on interest risk, market risk and liquidity risk.

16 Lease liabilities

| ₹ in Crores | | | | |
|-------------------|---------------|---------------|---------------|---------------|
| | Non-current | | Current | |
| | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
| Lease liabilities | 23.14 | 26.89 | 3.81 | 3.49 |
| | 23.14 | 26.89 | 3.81 | 3.49 |

Notes:

- (a) Refer note 27 for interest on lease liabilities.
- (b) Refer note 40 for disclosure on related leased assets.
- (c) Refer note 38 for information on market risk and liquidity risk.

17 Other financial liabilities

| ₹ in Crores | | | | |
|--|---------------|---------------|---------------|---------------|
| | Non-current | | Current | |
| | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
| Employee related payables | - | - | - | 0.93 |
| Payable to shareholders [refer note 35(III)] | - | - | - | 0.10 |
| Security deposits | 0.27 | 0.25 | - | - |
| | 0.27 | 0.25 | - | 1.03 |

Refer note 38 for information on market risk and liquidity risk.



Summary of Material Accounting Policies and Other Explanatory Information

as at and for the year ended 31 March 2024

18 Provisions

| | ₹ in Crores | | | |
|---|---------------|---------------|---------------|---------------|
| | Non-current | | Current | |
| | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
| Provision for employee benefits | | | | |
| Provision for gratuity [refer note 32(b)] | 4.91 | 6.80 | 2.31 | 0.37 |
| Provision for compensated absences [refer note 32(c)] | 0.36 | 0.46 | 0.07 | 0.03 |
| | 5.27 | 7.26 | 2.38 | 0.40 |
| Other provision | | | | |
| Provision for warranties [refer note (a) below] | - | - | 0.47 | 0.47 |
| | - | - | 0.47 | 0.47 |
| | 5.27 | 7.26 | 2.85 | 0.87 |

(a) Provision for warranties

A provision is recognised for expected warranty claims on products sold during the last one year, based on the past experience of the level of repairs and returns. It is expected that significant portion of these costs will be incurred in the next financial year and all will have been incurred within a year after the reporting date. Assumptions used to calculate the provision for warranties were based on current sales levels and current information available about returns. The table below gives information about movement in warranty provision.

| | ₹ in Crores | |
|-------------------------------|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| At the beginning of the year | 0.47 | 0.35 |
| Recognised during the year | 0.47 | 0.47 |
| Unused amounts reversed | (0.47) | (0.35) |
| At the end of the year | 0.47 | 0.47 |

19 Contract liabilities

| | ₹ in Crores | | | |
|---|---------------|---------------|---------------|---------------|
| | Non-current | | Current | |
| | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
| Contract liabilities [refer note 41(b)] | 2.88 | 6.52 | 10.10 | 12.29 |
| | 2.88 | 6.52 | 10.10 | 12.29 |

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20 Other liabilities

| | ₹ in Crores | | | |
|---------------------------|---------------|---------------|---------------|---------------|
| | Non-current | | Current | |
| | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
| Advances | | | | |
| Advances from customers * | - | - | 1.42 | 3.86 |
| Others | | | | |
| Statutory dues payable | - | - | 3.25 | 2.11 |
| Other payables | 0.16 | 0.18 | 0.08 | - |
| | 0.16 | 0.18 | 4.75 | 5.97 |

* It includes trade advances from related parties amounting to ₹ 0.50 Crores (31 March 2023: ₹ 0.29 Crores) [refer note 35(III)]

| | ₹ in Crores |
|--|---------------|
| Advances from customers | Amount |
| Balance as at 01 April 2022 | 3.87 |
| Net revenue recognised that was included in the balance at the beginning of the year | (0.95) |
| Additional advance received during the year | 0.94 |
| Balance as at 31 March 2023 | 3.86 |
| Net revenue recognised that was included in the balance at the beginning of the year | (3.70) |
| Additional advance received during the year | 1.26 |
| Balance as at 31 March 2024 | 1.42 |

21 Current borrowings

| | ₹ in Crores | |
|---|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Secured | | |
| Loans repayable on demand | | |
| Cash credit facilities from banks | 11.38 | 23.45 |
| Unsecured | | |
| Current maturities of long-term borrowing | 0.17 | 0.16 |
| | 11.55 | 23.61 |

Cash flow changes in liabilities arising from financial activities:

| Particulars | ₹ in Crores | |
|---|-------------------|--------------|
| | Lease liabilities | Borrowings |
| As at 1 April 2022 | 30.49 | 22.67 |
| Non cash movement: additions and/ or reassessment of lease liabilities (including unwinding of interest) and interest expense on borrowings | 6.66 | 2.28 |
| Cash flows (net) | (6.77) | (0.72) |
| As at 31 March 2023 | 30.38 | 24.23 |
| Non cash movement: additions and/ or reassessment of lease liabilities (including unwinding of interest) and interest expense on borrowings | 3.60 | 1.84 |
| Cash flows (net) | (7.03) | (14.07) |
| As at 31 March 2024 | 26.95 | 12.00 |



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Notes:

(a) Cash credit facilities from banks are secured by first pari-passu charge on entire current assets of the Company (present and future) including inventory of material and components, work-in-progress, stock-in-trade, trade receivables, insurances etc. and by second pari-passu charge on all moveable PPE of the Company.

Cash credit carry an effective interest rate of 12.00% to 13.80% p.a. (31 March 2023: 12.00% to 13.55% p.a.).

(b) The Company has used the borrowings from banks for the specific purpose for which it was availed.

(c) There is no default in repayment of borrowings and payment of interest thereon during the year ended 31 March 2024 and 31 March 2023.

(d) Refer note 38 for information on interest risk, market risk and liquidity risk.

22 Trade payables

| | ₹ in Crores | |
|--|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Dues to micro enterprises and small enterprises (refer note 37) | 6.94 | 14.43 |
| Dues to creditors other than micro enterprises and small enterprises | 88.61 | 87.29 |
| | 95.55 | 101.72 |
| Includes due to related parties [refer note 35(III)] | 2.53 | 2.38 |

Notes:

- Trade payables are generally non-interest bearing and are normally settled within 45 to 60 days.
- Refer note 38 for information on market risk and liquidity risk.

Ageing for trade payables outstanding as at 31 March 2024 is as follows

| Particulars | Unbilled | Outstanding for following periods from date of transaction | | | | Total |
|--|--------------|--|-------------|-------------|-------------------|--------------|
| | | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| | | | | | | |
| Micro enterprises and small enterprises ('MSME') | - | 4.72 | 2.01 | 0.11 | 0.10 | 6.94 |
| Other than MSME | 11.85 | 72.33 | 0.06 | 0.31 | 1.74 | 86.29 |
| Disputed dues - MSME | - | - | - | - | - | - |
| Disputed dues - Other than MSME | - | - | - | - | 2.32 | 2.32 |
| | 11.85 | 77.05 | 2.07 | 0.42 | 4.16 | 95.55 |

Ageing for trade payables outstanding as at 31 March 2023 is as follows

| Particulars | Unbilled | Outstanding for following periods from date of transaction | | | | Total |
|---------------------------------|--------------|--|-------------|-------------|-------------------|---------------|
| | | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| | | | | | | |
| MSME | 0.48 | 13.49 | 0.39 | 0.07 | - | 14.43 |
| Other than MSME | 26.65 | 54.12 | 2.39 | 0.31 | 3.82 | 87.29 |
| Disputed dues - MSME | - | - | - | - | - | - |
| Disputed dues - Other than MSME | - | - | - | - | - | - |
| | 27.13 | 67.61 | 2.78 | 0.38 | 3.82 | 101.72 |

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23 Revenue from operations

| | ₹ in Crores | |
|--|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Revenue from contracts with customers | | |
| Sale of products (refer footnote of note 25) | 185.90 | 188.82 |
| Sale of services [refer note (a) below] | 189.25 | 168.09 |
| | 375.15 | 356.91 |
| Other operating income | | |
| Reversal of allowance for expected credit loss | 7.46 | 2.63 |
| Recovery from receivables recorded as bad debt in earlier years | 1.93 | - |
| Liabilities/ provisions for earlier years no longer required written back/ reversed [refer note (b) below] | 2.11 | 3.83 |
| | 386.65 | 363.37 |

Notes:

The tables below presents disaggregated revenues from contracts with customers by customer location and type of customers. Company believes this disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected by industry, market and other economic factors.

(a) Disaggregation of sale of services

| | ₹ in Crores | |
|---------------------------|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| - Maintenance services | 37.80 | 53.71 |
| - Implementation services | 151.45 | 114.38 |
| | 189.25 | 168.09 |

(b) Details of liabilities/ provisions for earlier years no longer required written back/ reversed

| | ₹ in Crores | |
|---|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| - pertaining to provision for expenses | 0.79 | 0.11 |
| - pertaining to employee related payables | - | 0.01 |
| - pertaining to trade payables | - | 2.49 |
| - pertaining to goods receipt/ invoice receipt balances | 1.32 | 1.19 |
| - pertaining to advance from customers | - | - |
| - pertaining to inventories | - | 0.03 |
| | 2.11 | 3.83 |

(c) Disaggregation of revenue of contracts by geographical region

| | ₹ in Crores | |
|--------------------------|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| India | 350.91 | 324.47 |
| United States of America | 6.11 | 22.72 |
| Others * | 18.13 | 9.72 |

* Majorly includes Ireland and United Kingdom



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(d) Disaggregation of revenue of contracts by type of customers

| | ₹ in Crores | |
|-------------------------------------|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Government | 16.24 | 5.61 |
| Non-government | 330.59 | 303.92 |
| Related parties [refer note 35(II)] | 28.32 | 47.38 |

(e) Reconciliation between the contract price and revenue from contracts with customers

| | ₹ in Crores | |
|---------------------------------------|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Contract price | 369.32 | 361.29 |
| Adjustment for: | | |
| Contract liabilities (net) | 5.83 | (4.38) |
| Revenue from contracts with customers | 375.15 | 356.91 |

24 Other income

| | ₹ in Crores | |
|--|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Interest income on | | |
| Margin money deposits with banks | 0.38 | 0.27 |
| Income tax refund | 10.56 | 0.60 |
| Service tax refund | 0.53 | - |
| Others | - | 0.01 |
| Interest income calculated using the effective interest method | | |
| Sublease arrangements | 1.09 | 0.87 |
| Security deposits | 0.03 | 0.05 |
| Corporate guarantee commission [refer note 35(II)] | - | 0.11 |
| Other non-operating income * | 0.52 | 0.31 |
| | 13.11 | 2.22 |

*Majorly includes training income

25 Changes in inventories of work-in-progress and stock-in-trade

| | ₹ in Crores | |
|--|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Inventories at the end of the year | | |
| Stock-in-trade | 13.58 | 11.49 |
| Work-in-progress | - | - |
| | 13.58 | 11.49 |
| Inventories at the beginning of the year | | |
| Stock-in-trade | 11.49 | 5.45 |
| Work-in-progress | - | 0.03 |
| | 11.49 | 5.48 |
| | (2.09) | (6.01) |

Footnote: The Company is a global ICT solution provider and integrator operating in various quadrants and the solutions sold to customers are configured as per specific customer requirements. The heterogeneous mix of components

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in solutions offered to customers makes it difficult to establish a meaningful / homogenous relationship for providing breakup of products purchased / sold during the year and the inventory position. Consequently, it is neither feasible nor meaningful to give the category-wise details of products purchased and sold during the year and inventory position for all its product solutions.

26 Employee benefits expense (net)

| | ₹ in Crores | |
|---|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Salaries and wages * | 53.76 | 42.23 |
| Contribution to provident fund and other funds [refer note 32(a)] * | 1.29 | 1.11 |
| Share based payment to employees * | 0.28 | 0.42 |
| Staff welfare expenses | 1.50 | 0.97 |
| | 56.83 | 44.73 |

* Includes amount paid to key managerial personnel amounting to ₹ 1.86 Crores (31 March 2023: ₹ 2.02 Crores) [refer note 35(IV)].

27 Finance costs

| | ₹ in Crores | |
|--|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Interest on borrowings | 1.84 | 2.28 |
| Guarantee commission to banks | 0.15 | 0.16 |
| Unwinding of discount on security deposits | 0.02 | 0.02 |
| Interest on lease liabilities | 3.53 | 3.82 |
| Other borrowing costs * | 1.14 | 1.47 |
| | 6.68 | 7.75 |

* Majorly includes loan (short term) processing charges, MSME interest and letter of credit issuance or discounting charges

28 Depreciation and amortisation expense

| | ₹ in Crores | |
|--|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Depreciation of property, plant and equipment (refer note 3) | 2.12 | 2.19 |
| Depreciation of ROU assets (refer note 4) | 4.27 | 3.88 |
| Amortisation of intangible assets (refer note 5) | 1.52 | 0.44 |
| | 7.91 | 6.51 |



Summary of Material Accounting Policies and Other Explanatory Information

as at and for the year ended 31 March 2024

29 Other expenses

| | ₹ in Crores | |
|---|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Consumption of stores and spares | 0.47 | 0.58 |
| Power and water charges | 1.30 | 1.04 |
| Rent (net) * | 0.05 | 0.01 |
| Rates and taxes | 0.21 | 0.48 |
| Insurance | 0.26 | 0.37 |
| Repairs and maintenance - others | 2.54 | 2.48 |
| Travelling and conveyance | 6.52 | 7.43 |
| Communication expenses | 0.88 | 0.85 |
| Legal and professional fees | 4.39 | 3.33 |
| Advertisement and sales promotion | 1.36 | 1.50 |
| Outward freight, clearing and forwarding charges | 1.26 | 0.68 |
| Commission on sales | 0.47 | 0.31 |
| Corporate social responsibility expenditure (refer note 45) | 0.08 | 0.03 |
| Auditor's remuneration [refer note (a) below] | 1.43 | 1.65 |
| Allowance for expected credit loss | | |
| Trade receivables | 5.60 | 6.91 |
| Net investment in finance lease | 0.24 | 3.14 |
| Other receivables | 0.14 | - |
| Bad debts ** | 8.33 | 2.63 |
| Sundry balances written off | - | 1.93 |
| Miscellaneous expenses | 2.26 | 2.30 |
| | 37.79 | 37.65 |

* Pertains to rental for short term leases. Refer note 40

** Represents loss on derecognition of financial assets measured at amortised cost

Note:

(a) Auditor's remuneration (excluding goods and services tax)

| | ₹ in Crores | |
|---|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| As auditors: | | |
| Audit fee and limited review fees (including consolidation) | 1.26 | 1.15 |
| In other capacity: | | |
| Other services (certification fees) | 0.08 | 0.39 |
| Reimbursement of expenses | 0.09 | 0.11 |
| | 1.43 | 1.65 |

Summary of Material Accounting Policies and Other Explanatory Information

as at and for the year ended 31 March 2024

30 Tax expenses

a) Income tax expense on profit or loss consists of:

| Particulars | ₹ in Crores | |
|--|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Current tax: | | |
| Current tax on profits for the year | - | - |
| | - | - |
| Deferred tax: | | |
| In respect of current year origination and reversal of temporary differences | 0.10 | (0.05) |
| | 0.10 | (0.05) |

(b) Income tax on OCI

| Particulars | ₹ in Crores | |
|--------------------------------|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Deferred tax (credit)/ expense | (0.10) | 0.05 |
| | (0.10) | 0.05 |

The above deferred tax expense/ (credit) is related to the origination and reversal of temporary differences.

(c) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

| Particulars | ₹ in Crores | |
|--|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Accounting profit before income tax | (1.11) | 5.79 |
| Applicable Indian statutory income tax rate (in %) | 25.17% | 25.17% |
| Computed expected tax expense | (0.28) | 1.46 |
| Tax effect of amount which are not (taxable)/ deductible in calculating taxable income | | |
| Timing difference between book depreciation and depreciation as per the Income-tax Act, 1961 (net) | 1.44 | 0.68 |
| Provision for employee benefits (net) | (0.11) | 0.06 |
| Allowance for expected credit loss | 1.51 | 2.64 |
| Corporate social responsibility expenditure | 0.02 | 0.01 |
| Transfer pricing adjustment | - | 0.72 |
| Deemed income | (2.89) | (1.63) |
| Lease adjustments (net) | (0.93) | (0.55) |
| Disallowance u/s 40(a) and 43B of Income-tax Act, 1961 | 0.81 | 0.73 |
| Other items (net) | 0.20 | - |
| Brought forward losses adjustment | 0.24 | (4.12) |
| Deferred tax charge/ (credit) | - | - |
| Tax expense reported in the standalone statement of profit and loss | - | - |



Summary of Material Accounting Policies and Other Explanatory Information

as at and for the year ended 31 March 2024

31 (Loss) / earnings per equity share ('EPS')

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

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the Company and the weighted average number of shares outstanding during the period, are adjusted for the effects of all dilutive potential equity shares.

| | 31 March 2024 | 31 March 2023 |
|--|---------------|---------------|
| The components of basic and diluted EPS are as follows: | | |
| (a) (Loss)/ profit attributable to equity shareholders of the parent entity (basic) (₹ in Crores) | (14.98) | 5.84 |
| (b) Weighted average number (in absolute) of equity shares (basic) | | |
| Opening balance | 167,904,610 | 164,064,270 |
| Effect of share options exercised | 17,188 | 105,643 |
| Effect of convertible warrants exercised | - | 3,180,272 |
| Weighted average number of equity shares for the year | 167,921,798 | 167,350,185 |
| (c) Basic (loss)/ earnings per equity share (in ₹) | (0.89) | 0.35 |
| (d) (Loss)/ profit attributable to equity shareholders of the parent entity (diluted) (₹ in Crores) | (14.98) | 5.84 |
| (e) Weighted average number (in absolute) of equity shares (diluted) | | |
| Weighted average number of equity shares (basic) | 167,921,798 | 167,350,185 |
| Effect of share options on issue | 371,673 | 361,498 |
| Weighted average number of equity shares for the year | 168,293,471 | 167,711,683 |
| (f) Diluted (loss)/ earnings per equity share (in ₹) | (0.89) | 0.35 |
| (g) Nominal value of each equity share (in ₹) | 2.00 | 2.00 |

The effect of 415,500 potential equity shares outstanding as at 31 March 2024 is anti-dilutive and thus these shares are not considered in determining dilutive loss per share.

Note: The average market value of the Company's equity shares for the purpose of calculating the dilutive effect of share options was based on quoted market prices for the year during which the options were outstanding.

32 Employee benefits plan

(a) **Defined contribution plan** - The following amount is recognised in the standalone statement of profit and loss for the year ended:

| | ₹ in Crores | |
|--|---------------|---------------|
| Particulars | 31 March 2024 | 31 March 2023 |
| Contribution to provident fund | 1.28 | 1.11 |
| Contribution to employees' state insurance | 0.00 | 0.00 |
| Contribution to labour welfare fund | 0.00 | 0.00 |

Above amounts have been included in the line item "Contribution to provident fund and other funds" in note 26. Also, the contribution of the Company is limited to the amount contributed and it has no further contractual or constructive obligation.

Summary of Material Accounting Policies and Other Explanatory Information

as at and for the year ended 31 March 2024

(b) Defined benefit plan - The Company has an unfunded defined benefit plan i.e. Gratuity, for its employees. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service. This defined benefit plan is governed by The Payment of Gratuity Act, 1972.

The following tables summarise the components of employee benefits expense recognised in the standalone statement of profit and loss and the amounts recognised in the standalone balance sheet for the gratuity plan.

Amount recognised in the standalone statement of profit and loss in respect of gratuity cost (defined benefit plan) is as follows:

| Particulars | ₹ in Crores | |
|---|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Current service cost | 0.66 | 0.69 |
| Interest expense | 0.54 | 0.49 |
| Employee benefit expense recognised in profit or loss | 1.20 | 1.18 |
| Actuarial loss/ (gain) transferred to OCI | | |
| Actuarial loss due to demographic assumptions | 0.25 | - |
| Actuarial loss due to experience adjustment | 0.04 | 0.06 |
| Actuarial loss/ (gain) due to change in financial assumptions | 0.12 | (0.25) |
| Net actuarial loss/ (gain) recognised in OCI | 0.41 | (0.19) |

Amount recognised in the standalone balance sheet in respect of gratuity liability (defined benefit plan) is as follows:

Benefit liability

| Particulars | ₹ in Crores | |
|---|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Present value of defined benefit obligation | 7.22 | 7.17 |
| Liability recognised in standalone balance sheet | 7.22 | 7.17 |

Changes in the present value of the defined benefit obligation are as follows:

| Particulars | ₹ in Crores | |
|---|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Opening defined benefit obligation | 7.17 | 7.05 |
| Current service cost | 0.66 | 0.69 |
| Interest cost | 0.54 | 0.49 |
| Benefits paid | (1.56) | (0.87) |
| Remeasurement loss/ (gain) | 0.41 | (0.19) |
| Closing defined benefit obligation | 7.22 | 7.17 |

Bifurcation of defined benefit obligation:

| Particulars | ₹ in Crores | |
|-------------|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Current | 2.31 | 0.37 |
| Non-current | 4.91 | 6.80 |
| | 7.22 | 7.17 |



Summary of Material Accounting Policies and Other Explanatory Information

as at and for the year ended 31 March 2024

Sensitivity analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, salary growth rate, attrition rate and mortality rate. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of the sensitivity analysis is given below:

| Particulars | ₹ in Crores | | | |
|-------------------------------|---------------|----------|---------------|----------|
| | 31 March 2024 | | 31 March 2023 | |
| | Decrease | Increase | Decrease | Increase |
| Discount rate (- /+ 1%) | 0.25 | (0.20) | 0.57 | (0.48) |
| Salary growth rate (- /+ 1%) | (0.18) | 0.22 | (0.42) | 0.48 |
| Attrition rate (- /+ 50%) | (0.04) | 0.03 | (0.03) | 0.05 |
| Mortality rate (- /+ 10%) | 0.02 | 0.02 | 0.01 | 0.02 |

The sensitivity analysis presented above may not be a representation 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 related to each other.

Following are the principal assumptions used as at the standalone balance sheet date:

| Particulars | 31 March 2024 | 31 March 2023 |
|-----------------------------------|--|--|
| Discount rate (% per annum) | 7.20% | 7.45% |
| Salary growth rate (% per annum) | 6.00% | 6.00% |
| Mortality rate | Indian Assured Lives Mortality (2012-14) | Indian Assured Lives Mortality (2012-14) |
| Retirement age (in years) | 58 years | 58 years |
| Average future service (in years) | 19.17 years | 20.41 years |
| Attrition rate, based on age: | | |
| Up to 26 years | 30.20% | 5.00% |
| 27 - 34 years | 47.23% | 12.00% |
| 35 - 44 years | 21.03% | 5.00% |
| Above 44 years | 21.53% | 1.00% |

These assumptions were developed by the management with the assistance of independent actuarial appraiser. Discount factors are determined close to each year end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience. The estimates of future salary growth rate considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Risk

| Factor | Impact |
|-----------------|---|
| Salary increase | Actual salary increases will increase the obligation. Increase in salary increase rate assumption in future valuations will also increase the obligation. |
| Discount rate | Reduction in discount rate in subsequent valuations can increase the obligation. |

Summary of Material Accounting Policies and Other Explanatory Information

as at and for the year ended 31 March 2024

| Factor | Impact |
|--------------------------|--|
| Mortality and disability | Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the obligation. |
| Withdrawals | Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact the obligation. |

Maturity profile of defined benefit obligation on an undiscounted basis:

| Particulars | ₹ in Crores | |
|---------------------|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| One year | 2.31 | 0.37 |
| Two to five years | 4.52 | 3.56 |
| Six years and above | 2.45 | 9.90 |

The weighted average duration of the defined benefit obligation plan at the end of the reporting period is 3 years (31 March 2023: 7 years).

The Company expects to make a contribution of ₹ 7.74 Crores (31 March 2023: ₹ 7.90 Crores) to the defined benefit plan during the next financial year.

- (c) **Compensated absences:** With effect from 1 January 2017, the Company has decided to restrict the balance of un-availed privilege leave ('PL') to a maximum of 42 days from erstwhile limit of 90 days. Further, PL cannot be en-cashed or accumulated and shall lapse every year in the month of December. The balance as at 31 December 2016 is entitled to be en-cashed only during separation from the Company based on the basic salary as at 31 December 2016.

Following are the principal assumptions used as at the standalone balance sheet date:

| Particulars | 31 March 2024 | 31 March 2023 |
|----------------------------------|---------------|---------------|
| Discount rate (% per annum) | 7.20% | 7.45% |
| Salary growth rate (% per annum) | 0.00% | 0.00% |

Movement during the year

| | ₹ in Crores | |
|-------------------------------|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| At the beginning of the year | 0.49 | 0.56 |
| Recognised during the year | 0.17 | 0.19 |
| Paid during the year | (0.23) | (0.26) |
| At the end of the year | 0.43 | 0.49 |

Bifurcation of provision for compensated absences:

| Particulars | ₹ in Crores | |
|-------------|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Current | 0.07 | 0.03 |
| Non-current | 0.36 | 0.46 |
| | 0.43 | 0.49 |



Summary of Material Accounting Policies and Other Explanatory Information

as at and for the year ended 31 March 2024

33 Employees stock option plan

The Company provides share based payment schemes to its employees. Since the year ended 31 March 2016, an employee stock option plan ('ESOP') was in existence i.e. ESOP scheme 2015. The relevant details of the scheme (post sub-division of its equity share of ₹ 10 each into equity share of ₹ 2 each) and the grant are as below.

The shareholders of the Company through postal ballot on 21 April 2015 approved the equity settled ESOP scheme 2015 for issue of stock options to key employees and directors of the Company setting aside 7,116,615 options under this scheme. The Company had previously granted 5,024,330, 1,601,240, 853,995 and 315,000 stock options on 14 May 2015, 19 May 2016, 15 June 2018 and 19 October 2020, respectively. According to the scheme, the employees selected by the Nomination and Remuneration Committee from time to time will be entitled to options, subject to satisfaction of the prescribed vesting conditions. The other relevant terms of the grants are as below:

| Grant date | 19 October 2020 | 15 June 2018 | 19 May 2016 ** | 14 May 2015 ** |
|------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Number of options granted | 315,000 | 853,995 | 1,601,240 | 5,024,330 |
| Vesting period (in years) | 3 to 5 years | 3 to 5 years | 3 to 5 years | 3 to 5 years |
| Exercise period (in years) | 2 years | 2 years | 2 years | 2 years |
| | from the end of vesting period | from the end of vesting period | from the end of vesting period | from the end of vesting period |
| Exercise price (₹) | 85.00 | 21.40 | 11.00 | 16.00 |
| Fair value at grant date (₹) | 43.13 | 14.33 | 8.57 | 6.57 |

** No ESOPs are outstanding against these grants as at 31 March 2024 and 31 March 2023

The options are granted at an exercise price, which is in accordance with the relevant Securities and Exchange Board of India ('SEBI') guidelines in force, at the time of such grants. Further, the Company does not have a past practice of cash settlement for these ESOPs. The Company accounts for the ESOPs as an equity-settled plan.

The details of activity under the ESOP scheme 2015 are summarised below:

| Particulars | 31 March 2024 | | 31 March 2023 | |
|---|----------------|--------------|----------------|------------|
| | No. of options | * WAEP (₹) | No. of options | * WAEP (₹) |
| Outstanding at the beginning of the year | 536,480 | 58.74 | 703,405 | 49.88 |
| Granted during the year | - | - | - | - |
| Forfeited during the year | - | - | - | - |
| Exercised during the year | 120,980 | 21.40 | 166,925 | 21.40 |
| Expired during the year | - | - | - | - |
| Outstanding at the end of the year | 415,500 | 69.61 | 536,480 | 58.74 |
| Exercisable at the end of the year | 204,450 | 53.74 | 49,500 | 21.40 |

* WAEP denotes weighted average exercise price of the option

Weighted average share price for options exercised during the year ended 31 March 2024 is ₹ 298.90 (31 March 2023: ₹ 131.03)

Summary of Material Accounting Policies and Other Explanatory Information

as at and for the year ended 31 March 2024

The following tables summarise the information about the outstanding options as at 31 March 2024 and 31 March 2023, respectively.

| Grant | As at 31 March 2024 | | |
|----------|---------------------|----------------------------|------------------------|
| | Grant date | No. of options outstanding | Weighted average life* |
| Series 3 | 15 June 2018 | 100,500 | 0.71 |
| Series 4 | 19 October 2020 | 315,000 | 2.56 |

| Grant | As at 31 March 2023 | | |
|----------|---------------------|----------------------------|------------------------|
| | Grant date | No. of options outstanding | Weighted average life* |
| Series 3 | 15 June 2018 | 221,480 | 1.98 |
| Series 4 | 19 October 2020 | 315,000 | 3.57 |

* Weighted average of remaining contractual life of options outstanding at the end of respective year

For the options outstanding as at 31 March 2024, the exercise price range is ₹ 21.40 to ₹ 85.00 (31 March 2023: ₹ 21.40 to ₹ 85.00).

The weighted average fair value of the stock options outstanding as at 31 March 2024 is ₹ 36.16 (31 March 2023: ₹ 31.24). Options were priced using Black-Scholes-Merton formula.

Inputs into the model:

| Particulars | Grant date | | | |
|---|-----------------|----------------|----------------|----------------|
| | 19 October 2020 | 15 June 2018 | 19 May 2016 ** | 14 May 2015 ** |
| Dividend yield (%) | 0.00% | 0.00% | 0.00% | 9.60% |
| Expected volatility (%) | 59.69 - 61.22% | 60.04 - 61.19% | 55.71 - 60.74% | 54.42 - 57.57% |
| Risk-free interest rate (%) | 5.05 - 5.62% | 7.87 - 8.04% | 7.30 - 7.46% | 7.77 - 7.82% |
| Weighted average share price (₹) | 78.86 | 23.25 | 13.64 | 20.83 |
| Exercise price (₹) | 85.00 | 21.40 | 11.00 | 16.00 |
| Expected life of options granted (in years) | 4.00 - 6.00 | 4.00 - 6.01 | 4.00 - 6.00 | 4.00 - 6.01 |

** No ESOPs are outstanding against these grants as at 31 March 2024 and 31 March 2023

Volatility: Volatility is a measure of the amount by which a price has fluctuated or is expected to fluctuate during the period. The measure of volatility used in Black-Scholes-Merton formula is the annualised standard deviation of the continuously compounded rates of return on the stock over a period of time. Company considered the daily historical volatility of Company's stock price on NSE over a period prior to the date of grant, corresponding with the expected life of the options.

Risk free rate: The risk free rate being considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the options based on zero coupon yield curve for government securities.

Expected life of the options: Expected life of the options is the period for which the Company expects the options to be live. The minimum life of stock options is the minimum period before which the options cannot be exercised and the maximum life of the option is the maximum period after which the options cannot be exercised. The Company has calculated expected life as the average of the minimum and the maximum life of the options.

Dividend yield: Expected dividend yield has been calculated by dividing the last declared dividend per share by the market price per share as on the date of grant.



Summary of Material Accounting Policies and Other Explanatory Information

as at and for the year ended 31 March 2024

34 Segment information

The Company has presented data related to its segments in its consolidated financial statements. No disclosures regarding segments are therefore presented in these standalone financial statements.

35 Related party disclosure

In accordance with the requirement of Ind AS 24 “Related Party Disclosures”, name of the related parties, their relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during the reported period are as follows:

(I) List of related parties and relationship

(i) Ultimate Holding Company:

Essar Global Fund Limited

(ii) Holding Company:

Essar Telecom Limited (w.e.f. 28 December 2023)

(iii) Subsidiary companies (including step-down subsidiaries):

Black Box Technologies Pte. Limited

AGC Networks LLC, USA

AGC Networks Philippines, Inc.

AGC Networks & Cyber Solutions Limited

AGC Networks LLC, Dubai

AGC Networks LLC, Abu Dhabi

BBX Main Inc.

BBX Inc.

Black Box Corporation

ACS Dataline, LP

ACS Investors, LLC

BB Technologies, LLC (formerly known as BB Technologies, Inc.)

BBOX Holdings Mexico LLC

BBOX Holdings Puebla LLC

Black Box Corporation of Pennsylvania

Black Box Network Services, Inc. – Government Solutions

Black Box Services LLC (formerly known as Black Box Services Company)

Delaney Telecom, Inc.

Norstan Communications, Inc.

Black Box Network Services Australia Pty Ltd

Summary of Material Accounting Policies and Other Explanatory Information

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Black Box GmbH
Black Box Network Services NV
Black Box do Brasil Industria e Comercio Ltda.
Black Box Canada Corporation
Norstan Canada, Ltd./Norstan Canada, Ltée
Black Box Holdings Ltd.
Black Box Chile S.A.
Black Box E-Commerce (Shanghai) Co., Ltd.
Black Box A/S
Black Box Network Services (UK) Limited
Black Box Finland OY
Black Box France
Black Box Deutschland GmbH
Black Box Network Services India Private Limited
Black Box Network Services (Dublin) Limited
Black Box Software Development Services Limited
Black Box Network Services S.r.l.
Black Box Network Services Co., Ltd.
Black Box Network Services Korea Limited
Black Box Network Services SDN. BHD.
Black Box de Mexico, S. de R.L. de C.V.
Black Box International B.V.
Black Box International Holdings B.V.
Black Box Network Services New Zealand Limited
Black Box Norge AS
Black Box P.R. Corp.
Black Box Network Services Singapore Pte Ltd
Black Box Comunicaciones, S.A.
Black Box Network Services AB
Black Box Network Services AG
Black Box Network Services Corporation
Servicios Black Box S.A. de C.V.
Black Box Network Services Hong Kong Limited
Black Box Network Services Philippines Inc.



Summary of Material Accounting Policies and Other Explanatory Information

as at and for the year ended 31 March 2024

Black Box Technologies Australia Pty Limited
AGCN Solutions Pte. Limited
COPC Holdings Inc.
COPC Inc.
COPC International Inc.
COPC Asia Pacific Inc.
COPC International Holdings LLC
COPC India Private Limited
COPC Consultants (Beijing) Co. Limited
Black Box Technologies New Zealand Limited
Pyrios Pty Limited (up to 03 September 2022)
Fujisoft Security Solutions LLC
Black Box Technologies LLC, Dubai
Black Box Technologies LLC, Abu Dhabi (formerly known as FujiSoft Technology LLC)
Black Box Costa Rica S.R.L
Black Box Network Services Colombia S.A.S.
Black Box Bangladesh Technologies Private Limited
Black Box Technologies Group B.V.
Dragonfly Technologies Pty Ltd (w.e.f. 11 February 2022)
Cybalt LLC (formerly known as Cybalt Inc.) (w.e.f. 16 February 2022)
Black Box Products FZE (w.e.f. 24 March 2022)
Global Speech Networks Pty Limited (w.e.f. 16 June 2023)
Global Speech Networks Limited (w.e.f. 16 June 2023)

Associate company

Black Box DMCC (w.e.f. 31 March 2023)

Related parties with whom transactions have taken place

(iv) Entities under common control:

Essar Bulk Terminal (Salaya) Limited
AMNS Ports Hazira Limited (formerly known as Essar Bulk Terminal Limited) (up to 15 November 2022)
Essar Oil UK Limited
Essar Projects Limited
Essar Power Gujarat Limited
AMNS Power Hazira Limited (formerly known as Essar Power Hazira Limited) (up to 15 November 2022)
Essar Oil and Gas Exploration and Production Limited

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Mesabi Metallica Company LLC
EPC Constructions India Limited
Essar Constructions India Limited
Essar Power Transmission Company Limited
Essar Projects PNG Limited
Essar Steel Metal Trading Limited
Essar Capital Advisory India Private Limited
Essar Capital Mauritius Limited
Essar Vizag Terminals Limited
Prajesh Realities Private Limited (formerly known as Prajesh Marketing Private Limited)
PT Manoor Bulatn Lestari
Essar Power Limited
Essar Steel Limited
Essar Telecom Limited (up to 28 December 2023)
Essar Infrastructure Uganda Limited
Essar UK Services Private Limited
Essar Ports Limited
Essar Minmet Limited

(v) Key Managerial Personnel:

Mr. Sanjeev Verma, Whole-time Director
Mr. Sujay R Sheth, Independent Director
Mr. Dilip Thakkar, Independent Director
Ms. Neha Nagpal, Independent Director
Mrs. Mahua Mukherjee, Executive Director (up to 09 November 2023)
Mr. Naresh Kothari, Non-executive Director
Mr. Anshuman Ruia, Executive Director
Mr. Deepak Kumar Bansal, Chief Financial Officer and Executive Director
Mr. Aditya Goswami, Company Secretary



Summary of Material Accounting Policies and Other Explanatory Information

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(II) Transactions during the year with related parties :

₹ in Crores

| Nature of transaction | Subsidiary companies (including step-down subsidiaries) | | Entities under common control | |
|--|---|---------------|----------------------------------|---------------|
| | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
| | | | | |
| Sale of products * | | | | |
| AGC Networks LLC, USA | - | 0.21 | - | - |
| AGC Networks LLC, Dubai | - | 1.58 | - | - |
| AGC Networks & Cyber Solutions Limited | - | 0.09 | - | - |
| Black Box Network Services (US) | 0.46 | - | - | - |
| Black Box Network Services India Private Limited | 1.97 | 4.86 | - | - |
| Black Box Services LLC | 0.48 | 3.51 | - | - |
| Black Box Network Services Singapore Pte Ltd | 0.01 | 0.01 | - | - |
| Black Box Technologies Pte. Limited | - | 0.01 | - | - |
| Black Box Technologies LLC, Dubai | 0.89 | - | - | - |
| Black Box Products FZE | 0.81 | 0.07 | - | - |
| Essar Projects Limited | - | - | - | 0.12 |
| AMNS Power Hazira Limited | - | - | - | 1.16 |
| Essar Bulk Terminal (Salaya) Limited | - | - | 0.13 | - |
| Essar Ports Limited | - | - | 0.00 | - |
| Essar Power Transmission Company Limited | - | - | 0.03 | 0.43 |
| Essar Capital Advisory India Private Limited | - | - | - | 0.01 |
| Mesabi Metalics Company LLC | - | - | 0.53 | - |
| Essar Constructions India Limited | - | - | 0.09 | 1.05 |
| EPC Constructions India Limited | - | - | 0.89 | 3.54 |
| Essar Minmet Limited | - | - | 0.03 | - |
| Essar Power Gujarat Limited | - | - | 0.07 | - |
| Essar Capital Mauritius Limited | - | - | - | 0.41 |
| Essar Oil and Gas Exploration and Production Limited | - | - | 0.03 | 0.45 |
| | 4.62 | 10.34 | 1.80 | 7.17 |
| Sale of services * | | | | |
| Black Box Technologies Australia Pty Limited | 0.27 | 0.34 | - | - |
| AGC Networks LLC, USA | - | 0.20 | - | - |
| Black Box Network Services India Private Limited | 0.23 | 0.27 | - | - |
| Black Box Services Company | - | 4.97 | - | - |
| Black Box Network Services Philippines Inc. | 0.13 | - | - | - |
| Black Box Corporation | 1.98 | 9.29 | - | - |
| Essar Oil UK Limited | - | - | 5.44 | 5.18 |
| AMNS Ports Hazira Limited | - | - | - | 3.10 |
| AMNS Power Hazira Limited | - | - | - | 0.64 |
| Essar Projects Limited | - | - | 0.56 | 0.11 |
| Essar Vizag Terminals Limited | - | - | 0.26 | - |
| Essar Power Transmission Company Limited | - | - | 0.86 | 0.63 |
| Essar Power Limited | - | - | 0.44 | - |
| Essar Infrastructure Uganda Limited | - | - | 0.32 | - |
| Essar Projects PNG Limited | - | - | - | 0.60 |
| Essar Oil and Gas Exploration and Production Limited | - | - | 3.20 | 1.12 |
| Essar Constructions India Limited | - | - | 1.50 | 0.80 |
| Essar Capital Advisory India Private Limited | - | - | 0.02 | 0.00 |
| Essar Power Gujarat Limited | - | - | 1.18 | 1.18 |

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₹ in Crores

| Nature of transaction | Subsidiary companies (including step-down subsidiaries) | | Entities under common control | |
|--|--|---------------|-------------------------------|---------------|
| | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
| Essar Capital Mauritius Limited | - | - | 2.83 | 1.17 |
| Essar Bulk Terminal (Salaya) Limited | - | - | 2.14 | - |
| Prajesh Realties Private Limited | - | - | - | 0.03 |
| Essar UK Services Private Limited | - | - | 0.08 | - |
| PT Manoor Bulatn Lestari | - | - | 0.46 | 0.24 |
| | 2.61 | 15.07 | 19.29 | 14.80 |
| Purchase of stock-in-trade | | | | |
| Black Box Corporation | 0.06 | 0.11 | - | - |
| Black Box Network Services Philippines Inc. | - | 0.07 | - | - |
| Black Box Network Services India Private Limited | 2.91 | 0.56 | - | - |
| Black Box Technologies Australia Pty Limited | 0.21 | 0.14 | - | - |
| | 3.18 | 0.88 | - | - |
| Lease rental income | | | | |
| Black Box Network Services India Private Limited | 1.16 | 1.10 | - | - |
| COPC India Private Limited | - | 0.01 | - | - |
| | 1.16 | 1.11 | - | - |
| Expenses reimbursement recoveries | | | | |
| Black Box Technologies Australia Pty Limited | 0.45 | 0.61 | - | - |
| Black Box Technologies Pte. Limited | 5.01 | 13.17 | - | - |
| Black Box Services LLC | - | 0.37 | - | - |
| AGC Networks LLC, Dubai | 0.82 | 0.87 | - | - |
| Black Box Network Services India Private Limited | 2.49 | 2.52 | - | - |
| | 8.77 | 17.54 | - | - |
| Commission received on corporate guarantee | | | | |
| Black Box Technologies Pte. Limited | - | 0.11 | - | - |
| | - | 0.11 | - | - |
| Issue of equity shares (including securities premium) | | | | |
| Essar Telecom Limited | - | - | - | 15.92 |
| Essar Steel Metal Trading Limited | - | - | - | 33.68 |
| | - | - | - | 49.60 |
| Money received against share warrants | | | | |
| Essar Telecom Limited | - | - | - | 12.04 |
| Essar Steel Metal Trading Limited | - | - | - | 25.26 |
| | - | - | - | 37.30 |
| Investment in equity shares | | | | |
| Black Box Technologies Pte. Limited | - | 39.68 | - | - |
| | - | 39.68 | - | - |
| Allowance for expected credit loss ** | 0.34 | - | 0.61 | 5.41 |
| | 0.34 | - | 0.61 | 5.41 |

*Sale of products and services represent invoices raised during the year and it also includes invoices where revenue recognition has been deferred.

** Company has adopted simplified approach under Ind AS 109 "Financial Instruments" for computing allowance for expected credit loss. Accordingly, it is not practicable to give entity-wise details



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Notes:

- Transactions up to the date of cessation/ from the date of establishment of related party relationship have been considered for disclosure.
- Foreign currency transactions are reported in INR using exchange rate at the transaction date.

(III) Amount due to/ from related parties (as at year-end)

₹ in Crores

| Nature of balances | Subsidiary companies (including step-down subsidiaries) | | Entities under common control | |
|--|---|---------------|----------------------------------|---------------|
| | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
| Amount payable by Company ** | | | | |
| Black Box Network Services India Private Limited | 0.97 | 0.79 | - | - |
| Black Box Services LLC | 0.07 | 0.07 | - | - |
| Black Box Corporation | 0.07 | 0.11 | - | - |
| Black Box Technologies Australia Pty Limited | - | 0.08 | - | - |
| Black Box Network Services Philippines Inc. | 0.07 | 0.07 | - | - |
| Black Box Technologies Pte. Limited | 1.35 | 1.33 | - | - |
| Black Box Network Services Singapore Pte Ltd | 0.07 | - | - | - |
| Essar Constructions India Limited | - | - | - | 0.19 |
| Essar Oil and Gas Exploration and Production Limited | - | - | 0.40 | - |
| Essar Steel Limited | - | - | 0.03 | 0.03 |
| Essar Telecom Limited | - | - | - | 0.10 |
| | 2.60 | 2.45 | 0.43 | 0.32 |
| Lease deposit payable | | | | |
| Black Box Network Services India Private Limited | 0.44 | 0.44 | - | - |
| | 0.44 | 0.44 | - | - |
| Trade receivables and contract assets # | | | | |
| Black Box Technologies Australia Pty Limited | 0.10 | 0.34 | - | - |
| Black Box Technologies Pte. Limited | 0.00 | 0.01 | - | - |
| AGC Networks Philippines, Inc. | 0.19 | 0.19 | - | - |
| AGC Networks LLC, USA | - | 1.06 | - | - |
| AGC Networks LLC, Dubai | 1.57 | 1.54 | - | - |
| AGC Networks & Cyber Solutions Limited | 0.09 | 0.09 | - | - |
| Black Box Network Services India Private Limited | 0.22 | 2.81 | - | - |
| Black Box Services LLC | 0.58 | 3.60 | - | - |
| Black Box Network Services (US) | 0.46 | - | - | - |
| Black Box Network Services (UK) Limited | - | 0.04 | - | - |
| Black Box Network Services Philippines Inc. | 0.13 | 0.02 | - | - |
| Black Box Network Services Singapore Pte Ltd | - | 0.03 | - | - |
| Black Box Corporation | 1.30 | 1.93 | - | - |
| Black Box Technologies LLC, Dubai | 0.74 | - | - | - |
| Black Box Products FZE | 0.31 | 0.07 | - | - |
| Essar Bulk Terminal (Salaya) Limited | - | - | 0.03 | - |
| AMNS Ports Hazira Limited | - | - | - | 1.03 |
| Essar Oil UK Limited | - | - | 1.88 | 1.32 |
| AMNS Power Hazira Limited | - | - | - | 0.22 |

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₹ in Crores

| Nature of balances | Subsidiary companies (including step-down subsidiaries) | | Entities under common control | |
|--|--|---------------|-------------------------------|---------------|
| | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
| | Essar Projects Limited | - | - | 0.68 |
| Essar Power Gujarat Limited | - | - | 0.13 | 0.59 |
| Essar Constructions India Limited | - | - | 0.69 | 1.51 |
| Essar Oil and Gas Exploration and Production Limited | - | - | - | 0.39 |
| Essar Power Transmission Company Limited | - | - | - | 0.01 |
| Essar Power Limited | - | - | 0.09 | - |
| Essar Projects PNG Limited | - | - | 0.10 | 0.60 |
| EPC Constructions India Limited | - | - | 5.71 | 5.71 |
| Essar Infrastructure Uganda Limited | - | - | 0.03 | - |
| Essar Minmet Limited | - | - | 0.00 | - |
| Mesabi Metallica Company LLC | - | - | 1.31 | 2.88 |
| Essar Capital Advisory India Private Limited | - | - | - | 0.02 |
| Essar Capital Mauritius Limited | - | - | 0.03 | - |
| Essar UK Services Private Limited | - | - | 0.02 | - |
| Essar Vizag Terminals Limited | - | - | 0.26 | 0.02 |
| Prajesh Realities Private Limited | - | - | 0.01 | 0.01 |
| PT Manoor Bulatn Lestari | - | - | 0.49 | 0.08 |
| | 5.69 | 11.73 | 11.46 | 15.87 |
| Advances and other receivables | | | | |
| Black Box Technologies Australia Pty Limited | 0.23 | 0.19 | - | - |
| Black Box Technologies Pte. Limited | 13.81 | 14.54 | - | - |
| AGC Networks Philippines, Inc. | 0.15 | 0.77 | - | - |
| AGC Networks LLC, USA | 2.29 | 2.19 | - | - |
| AGC Networks LLC, Dubai | 0.93 | 0.88 | - | - |
| AGC Networks & Cyber Solutions Limited | 0.79 | 0.78 | - | - |
| Black Box Network Services Philippines Inc. | 0.02 | 0.06 | - | - |
| Black Box Network Services India Private Limited | 8.18 | 9.37 | - | - |
| | 26.40 | 28.78 | - | - |

Notes:

- Foreign currency balances (other than advances) are reinstated in INR using year end exchange rate.
- Investments (as at balance sheet date) in share capital of related parties of the Company is not considered under 'Amount due to/ from related parties (as at year-end)' as these are not considered 'outstanding' exposures.
- All the amounts due to/ from related parties (as at year-end) are unsecured.
- All the amounts due to/ from related parties (as at year-end), other than advances, will be cash-settled. Goods or services will be received/ provided against the advance given/ taken.

** These amounts include trade payables, advance from customers and excess money received from warrant holders

Amount disclosed is gross carrying value before considering impact of allowance for expected credit loss



Summary of Material Accounting Policies and Other Explanatory Information

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(IV) Key Management Personnel ('KMP') compensation:

The following table provides the total amount of transactions that have been entered into with KMP for the relevant financial year:

During the year, Nil (31 March 2023: Nil) ESOPs are granted to KMP and Nil (31 March 2023: Nil) ESOPs granted to KMP have lapsed.

| Particulars | ₹ in Crores | |
|---|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| (i) Short term employee benefits | 1.63 | 1.69 |
| (ii) Post employment benefits | - | - |
| (iii) Other long term benefits (refer note 1 below) | - | - |
| (iv) Termination benefits | - | - |
| (v) Share based payment | 0.23 | 0.33 |
| Payable as at year end | - | - |

Notes:

- The remuneration to the KMP does not include the provisions made for gratuity and compensated absences, as they are determined on an actuarial basis for the Company as a whole.
- No remuneration has been paid to Mr. Sanjeev Verma, Whole-time Director during the years ended 31 March 2024 and 31 March 2023 through Company.
- Company has paid the remuneration to its directors during the year in accordance with the provision of and limits laid down under section 197 read with Schedule V to the Act.

(V) There are no commitments with any related party during the year or as at year end.

(VI) All the related party transactions are made on terms equivalent to those that prevail in an arm's length transaction, for which prior approval of Audit Committee was obtained during the years ended 31 March 2024 and 31 March 2023.

36 Contingent liabilities and capital commitments

(A) Contingent liabilities

| | Footnote | ₹ in Crores | |
|--|----------|---------------|---------------|
| | | 31 March 2024 | 31 March 2023 |
| I] Claims against the Company not acknowledged as debt | (a) | 0.60 | 0.60 |
| II] Other money for which the Company is contingently liable | | | |
| (A) In respect of disputed demands for matters under appeal with | (b) | | |
| (a) Income tax authorities * | | 6.33 | 6.88 |
| (b) Service tax * | | 3.70 | 4.20 |
| (c) Sales tax authorities * | | 10.80 | 10.80 |
| (B) Form-F pending receipt | (c) | 0.83 | 0.83 |

Notes:

- The Company is contesting all of the above demands in respect of Income tax, Service tax and Sales tax and the management believes that its positions are likely to be upheld at the appellate stage. No expense has been accrued in the standalone financial statements for the aforesaid demands. The management believes that the ultimate outcome

Summary of Material Accounting Policies and Other Explanatory Information

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of these proceedings are not expected to have a material adverse effect on the Company's financial position and results of operations and hence no provision has been made in this regard.

2. It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.
3. The amounts disclosed above represent the best possible estimates arrived at on the basis of available information and do not include any penalty payable.
4. The Company does not expect any reimbursements in respect of the above contingent liabilities.
5. Refer note 46 for penalty unascertained on account of non-compliance with provisions of Foreign Exchange Management Act, 1999.

* Amount outstanding as at balance sheet date represents gross demand raised by the tax authorities, as amount paid under protest is not charged to the standalone statement of profit and loss by the Company

Footnotes:

- (a) It represents demand raised by vendor for remaining outstanding amount which is disputed by Company over non-performance of certain duties by vendor under the contract.
- (b) It represents demands raised by direct and indirect tax authorities on various grounds, which are contested by the Company.
- (c) It represents demand raised by sales tax authorities for non submission of Form F.

(B) Capital commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for is ₹ Nil (31 March 2023: ₹ Nil).

For lease commitment, refer note 40

37 Details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

Trade payables include:

| | ₹ in Crores | |
|---|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Total outstanding dues of micro enterprises and small enterprises | 6.94 | 14.43 |

Details of amounts due under the MSMED Act, 2006 are as under:

| | | ₹ in Crores | |
|---|--------------|--------------|--------------|
| 1) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year. | a) Principal | 4.43 | 12.71 |
| | b) Interest | 2.51 | 1.72 |
| | Total | 6.94 | 14.43 |
| 2) The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year. | a) Principal | 35.61 | 72.79 |
| | b) Interest | - | - |
| | Total | 35.61 | 72.79 |



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₹ in Crores

| | | | | | | | |
|--|---|---------------------------|------|------|--------------------------|------|------|
| <p>3) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.</p> <p>4) The amount of interest accrued and remaining unpaid at the end of the year.</p> <p>5) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006.</p> | <table border="1" style="width: 100%;"> <tr> <td style="width: 70%;">a) Total Interest accrued</td> <td style="width: 15%; text-align: right;">0.79</td> <td style="width: 15%; text-align: right;">1.27</td> </tr> <tr> <td>b) Total Interest unpaid</td> <td style="text-align: right;">2.51</td> <td style="text-align: right;">1.72</td> </tr> </table> <p>Includes ₹ 1.72 Crores (31 March 2022: ₹ 1.75 Crores) being interest on dues outstanding to MSMEs as at 31 March 2023 beyond the appointed date. Company has made payment to certain MSMEs during the current year beyond the appointed date. Such payments were made without adding interest specified under MSMED Act, 2006. Out of the aforementioned amount, ₹ Nil (31 March 2023: ₹ 1.30 Crores) has been reversed to the standalone statement of profit and loss on the basis of No Objection Certificate received from certain MSMEs.</p> | a) Total Interest accrued | 0.79 | 1.27 | b) Total Interest unpaid | 2.51 | 1.72 |
| a) Total Interest accrued | 0.79 | 1.27 | | | | | |
| b) Total Interest unpaid | 2.51 | 1.72 | | | | | |

The management has identified enterprises which qualify under the definition of micro enterprises and small enterprises, as defined under the MSMED Act, 2006. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at year end has been made in the standalone financial statements based on the information received and available with the Company and has been relied upon by the statutory auditors.

38 Financial Instruments

38.1 a) Categories of financial instruments

₹ in Crores

| | Carrying value and fair value | |
|---|-------------------------------|------------------------|
| | As at 31 March 2024 | As at 31 March 2023 |
| Financial assets (other than investment in subsidiary) | | |
| Measured at amortised cost | | |
| Non-current | | |
| (a) Other financial assets | 14.22 | 11.78 |
| Current | | |
| (a) Trade receivables | 97.29 | 118.52 |
| (b) Cash and cash equivalents | 0.02 | 0.05 |
| (c) Bank balances other than cash and cash equivalents | 0.24 | 1.23 |
| (d) Other financial assets | 23.52 | 24.79 |
| Financial liabilities | | |
| Measured at amortised cost | | |
| Non-current | | |
| (a) Borrowings | 0.45 | 0.62 |
| (b) Lease liabilities | 23.14 | 26.89 |
| (c) Other financial liabilities | 0.27 | 0.25 |
| Current | | |
| (a) Borrowings | 11.55 | 23.61 |
| (b) Lease liabilities | 3.81 | 3.49 |
| (c) Trade payables | 95.55 | 101.72 |
| (d) Other financial liabilities | - | 1.03 |

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b) Fair value hierarchy and method of valuation

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

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

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data (unobservable inputs).

There have been no transfer amongst the levels of fair value hierarchy during the year.

For assets and liabilities that are recognised in the standalone 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 fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions are used to estimate the fair values:

1. Fair value of cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, trade payables, other current financial assets/ liabilities and short term borrowings approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments are evaluated by the Company based on parameters such as individual credit worthiness of the counter-party. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.
3. The fair values for finance lease contracts were calculated based on cash flows discounted using market interest rate on the date of initial recognition and fair values for deposits were calculated based on cash flows discounted using market interest rate on the date of initial recognition and subsequently on each reporting date. The lease liability is initially recognised at the present value of the future lease payments and is discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates and subsequently measured at amortised cost.
4. Fair value of long term borrowings approximate their carrying amounts due to the fact that no upfront fees is paid as compensation to secure the borrowing and the interest rate is equal to the market interest rate.

Details of financial assets and liabilities considered under Level 3 classification

| | ₹ in Crores | |
|---|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Net investment in finance lease | | |
| Balance at the beginning of the year | 10.15 | 7.22 |
| Additions during the year | - | 3.72 |
| Lease receipts during the year | (1.16) | (1.66) |
| Income recognised in profit or loss (unwinding of interest) | 1.09 | 0.87 |
| Balance at the end of the year (Gross) | 10.08 | 10.15 |
| Expense recognised in profit or loss (allowance for expected credit loss) | (0.24) | (3.14) |
| Carried forward balance of allowance for expected credit loss | (3.14) | - |
| Balance at the end of the year (net) | 6.70 | 7.01 |



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38.2 Financial risk management objectives and policies

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance. The Company's management oversees these risks and formulates the policies which are reviewed and approved by the Board of Directors and Audit Committee. Such risks are summarised below:

a) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market prices. The primary market risk to the Company is currency risk and interest risk.

Interest 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 exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations.

Exposure to interest risk

| Particulars | ₹ in Crores | |
|----------------------------------|------------------------|------------------------|
| | As at 31 March 2024 | As at 31 March 2023 |
| Fixed-rate instruments | | |
| Term loan | 0.62 | 0.78 |
| Variable-rate instruments | | |
| Cash credit facilities | 11.38 | 23.45 |
| Total | 12.00 | 24.23 |

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected. With all other variables held constant, the Company's profit or loss before tax and Company's equity is affected through the impact on floating rate borrowings, as follows:

| Particulars | ₹ in Crores | | | |
|---|---------------|---------------|---|---------------|
| | Equity | | Gain / (loss) on profit or loss before tax | |
| | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
| Interest rate increase by 50 basis points | 0.06 | 0.12 | (0.06) | (0.12) |
| Interest rate decrease by 50 basis points | (0.06) | (0.12) | 0.06 | 0.12 |

b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises from cash and cash equivalents, bank balances other than cash and cash equivalents, other financial assets as well as credit exposures to customers including outstanding receivables and contract assets. The maximum exposure to credit risk is equal to the carrying value of the financial assets.

Trade receivables and contract assets

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, forward looking macroeconomic information, analysis of historical bad debts

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and ageing of accounts receivables. Individual risk limits are set accordingly. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer including the default risk of the industry and country in which the customer operates also has an influence on credit risk assessment.

The expected credit loss rates are based on the payment profiles of sales over a period of 36 months before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macro-economic factors affecting the ability of the customers to settle the receivables. The Company recognises lifetime expected losses for all trade receivables and contract assets that do not constitute a financing component.

The Company has no concentration of credit risk as the customer base is widely distributed both economically and geographically. There is one customer contributing 13% of outstanding trade receivables and contract assets as at 31 March 2024 (31 March 2023: No such customer contributing more than 10% of outstanding trade receivables and contract assets), however it is a reputed organisation and credit risk is minimal with no history of dispute/ non-recovery.

Outstanding customer receivables and contract assets are regularly monitored.

Other financial assets

The Company periodically monitors the recoverability and credit risks of its other financial assets. The Company evaluates 12 months expected credit losses for all the financial assets for which credit risk has not increased significantly. In case credit risk has increased significantly, the Company considers life time expected credit losses for the purpose of impairment provisioning.

The Company has considered financial condition, current economic trends, forward looking macroeconomic information, analysis of historical bad or doubtful receivables and ageing of receivables related to cash and cash equivalents, bank balances other than cash and cash equivalents, margin deposits, security deposits, finance lease assets and other financial assets. In most of the cases, risk is considered low since the counterparties are reputed organisations with no history of default to the Company and no unfavourable forward looking macro economic factors. Wherever applicable, expected credit loss allowance is recorded (refer notes 7, 8 and 12).

The following table gives details in respect of geography-wise trade receivables and contract assets (gross):

| Particulars | ₹ in Crores | | | |
|------------------|---------------|---------------|---------------|---------------|
| | As at | | In % | |
| | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
| India | 172.83 | 178.82 | 94% | 92% |
| Other than India | 10.20 | 15.90 | 6% | 8% |

Expected credit loss for trade receivables

| As at 31 March 2024 | ₹ in Crores | | | | |
|-----------------------------|--------------|--------------|-------------|-------------------|-----------------|
| | 0-30 days | 31-60 days | 61-90 days | More than 90 days | Credit impaired |
| Trade receivables | 36.66 | 28.75 | 9.08 | 93.10 | 1.29 |
| Expected loss rates | 0.00% | 0.00% | 3.41% | 75.18% | 100.00% |
| Expected credit loss | - | - | 0.31 | 69.99 | 1.29 |



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| ₹ in Crores | | | | | |
|--|--------------|--------------|-------------|-------------------|-----------------|
| As at 31 March 2023 | 0-30 days | 31-60 days | 61-90 days | More than 90 days | Credit impaired |
| Gross trade receivables | 54.53 | 11.04 | 8.91 | 115.79 | 1.70 |
| Less: Trade receivables from group companies | 6.82 | 1.96 | 2.74 | 16.08 | - |
| Net trade receivables | 47.71 | 9.08 | 6.17 | 99.71 | 1.70 |
| Expected loss rates | 0.00% | 0.00% | 1.72% | 71.85% | 100.00% |
| Expected credit loss | - | - | 0.11 | 71.64 | 1.70 |

The following table summarises the change in the loss allowance measured using expected credit loss model on trade receivables:

| ₹ in Crores | | |
|-------------------------------------|---------------|---------------|
| Particulars | 31 March 2024 | 31 March 2023 |
| At the beginning of the year | 73.45 | 69.17 |
| Provision made during the year | 5.60 | 6.91 |
| Provision reversed during the year | (7.46) | (2.63) |
| At the end of the year | 71.59 | 73.45 |

The following table gives details in respect of percentage of revenues generated from top customer and top five customers:

| Particulars | 31 March 2024 | 31 March 2023 |
|---------------------------------|---------------|---------------|
| Revenue from top customer | 9% | 5% |
| Revenue from top five customers | 24% | 16% |

Expected credit loss for contract assets

| ₹ in Crores | | | | |
|--------------------------------|-------------|-------------|-------------|-------------------|
| As at 31 March 2024 | 0-30 days | 31-60 days | 61-90 days | More than 90 days |
| Contract assets (Gross) | 0.33 | 0.52 | 0.04 | 13.26 |
| Expected loss rates | 0.00% | 0.00% | 0.00% | 1.06% |
| Expected credit loss | - | - | - | 0.14 |

| ₹ in Crores | | | | |
|--------------------------------|-------------|-------------|-------------|-------------------|
| As at 31 March 2023 | 0-30 days | 31-60 days | 61-90 days | More than 90 days |
| Contract assets (Gross) | 1.57 | 1.01 | 0.17 | - |
| Expected loss rates | 0.00% | 0.00% | 0.00% | 0.00% |
| Expected credit loss | - | - | - | - |

No loss allowance was required on contract assets during the year ended 31 March 2023. Also, no loss allowance was reversed on contract assets during the year ended 31 March 2024 and 31 March 2023.

The Company does not require collateral in respect of trade receivables, contract assets and finance lease receivables. Also, there are no such receivables for which no loss allowance is recognised because of collateral.

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c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. Also, the Company has unutilized credit limits with banks. The Company manages its liquidity needs by monitoring scheduled debt servicing payments for financial liabilities as well as forecast cash inflow and outflows due in day to day business. In addition, processes and policies related to such risks are overseen by senior management. The Company's management monitors the net liquidation position through rolling forecast on the basis of expected cash flows.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2024 and 31 March 2023 on undiscounted basis:

Maturity profile of financial liabilities

| ₹ in Crores | | | | | |
|-----------------------------|--------------|--------------------|-------------------|----------------------|---------------|
| As at 31 March 2024 | On demand | Less than one year | One to five years | More than five years | Total |
| Borrowings | 11.38 | 0.17 | 0.45 | - | 12.00 |
| Lease liabilities | - | 8.25 | 19.78 | 11.60 | 39.63 |
| Trade payables | - | 95.55 | - | - | 95.55 |
| Other financial liabilities | - | - | 0.44 | - | 0.44 |
| Total | 11.38 | 103.97 | 20.67 | 11.60 | 147.62 |

| ₹ in Crores | | | | | |
|-----------------------------|--------------|--------------------|-------------------|----------------------|---------------|
| As at 31 March 2023 | On demand | Less than one year | One to five years | More than five years | Total |
| Borrowings | 23.45 | 0.16 | 0.62 | - | 24.23 |
| Lease liabilities | - | 7.95 | 20.79 | 15.32 | 44.06 |
| Trade payables | - | 101.72 | - | - | 101.72 |
| Other financial liabilities | - | 1.03 | 0.44 | - | 1.47 |
| Total | 23.45 | 110.86 | 21.85 | 15.32 | 171.48 |

The Company has undrawn ₹ 2.90 Crores (31 March 2023: ₹ 8.55 Crores) credit line facility that is secured (refer note 21) and can be drawn down to meet short-term financing needs. Interest would be payable at a rate mutually agreed with banks at the time of drawdown.

38.3 Foreign currency risk

The Company's exposure to risk of change in foreign currency exchange rates arising from foreign currency transactions, is primarily with respect to the currencies which are not fixed. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the functional currency of the Company. The Company procures/ sell goods and services in their functional currency and in case of imports/ exports, it primarily deals in United States Dollars ('US\$ ') and Great Britain Pound ('GBP').

The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies. There are earnings from customers in foreign currency which act as a natural hedge against foreign currency risk.



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The Company's exposure to foreign currency risk at the end of the reporting period are as under:

| Particulars | 31 March 2024 | | | | 31 March 2023 | | | |
|---|----------------------------------|-------------|--------------|-------------|----------------------------------|-------------|--------------|-------------|
| | In foreign currency (in million) | | ₹ in Crores | | In foreign currency (in million) | | ₹ in Crores | |
| | US\$ | GBP | US\$ | GBP | US\$ | GBP | US\$ | GBP |
| Financial assets | | | | | | | | |
| Trade receivables (gross) | - | 0.10 | - | 1.00 | 1.32 | 0.13 | 10.83 | 1.32 |
| Receivable from related parties | 3.12 | 0.18 | 25.97 | 1.87 | 2.83 | - | 23.23 | - |
| Other receivables | - | - | - | - | 0.01 | - | 0.11 | - |
| Exposure to foreign currency risk on financial assets | 3.12 | 0.28 | 25.97 | 2.87 | 4.16 | 0.13 | 34.17 | 1.32 |
| Financial liabilities | | | | | | | | |
| Trade payables | 0.42 | - | 3.46 | - | 0.69 | - | 5.67 | - |
| Provision for expenses * | 0.03 | - | 0.28 | - | 0.04 | - | 0.32 | - |
| Exposure to foreign currency risk on financial liabilities | 0.45 | - | 3.74 | - | 0.73 | - | 5.99 | - |
| Net exposure to foreign currency risk | 2.67 | 0.28 | 22.23 | 2.87 | 3.43 | 0.13 | 28.18 | 1.32 |

Company has accumulated net exposure to foreign currency risk amounting to ₹ 25.10 Crores (31 March 2023: ₹ 29.50 Crores).

* Includes provision for expenses, billing of which is pending as at reporting date and will be billed in currency other than presentation currency. These are forming part of trade payables.

Sensitivity to foreign currency risk

The following table demonstrates the sensitivity in the US\$ and GBP with all other variables held constant. The below impact on the Company's profit or loss before tax and Company's equity is based on changes in the fair value of unhedged foreign currency monetary assets and liabilities as at standalone balance sheet date:

| Particulars | ₹ in Crores | | | |
|-------------------------|------------------|---------------|---|---------------|
| | Impact on equity | | Impact on profit or loss for the year ended | |
| | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
| US\$ sensitivity | | | | |
| INR / US\$ | | | | |
| Increase by 5% | (1.11) | (1.41) | 1.11 | 1.41 |
| Decrease by 5% | 1.11 | 1.41 | (1.11) | (1.41) |
| GBP sensitivity | | | | |
| INR / GBP | | | | |
| Increase by 5% | (0.14) | (0.07) | 0.14 | 0.07 |
| Decrease by 5% | 0.14 | 0.07 | (0.14) | (0.07) |

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39 Capital management

The Company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

Gearing ratio:

| Particulars | ₹ in Crores | |
|--|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Borrowings | 12.00 | 24.23 |
| Less: Cash and cash equivalents and bank balances other than cash and cash equivalents | 0.26 | 1.28 |
| Net debt # | 11.74 | 22.95 |
| Total equity | 314.46 | 329.20 |
| Total capital | 314.46 | 329.20 |
| Gearing ratio (in %) | 4% | 7% |

Net debt for the above purpose includes borrowings, interest accrued on borrowings net of cash and cash equivalents and bank balances other than cash and cash equivalents.

There are no externally imposed capital requirements on the Company.

40 Leases

Company as lessee

- a) The Company's leased assets primarily consist of leases for office premises, furniture, computer and servers having different lease terms. There are several lease agreements with extension and termination options, for which management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised. Since it is reasonably certain to exercise extension option and not to exercise termination option, the Company has opted to include such extended term and ignore termination option in determination of lease term. Further, Company is not exposed to any variable lease payments or residual value guarantee.

| Particulars | ₹ in Crores | |
|---|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Depreciation of ROU assets | 4.27 | 3.88 |
| Interest expense on lease liabilities | 3.53 | 3.82 |
| Expense relating to short term leases | 0.05 | 0.01 |
| Income from subleasing ROU assets (operating lease) | 0.08 | 0.06 |
| Total cash outflow for leases (including interest) | 7.03 | 6.77 |
| Additions to ROU assets | 0.10 | 2.94 |



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c) Amounts recognised in standalone balance sheet:

| | ₹ in Crores | |
|--------------------------------------|------------------------|------------------------|
| | As at 31 March 2024 | As at 31 March 2023 |
| Carrying amount of ROU assets | | |
| - Buildings | 13.08 | 16.23 |
| - Furniture | 3.10 | 3.52 |
| - Computer and servers | 2.07 | 2.67 |
| Lease liabilities | | |
| Non-current | 23.14 | 26.89 |
| Current | 3.81 | 3.49 |

The incremental borrowing rate applied to lease liabilities ranges from 12.14% to 14.00% p.a. (31 March 2023: 12.14% to 14.00% p.a.)

d) The details regarding the contractual maturities of lease liabilities as at reporting date on an undiscounted basis are as follows:

| | ₹ in Crores | |
|-------------------|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Within 3 months | 2.12 | 2.03 |
| 3-6 months | 2.07 | 1.96 |
| 6-12 months | 4.06 | 3.96 |
| 1-3 years | 9.90 | 12.27 |
| 3-5 years | 9.88 | 8.52 |
| More than 5 years | 11.60 | 15.32 |

Company as lessor

- e) The Company has entered into finance leases on its office premise and specific inventory items. These leases have term of four to ten years. The lease contract includes a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions. Rental income (including unwinding of interest) recognised by the Company during the year is ₹ 2.25 Crores (31 March 2023: ₹ 1.98 Crores). Further, wherever applicable, lessee is reasonably certain to exercise extension option and not to exercise termination option, hence the Company has opted to include such extended term and ignore termination option in determination of lease term. Further, Company has not retained any right in underlying asset.

| | ₹ in Crores | |
|--|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Particulars | | |
| Net investment in finance lease (net carrying value) | 6.70 | 7.01 |
| Finance income on the net investment in the lease | 1.09 | 0.87 |

g) Maturity profile of finance lease payments receivable on an undiscounted basis:

| | ₹ in Crores | |
|------------------|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Less than 1 year | 1.20 | 1.16 |
| 1-2 years | 1.26 | 1.20 |
| 2-3 years | 1.32 | 1.26 |
| 3-4 years | 1.39 | 1.32 |

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| | ₹ in Crores | |
|-------------------|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| 4-5 years | 1.46 | 1.39 |
| More than 5 years | 3.76 | 5.22 |

h) Reconciliation between undiscounted lease payments receivable and net investment in finance lease

| | ₹ in Crores | |
|--|---------------|---------------|
| Particulars | 31 March 2024 | 31 March 2023 |
| Undiscounted lease payments receivable | 10.39 | 11.55 |
| Less: Interest income | (3.69) | (4.54) |
| Net investment in finance lease | 6.70 | 7.01 |

Notes:

- The Company has not earned gain or incurred loss from sale and lease back transaction.
- There are no significant restrictions or covenants imposed on leases.

41 Revenue from contracts with customers

The outstanding balance of net trade receivables is presented in below table:

| | ₹ in Crores | |
|-------------------------|------------------------|------------------------|
| Particulars | As at 31 March 2024 | As at 31 March 2023 |
| Trade receivables (net) | 97.29 | 118.52 |

a) Performance obligations:

The performance obligation of Company is satisfied at a point in time or over the period of time depending on the nature of products and services provided.

- Revenue from sale of products:** It includes unified and voice communication solutions, IP Phones, data products, video conferencing products and cyber security solutions. It also includes leasing of specific inventory item. Revenue is recognised at a point in time, which is generally on the delivery of product (performance obligation is satisfied).
- Revenue from implementation contracts:** It includes implementation services on products (including installation and commissioning). Revenue is recognised in the accounting period in which services are rendered, as the performance obligations are met.
- Revenue from maintenance contracts:** Revenue from fixed maintenance contracts is recognised based on time elapsed and revenue is straight lined over the period of the performance or on the performance of services as specified in the contract.

b) Changes in contract liabilities are as follows:

| | ₹ in Crores | |
|--|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Balance at the beginning of the year | 18.81 | 14.43 |
| Net revenue recognised that was included in the balance at the beginning of the year | (12.29) | (14.18) |
| Net invoicing during the year, excluding amounts recognised as revenue during the year | 6.46 | 18.56 |
| Balance at the end of the year | 12.98 | 18.81 |



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For movement in advance from customers, refer note 20

c) Changes in contract assets are as follows:

| | ₹ in Crores | |
|--|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Balance at the beginning of the year | 2.75 | - |
| Invoices raised that were included in the contract assets balance at the beginning of the year | (2.75) | - |
| Increase due to revenue recognised during the year, excluding amounts billed during the year | 14.15 | 2.75 |
| Allowance for expected credit loss | (0.14) | - |
| Balance at the end of the year | 14.01 | 2.75 |

d) Timing of revenue recognition:

| | ₹ in Crores | |
|--------------------------------|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Transferred at a point in time | 337.35 | 303.20 |
| Transferred over time | 37.80 | 53.71 |

e) Remaining performance obligation

As at 31 March 2024, the aggregate amount of transaction price allocated to remaining performance obligations is ₹ 12.98 Crores (31 March 2023: ₹ 18.81 Crores) of which approximately 78% (31 March 2023: 65%) is expected to be recognised as revenue within one year.

f) Company does not have any significant obligations for returns and refunds. For type of warranties, refer note 18(a).

g) Contracts do not have a significant financing component and contracts do not have an element of variable consideration.

42 Disclosure under section 186(4) of the Act

| | ₹ in Crores | |
|-------------------------------------|---------------|---------------|
| Name of subsidiary | 31 March 2024 | 31 March 2023 |
| Black Box Technologies Pte. Limited | | |
| Investment made during the year | - | 39.68 |

43 As per Ind AS 12 "Income Taxes", a deferred tax asset ('DTA') shall be recognised for the carry forward of unused tax loss, unused tax credits and taxable timing differences to the extent it is probable that future taxable profit will be available against which the unused tax loss, unused tax credits and taxable timing differences can be utilised. Accordingly, DTA has been recognised only to the extent of deferred tax liability.

44 As per the transfer pricing rules, the Company has examined international transactions and documentation in respect thereof to ensure compliance with the said rules. The management does not anticipate any material adjustments with regard to the transactions involved, other than those already adjusted in the standalone financial statements, if any.

45 Corporate social responsibility ('CSR')

As per section 135 of the Act, and rules therein, the Company is required to spend at least 2% of its average net profits for three immediately preceding financial years towards CSR activities. The Company has CSR committee as per the

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Act. The funds are utilised on the activities which are specified in Schedule VII of the Act. Details of CSR expenditure are as follows:

| Particulars | ₹ in Crores | |
|---|---|----------------|
| | 31 March 2024 | 31 March 2023 |
| a) Gross amount required to be spent by the Company pursuant to section 135(5) of the Act | 0.06 | 0.02 |
| b) Amount of expenditure incurred on | | |
| (i) Construction/ acquisition of any asset | - | - |
| (ii) On purpose other than (i) above | 0.08 | 0.03 |
| c) Shortfall at the end of the year | - | - |
| d) Total of previous years shortfall | - | - |
| e) Reason for shortfall | Not applicable | Not applicable |
| f) Nature of CSR activities | <p>For financial year ended 31 March 2024</p> <ol style="list-style-type: none"> Job entrepreneurship and empowerment training for disabled patients Urban Conventional Plantation <p>For financial year ended 31 March 2023</p> <p>Job entrepreneurship and empowerment training for disabled patients</p> | |

The Company's spend towards CSR does not involve any long term projects and accordingly, disclosure requirements relating to ongoing projects is not applicable as at reporting dates.

46 The outstanding balance of trade payables, other current liabilities, trade receivables and other financial assets as at 31 March 2024 includes amount payable and advances received aggregating to ₹ 3.02 Crores (31 March 2023: ₹ 3.28 Crores) and ₹ 0.07 Crores (31 March 2023: ₹ Nil), respectively and amount receivable aggregating to ₹ 3.48 Crores (31 March 2023: ₹ 6.02 Crores) and ₹ 13.06 Crores (31 March 2023: ₹ 11.80 Crores), respectively, to/ from the companies situated outside India. These balances are pending for settlement and have resulted in delay in remittance/ collection beyond the timeline stipulated under the Foreign Exchange Management Act, 1999. The Company has filed necessary application with AD Category – I bank ('AD Bank') for extension of time limit on payables aggregating to ₹ 2.77 Crores (31 March 2023: ₹ 2.71 Crores) during the current year and on payables aggregating to ₹ 0.25 Crores (31 March 2023: ₹ 0.24 Crores) subsequent to 31 March 2024. For the remaining payables of ₹ Nil (31 March 2023: ₹ 0.33 Crores) and advances amounting to ₹ 0.07 Crores (31 March 2023: ₹ Nil) where extension has not been filed, management of the Company is planning to approach AD Bank or RBI with write off request. Similarly, the Company has filed application with AD Bank for extension of time limit for the aforementioned receivables aggregating to ₹ 9.72 Crores (31 March 2023: ₹ 15.43 Crores) during the current year and on receivables aggregating to ₹ 6.82 Crores (31 March 2023: ₹ 2.39 Crores) subsequent to 31 March 2024. For all the relevant cases, approval is pending from AD Bank.

Pending conclusion of the aforesaid matter, the amount of penalty, if any, that may be levied, is not ascertainable but not expected to be material and accordingly, the standalone financial statements does not include any adjustments that may arise due to such delays.

47 The MCA has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules, 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature



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of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

During the current year, the Company has used an accounting software SAP S/4 Hana which has a feature of recording audit trail (edit log) facility. The audit log facility was operated at the application level throughout the year. However, the audit trail (edit logs) feature for any direct changes made at the database level was not enabled for the said accounting software.

48 Financial ratios

The ratios for the years ended 31 March 2024 and 31 March 2023 are as follows :

| Particulars | Numerator | Denominator | ₹ in Crores | | |
|---|--------------------------------------|--------------------------------------|---------------|---------------|-----------------|
| | | | 31 March 2024 | 31 March 2023 | Variance (in %) |
| Current ratio (in times) | Current assets | Current liabilities | 1.36 | 1.30 | 3.96 % |
| Debt-equity ratio (in times) | Debt | Net worth | 0.04 | 0.07 | (48.15)% |
| Debt service coverage ratio (in times) | Earnings available for debt service | Debt service | 0.50 | 0.91 | (45.46)% |
| Return on equity ratio (in %) | Profit for the year | Average net worth | (4.66) | 1.90 | (344.84)% |
| Inventory turnover ratio (in times) | Cost of goods sold | Average inventory | 13.05 | 17.49 | (25.38)% |
| Trade receivables turnover ratio (in times) | Revenue from contracts with customer | Average net trade receivables | 3.48 | 3.55 | (2.10)% |
| Trade payables turnover ratio (in times) | Net purchases | Average trade payables | 2.99 | 2.85 | 4.63 % |
| Net capital turnover ratio (in times) | Revenue from contracts with customer | Working capital | 8.20 | 7.88 | 4.10 % |
| Net profit ratio (in %) | Profit for the year | Revenue from contracts with customer | (3.99) | 1.64 | (344.01)% |
| Return on capital employed (in %) | EBIT | Capital employed | (2.35) | 3.26 | (172.20)% |
| Return on investment (in %) | Profit before tax | Average total assets | (0.22) | 1.19 | (118.79)% |

Notes:

- Debt = Non current borrowings + Current borrowings
- Net worth = Paid up share capital + Reserves created out of profit - Accumulated losses
- Earnings available for debt service = Net profit after tax (excluding OCI) + Non cash operating expenses + Interest expenses
- Debt service = Interest expenses + Lease payment within next 12 months + Principal repayment of borrowings within next 12 months
- Cost of goods sold = Purchases of stock-in-trade + Changes in inventories of work-in-progress and stock-in-trade
- Net purchases = Purchases of stock-in-trade + Service charges
- Working capital = Current assets - Current liabilities
- EBIT = Earnings before finance costs, other income and tax
- Capital employed = Tangible net worth (i.e., net worth - intangible assets) + total borrowings + deferred tax liabilities

Reason for variance of more than 25% as compared to the previous year :

Debt-Equity ratio : Decrease due to repayment of borrowings during the year.

Debt service coverage ratio : Adverse due to current year net loss.

Return on equity ratio : Adverse due to current year net loss.

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Inventory turnover ratio : Reduced due to procurement of inventory during year end in anticipation of higher demand.

Net profit ratio : Adverse due to current year net loss.

Return on capital employed : Adverse due to current year lower EBIT.

Return on investment : Adverse due to current year net loss.

49 Borrowing secured against current assets

The Company has sanctioned borrowings/ facilities from banks on the basis of security of current assets. The quarterly returns or statements of trade receivables and inventory are filed by the Company with banks regularly and the required reconciliation is presented below. Company is not required to submit the quarterly returns or statements of other current assets which are pledged.

For the year ended 31 March 2024

₹ in Crores

| Quarter ended | Particulars | Amount as per books of account of the Company | Amount as reported in the quarterly return / statement | Amount of difference | Reason for material discrepancies |
|-------------------|---------------------|---|--|----------------------|---|
| 31 March 2024 | Trade receivables * | 89.74 | 89.74 | - | Difference is majorly on account of recording of inventory at customer site pending installation during finalisation of accounts. |
| | Inventory | 13.58 | 10.55 | 3.03 | |
| 31 December 2023 | Trade receivables * | 78.33 | 78.33 | - | No material discrepancy |
| | Inventory | 9.98 | 10.01 | (0.03) | |
| 30 September 2023 | Trade receivables * | 73.45 | 73.45 | - | No material discrepancy |
| | Inventory | 13.76 | 13.80 | (0.04) | |
| 30 June 2023 | Trade receivables * | 85.32 | 85.32 | - | No material discrepancy |
| | Inventory | 12.95 | 13.21 | (0.26) | |

For the year ended 31 March 2023

₹ in Crores

| Quarter ended | Particulars | Amount as per books of account of the Company | Amount as reported in the quarterly return / statement | Amount of difference | Reason for material discrepancies |
|-------------------|---------------------|---|--|----------------------|--|
| 31 March 2023 | Trade receivables * | 104.81 | 101.60 | 3.21 | Difference is on account of adjustment and reclassification entries during finalisation of accounts. |
| | Inventory | 11.49 | 11.49 | - | |
| 31 December 2022 | Trade receivables * | 116.68 | 112.20 | 4.48 | Difference is on account of adjustment and reclassification entries during finalisation of accounts. |
| | Inventory | 19.46 | 19.46 | - | |
| 30 September 2022 | Trade receivables * | 91.77 | 93.00 | (1.23) | Difference is on account of adjustment and reclassification entries during finalisation of accounts. |
| | Inventory | 11.95 | 13.20 | (1.25) | |
| 30 June 2022 | Trade receivables * | 116.64 | 116.80 | (0.16) | No material discrepancy |
| | Inventory | 6.73 | 6.73 | - | |

* Represents trade receivables which are outstanding up to 180 days and non-trade receivables from group companies



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50 Additional regulatory information required by Division II Schedule III of the Act

a) Details of benami property

Company is not holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder as at 31 March 2024 and 31 March 2023. Further, no proceedings have been initiated or pending against the Company for holding any benami property under the said act and rules mentioned above for the years ended 31 March 2024 and 31 March 2023.

b) Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or any other lender for the years ended 31 March 2024 and 31 March 2023.

c) Relationship with struck off companies

The disclosure of relationship and transaction with struck off companies under section 248 of the Act is as follows:

As at and for the year ended 31 March 2024

| ₹ in Crores | | | |
|---|--|------------------------------------|--------------------------------------|
| Name of struck off company | Nature of transactions with struck off company | Balance outstanding as at year-end | Relationship with struck off company |
| Axis Marketing | Receivable | 0.01 | Buyer-seller relationship |
| Columbia Asia Hospitals | Receivable | 0.00 | Buyer-seller relationship |
| Communication Network Centre | Receivable | 0.04 | Buyer-seller relationship |
| Future Electronics Pte. Limited | Receivable | 0.01 | Buyer-seller relationship |
| Quantum Market Research Private Limited | Receivable | 0.00 | Buyer-seller relationship |
| Jubilant Retail Total Mall | Receivable | 0.04 | Buyer-seller relationship |

There is no transaction and year-end balance as at 31 March 2023 with struck off companies.

d) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under section 2(87) of the Act for the years ended 31 March 2024 and 31 March 2023.

e) Compliance with approved scheme of arrangements

The Company has not entered into any scheme of arrangement in terms of section 230 to 237 of the Act for the years ended 31 March 2024 and 31 March 2023. Also, refer note 52.

f) Utilisation of borrowed funds and share premium (for the years ended 31 March 2024 and 31 March 2023)

The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) to any other person or entity, including foreign entity ('Intermediaries') with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('Ultimate Beneficiaries') or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

The Company has not received any fund from any person or entity, including foreign entity ('Funding Party') 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 Party ('Ultimate Beneficiaries') or

Summary of Material Accounting Policies and Other Explanatory Information

as at and for the year ended 31 March 2024

b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

g) Undisclosed income

No income has been surrendered or disclosed as income during the current and previous year.

h) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current and previous year.

i) Registration of charges or satisfaction with Registrar of Companies ('ROC')

There are no charges which are yet to be registered with the ROC beyond the statutory period as at 31 March 2024. The details of satisfaction of charges which were yet to be registered with ROC as at 31 March 2023 is as follows. All these charges are satisfied during the year ended 31 March 2024.

| ₹ in Crores | | |
|--------------------------------|---------------------|---|
| Charge holder name | As at 31 March 2023 | Reason for delay |
| Bank of India Limited | 11.71 | NOC was awaited from the bank. |
| Bank of India Limited | 70.40 | NOC was awaited from the bank. |
| Canara Bank | 0.85 | These charges were not related to the Company. These were old charges related to Tata phone division which was demerged from Tala Telecom Limited in April 2001. Company had requested the banks to remove these charges. |
| Canara Bank | 1.00 | |
| Canara Bank | 0.48 | |
| Canara Bank | 7.60 | |
| The Lakshmi Vilas Bank Limited | 0.36 | |
| State Bank of Travancore | 5.16 | |

j) Revaluation

The Company has not revalued its PPE, ROU assets and intangible assets during the current and previous year.

k) Loans or advances to specified persons

The Company has not granted any loan or advance in the nature of loan, during the current and previous year, to promoters, directors, KMPs or other related parties, either severally or jointly with any other person, that is repayable on demand or without specifying any terms or period of repayment. Also, no such loan or advance in nature of loan is outstanding as at 31 March 2024 and 31 March 2023.

51 The Company has not given any loan or advance in the nature of loan to its subsidiary or other entity during the year ended 31 March 2024 and 31 March 2023. Therefore, disclosure under Regulation 53(1)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable.

52 In the board meeting held on 11 November 2022, the Board of Directors of the Company had approved setting off of accumulated losses under retained earnings with credit balance in securities premium account and capital reserve account. The Company had received requisite approval from the National Stock Exchange of India Limited and the BSE Limited (collectively referred to as "stock exchanges") vide their letters dated 15 June 2023 and approval from members of the Company by way of special resolution in Extra Ordinary General meeting held on 25 July 2023. The Company had filed application with National Company Law Tribunal ('NCLT') on 29 September 2023 for its approval. Pursuant to NCLT's hearing order issued in December 2023, the Company had served notices to all the creditors of the Company and to statutory authorities seeking their representations, if any. Final hearing is scheduled in June 2024.

53 Black Box Technologies Australia Pty Ltd, step-down subsidiary of the Company, had entered into a share purchase agreement dated 17 May 2023 to acquire 100% equity stake of Global Speech Networks Pty Ltd, incorporated in



Summary of Material Accounting Policies and Other Explanatory Information

as at and for the year ended 31 March 2024

Australia, and its wholly owned subsidiary, Global Speech Networks Limited, incorporated in New Zealand for a total consideration (pre-adjustment) of AUD 2.50 million (equivalent to ₹ 13.72 Crores). The acquisition was completed on 16 June 2023 at a purchase consideration (post-adjustment) of AUD 0.55 million (equivalent to ₹ 3.00 Crores).

All the identified assets and liabilities were recorded at acquisition-date fair values. Further, the fair values assigned to current assets, current liabilities and intangible assets are currently provisional and group has exercised the option of using the exemption available under Ind AS 103 "Business Combinations" which provides the group a period of one year from the acquisition date for completing the purchase price allocation.

54 There are no subsequent events which warrants adjustment or disclosure in the standalone financial statements.

55 Authorisation of standalone financial statements

The standalone financial statements as at and for the year ended 31 March 2024 were approved by the Board of Directors on 30 May 2024.

56 Previous year figures have been regrouped, reclassified and rearranged wherever necessary, to conform to this year's presentation, and these are not material to the standalone financial statements.

These are the material accounting policies and other explanatory information referred to in our report of even date

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm Registration No. : 001076N/N500013

BHARAT SHETTY
Partner
Membership No. 106815

Place : Mumbai
Date : 30 May 2024

For and on behalf of the Board of Directors of
Black Box Limited

SANJEEV VERMA
Whole-time Director
DIN - 06871685
Place : Dallas, Texas, USA

ADITYA GOSWAMI
Company Secretary

Place : Navi Mumbai
Date : 30 May 2024

ANSHUMAN RUIA
Executive Director
DIN - 00008501
Place : Mumbai

DEEPAK KUMAR BANSAL
Chief Financial Officer and
Executive Director
DIN - 07495199

Place : Ajmer

Independent Auditor's Report

To the Members of Black Box Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of **Black Box Limited** (the 'Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as the 'Group') and its associate, as listed in 'Annexure – I', which comprise the consolidated balance sheet as at 31 March 2024, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of cash flows and the consolidated statement of changes in equity for the year then ended, and notes to the consolidated financial statements, including a material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiary and associate, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended), and other accounting principles generally accepted in India of the consolidated state of affairs of the Group and its associate, as at 31 March 2024, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associate 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 consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics issued by the ICAI. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 16 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Non-compliance with laws and regulations

4. We draw attention to note 48 to the accompanying consolidated financial statements, which describes the delay in remittance of import payments, repatriation of proceeds from export of goods and services and settlement of advances, by the Holding Company and its subsidiary companies incorporated in India, outstanding as at 31 March 2024 beyond the timelines stipulated under the Foreign Exchange Management Act, 1999 as amended from time to time. The respective management of companies, as aforesaid, are in the process of recovering the outstanding dues and making the payments for outstanding payables and have filed/ in the process of filing necessary applications with the appropriate authority for extension of time period/ write off and condonation of such delays. The management is of the view that the fines/ penalties, if any, that may be levied pursuant to delay, are currently unascertainable but is not expected to be material and accordingly, no adjustments have been made to the accompanying consolidated financial statements in respect of aforesaid delays. Our opinion is not modified in respect of this matter.



Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiary and associate, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
6. We have determined the matters described below to be the key audit matters to be communicated in our report.

| Key audit matter | How our audit addressed the key audit matter |
|---|--|
| <p>Revenue recognition under Ind AS 115, Revenue from Contracts with Customers ('Ind AS 115')</p> <p>Refer note 2E (xix) – 'Income recognition' and notes 24 and 43 – 'Revenue from contracts with customers' to the consolidated financial statements for the related accounting policy on revenue recognition and details of revenue recognised during the year.</p> <p>Revenue for the Group and its associate consists primarily of sale of products and sale of implementation and maintenance services for networking equipment and communications technology solutions.</p> <p>Owing to the multiplicity of the products and services across multiple geographies, which requires compliance with varied customer specifications, and diverse terms of contracts with customers, revenue is determined to be an area involving significant risk and hence, requiring significant auditor attention.</p> | <p>Our audit included, but was not limited to, the following procedures performed in respect of revenue recognition:</p> <ul style="list-style-type: none"> • Evaluated the design and tested the operating effectiveness of internal financial controls relating to the application of revenue accounting standard specifically those relating to identification of the distinct performance obligations and determination of transaction price. Procedures performed included enquiry, observation, reperformance or inspection, as applicable, of evidence in respect of operation of these controls. • Selected a sample of contracts and performed the following procedures: <ul style="list-style-type: none"> • Read, analysed and identified the distinct performance obligations in these contracts; • Compared such performance obligations with those identified and recorded by the management; and • Reviewed contract terms to determine the transaction price including variable consideration, if any, for computing revenue. • Samples in respect of revenue recorded for sale of products were tested by inspecting either the customer acceptances, invoices and/ or historical trend of collections and disputes. Further, tested sample transactions before and after year end to ensure revenue is recorded in the correct period. • In respect of samples relating to fixed maintenance contracts, verified the period of the contract with the customer agreements and verified whether the revenue was recognised appropriately over the period of contract as services were being rendered basis the method of determination of satisfaction of performance obligations in accordance with Ind AS 115. |

| Key audit matter | How our audit addressed the key audit matter |
|--|---|
| <p>Further, application of Ind AS 115 involves significant judgements/ material estimates relating to identification of distinct performance obligations, determination of transaction price, including impact of variable consideration, of the identified performance obligations and the appropriateness of the basis used to measure revenue recognised over a period of time.</p> <p>Considering the materiality of amounts involved, significance of the area to the consolidated financial statements, combined with significant judgements and estimates involved, revenue recognition is considered to be a key audit matter for the current year audit.</p> | <ul style="list-style-type: none"> • Tested samples of credit notes issued during the year and subsequent to year end, if any, to confirm revenue recognised during the period was appropriate. • Performed analytical procedures for reasonableness of revenue recorded. • Assessed the appropriateness and adequacy of disclosures included in the consolidated financial statements, in accordance with the requirements of applicable financial reporting framework. |
| <p>Consolidation process for preparation of the consolidated financial statements of the Group and its associate</p> <p>Refer note 2B – ‘Basis of consolidation’ in the accompanying consolidated financial statements.</p> <p>As at the year-end, the Group comprises of 77 subsidiaries (including step down-subsidiaries) and 1 associate.</p> <p>The Group’s consolidation process is complex on account of its presence in various geographies and multiple businesses through different ownership structures.</p> <p>The consolidation process includes evaluation of the degree of control/ significant influence, alignment of Group accounting policies and elimination of intercompany transactions and balances which may require a high level of judgement.</p> <p>The entities in the Group have diverse accounting systems and further, the financial information of each of the overseas subsidiaries and associate are prepared in accordance with the accounting principles generally accepted in their respective countries. For the purpose of preparing consolidated financial statements of the Group and its associate, such financial information of overseas subsidiaries is converted and consolidated using the accounting principles applicable to the Holding Company, by the group management.</p> | <ul style="list-style-type: none"> • Our audit included, but was not limited to, the following procedures performed on consolidation: • Obtained an understanding of the management’s process of preparation and presentation of consolidated financial statements comprising of financial statements/ information of the Holding Company, its subsidiaries, and its associate. • Evaluated the design and tested the operating effectiveness of relevant controls in respect of Group’s process of consolidation and management’s procedures for alignment of group accounting policies, consolidation adjustments and elimination of inter-company transactions and balances. • Assessed the accounting policies adopted by the management for consolidation and ensured its appropriateness in accordance with the requirements of Ind AS 110, Consolidated Financial Statements (‘Ind AS 110’) and Ind AS 28, Investments in Associates and Joint Ventures • Reviewed the supporting documents, including agreements and minutes of Board and committees thereof relating to significant group entities, where necessary to evaluate management’s evaluation of control over such subsidiary companies and significant influence over associate. |



| Key audit matter | How our audit addressed the key audit matter |
|--|--|
| <p>There was significant risk involved in consolidation of the entities in the Group and its associate considering the number of components involved in the preparation of consolidated financial statements of the Group and its associate, and thereby warranted significant auditor attention during the year ended 31 March 2024.</p> <p>Accordingly, we have determined the above as a key audit matter for the current year audit.</p> | <ul style="list-style-type: none"> ● Identified and determined the significant components of the Group and its associate based on materiality and our understanding of the group's operations, to develop an appropriate audit plan including scoping of such components for our audit. ● Ensured compliance by the management with the consolidation principles enunciated under Ind AS 110 and the Guidance Note on Audit of Consolidated Financial Statements (Revised 2016), issued by the ICAI. ● Obtained conversion adjustments schedule prepared by the management of the Holding Company in case of overseas subsidiaries and associate and reviewed such conversion adjustments in accordance with the differences between the respective financial reporting frameworks. ● Tested significant consolidation adjustments recorded through manual journal entries and reviewed underlying documents to ensure appropriateness of such adjustments. ● Evaluated the appropriateness of the disclosures made in note 2 with respect to the basis of preparation and presentation of these consolidated financial statements. |

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

7. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

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

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 of the Holding Company.

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

8. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group and its associate in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules,

2015 (as amended), and other accounting principles generally accepted in India. The Holding Company's Board of Directors are also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act, the respective Board of Directors of the companies included in the Group and of its associate, covered under the Act, are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of their respective entities and of its associate and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

9. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of their respective entities and of its associate 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 intend to liquidate the respective entities or associate or to cease operations, or has no realistic alternative but to do so.
10. Those respective Board of Directors of the companies included in the Group and of its associate, are also responsible for overseeing the financial reporting process of the companies included in the Group and of its associate.

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

11. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
12. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls 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 of the Holding Company;
 - Conclude on the appropriateness of Holding Company's Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and of its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's



report. However, future events or conditions may cause the Group and its associate 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 consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
 - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the audit of financial statements of such entities included in the consolidated financial statements, of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision, and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
13. 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.
14. We also provide those charged with governance of the Holding Company 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.
15. From the matters communicated with those charged with governance of the Holding Company, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

16. We did not audit the financial information of one subsidiary, whose financial information reflects total assets of ₹ 67.07 Crores as at 31 March 2024, total revenues of ₹ 72.62 Crores and net cash inflows amounting to ₹ 3.16 Crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (including other comprehensive income) of ₹ 1.67 Crores for the year ended 31 March 2024, as considered in the consolidated financial statements, in respect of one associate, whose financial information has not been audited by us. Such financial information has been audited by other auditors whose reports have been furnished to us by the management of the Holding Company and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and associate, are based solely on the reports of the other auditors.

Further, this subsidiary and associate are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their country and which have been audited by other auditors under generally accepted auditing standards applicable in their country. The Holding Company's management has converted the financial statements of such subsidiary and associate located outside India from accounting principles generally accepted in their country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of such subsidiary and associate located outside India, is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

17. As required by section 197(16) of the Act based on our audit, we report that the Holding Company and one subsidiary, incorporated in India whose financial statements have been audited under the Act have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that one subsidiary, incorporated in India whose financial statements have been audited under the Act have not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiary.
18. As required by clause (xxi) of paragraph 3 of Companies (Auditor’s Report) Order, 2020 (the ‘Order’) issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued till date by us, of company included in the consolidated financial statements and covered under the Act, we report that there are no qualifications or adverse remarks reported in the Order report of such company. Further, following are the companies included in the consolidated financial statements for the year ended 31 March 2024 and covered under that Act that are audited by us and other auditors, for which the respective reports under section 143(11) of the Act of such companies have not yet been issued by us and by the other auditors, as per information and explanation given to us by the management of the Holding Company in this respect.

| S No | Name | CIN | Subsidiary/ Associate/ Joint Venture |
|------|--|-----------------------|---|
| 1. | Black Box Network Services India Private Limited | U51101MH2013FTC242517 | Step-down subsidiary |
| 2. | COPC India Private Limited | U74140HR2012FTC047227 | Step-down subsidiary |

19. As required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books except for the matters stated in paragraph 19(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended). Further, the back-up of the books of account and other books and papers maintained in electronic mode has not been maintained on servers physically located in India, on a daily basis;
 - c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended);
 - e) On the basis of the written representations received from the directors of the Holding Company and of its subsidiaries, covered under the Act, and taken on record by the Board of Directors of the Holding Company and of its subsidiaries, respectively, covered under the Act, none of the directors of the aforementioned companies are disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act;



- f) The reservation relating to the maintenance of accounts and other matters connected therewith with respect to the consolidated financial statements are as stated in paragraph 19(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
- g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiaries, covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure – II' wherein we have expressed an unmodified opinion; and
- h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associate as detailed in note 39 to the consolidated financial statements;
 - ii. The Group and its associate did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2024;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries, covered under the Act, during the year ended 31 March 2024;
 - iv.
 - a. The respective managements of the Holding Company and its subsidiaries, incorporated in India, whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in note 53(f) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiaries, incorporated in India, to or in any persons or entities, including foreign entities (the 'intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or any such subsidiaries, (the 'Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
 - b. The respective managements of the Holding Company and its subsidiaries, incorporated in India, whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in the note 53(f) to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiaries, incorporated in India, from any persons or entities, including foreign entities (the 'Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiaries, shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c. Based on such audit procedures performed by us, as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
 - v. The Holding Company, its subsidiaries and associate have not declared or paid any dividend during the year ended 31 March 2024; and

- vi. As stated in note 56 to the consolidated financial statements and based on our examination which included test checks, of the Holding Company and its subsidiary which is a company incorporated in India and audited under the Act, except for the instance mentioned below, the Holding Company and its subsidiary, in respect of financial year commencing on 01 April 2023, have used accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, other than the consequential impact of the exception given below.

| Nature of exception noted | Details of exception |
|--|---|
| Instances of accounting software used for maintaining books of account for which the feature of recording audit trail (edit log) facility was not operated throughout the year for all relevant transactions recorded in the software. | The audit trail feature was not enabled at the database level for accounting software SAP S/4 Hana and SAP ECC6 to log any direct data changes, used for maintenance of all accounting records by the Holding Company and its one subsidiary company. |

For **Walker Chandiok & Co LLP**
 Chartered Accountants
 Firm's Registration No.: 001076N/N500013

Bharat Shetty
 Partner
 Membership No.: 106815
UDIN: 24106815BKFNIW8949

Place: Mumbai
 Date: 30 May 2024



Annexure – I

List of entities included in the consolidated financial statement (in addition to the Holding Company)

Subsidiary companies

1. Black Box Technologies Pte Ltd.
2. AGC Networks Philippines, Inc.
3. AGC Networks & Cyber Solutions Limited
4. AGC Networks LLC, Dubai
5. AGC Networks LLC, Abu Dhabi
6. AGCN Solutions Pte. Limited
7. BBX Main Inc.
8. AGC Networks LLC, USA
9. Black Box Corporation
10. ACS Dataline, LP
11. ACS Investors, LLC
12. BB Technologies, LLC (formerly known as BB Technologies, Inc.)
13. BBOX Holdings Mexico LLC
14. BBOX Holdings Puebla LLC
15. Black Box A/S
16. Black Box Canada Corporation
17. Black Box Chile S.A.
18. Black Box Comunicaciones, S.A.
19. Black Box Corporation of Pennsylvania
20. Black Box de Mexico, S. de R.L. de C.V.
21. Black Box Deutschland GmbH
22. Black Box do Brasil Industria e Comercio Ltda.
23. Black Box E-Commerce (Shanghai) Co., Ltd.
24. Black Box Finland OY
25. Black Box France
26. Black Box GmbH
27. Black Box Holdings Ltd.
28. Black Box International B.V.
29. Black Box International Holdings B.V.
30. Black Box Network Services (Dublin) Limited
31. Black Box Network Services (UK) Limited
32. Black Box Network Services AB
33. Black Box Network Services AG
34. Black Box Network Services Australia Pty Ltd
35. Black Box Network Services Co., Ltd.
36. Black Box Network Services Corporation
37. Black Box Network Services, Inc. – Government Solutions

38. Black Box Network Services India Private Limited
39. Black Box Network Services Korea Limited
40. Black Box Network Services New Zealand Limited
41. Black Box Technologies New Zealand Limited
42. Black Box Network Services NV
43. Black Box Network Services S.r.l.
44. Black Box Network Services SDN. BHD.
45. Black Box Network Services Singapore Pte Ltd
46. Black Box Norge AS
47. Black Box P.R. Corp.
48. Black Box Services LLC (formerly known as Black Box Services Company)
49. Black Box Software Development Services Limited
50. Delaney Telecom, Inc.
51. Norstan Canada, Ltd. / Norstan Canada, Ltée
52. Norstan Communications, Inc.
53. Black Box Network Services Philippines, Inc.
54. Black Box Technologies Australia Pty Limited
55. COPC Holdings Inc.
56. COPC Inc.
57. COPC International Inc.
58. COPC Asia Pacific Inc.
59. COPC International Holdings LLC
60. COPC India Private Limited
61. COPC Consultants (Beijing) Co. Limited
62. Black Box Technologies LLC, Abu Dhabi (formerly known as Fuji Soft Technology LLC)
63. Fujisoft Security Solutions LLC
64. BBX Inc.
65. Black Box Network Services Hong Kong Limited
66. Black Box Technologies LLC, Dubai
67. Servicios Black Box S.A. de C.V.
68. Black Box Technologies Group B.V.
69. Black Box Bangladesh Technologies Private Limited
70. Black Box Costa Rica S.R.L
71. Black Box Network Services Colombia S.A.S.
72. Dragonfly Technologies Pty Ltd
73. Cybalt LLC (formerly known as Cybalt Inc.)
74. Black Box Products FZE
75. Pyrios Pty Limited (up to 03 September 2022)
76. Global Speech Networks Pty Limited (w.e.f. 16 June 2023)
77. Global Speech Networks Limited (w.e.f. 16 June 2023)

Associate

1. Black Box DMCC (w.e.f. 31 March 2023)



Annexure – II to the Independent Auditor’s Report of even date to the members of Black Box Limited on the consolidated financial statements for the year ended 31 March 2024

Independent Auditor’s report on the Internal Financial Controls with reference to consolidated financial statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 (the ‘Act’)

1. In conjunction with our audit of the consolidated financial statements of **Black Box Limited** (the ‘Holding Company’), its subsidiaries (the Holding Company and its subsidiaries together referred to as the ‘Group’) and its associate as at and for the year ended 31 March 2024, we have audited the Internal Financial Controls with reference to consolidated financial statements of the Holding Company and its two subsidiary companies, which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

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

Auditor’s Responsibilities for the Audit of the Internal Financial Controls with Reference to Consolidated Financial Statements

3. Our responsibility is to express an opinion on the Internal Financial Controls with reference to consolidated financial statements of the Holding Company and its two subsidiary companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under section 143(10) of the Act, to the extent applicable to an audit of Internal Financial Controls with reference to consolidated financial statements, and the IFC Guidance Note issued by the ICAI. Those Standards and the IFC Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls with reference to consolidated financial statements and their operating effectiveness. Our audit of Internal Financial Controls with reference to consolidated financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Internal Financial Controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies, as aforesaid.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

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

Opinion

8. In our opinion, the Holding Company and its two subsidiary companies, which are companies covered under the Act, has in all material respects, adequate Internal Financial Controls with reference to consolidated financial statements and such controls were operating effectively as at 31 March 2024, based on the Internal Financial Controls with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the IFC Guidance issued by the ICAI.

Other Matter

9. We did not audit the Internal Financial Controls with reference to financial statements in so far as it relates to one subsidiary company, which is company covered under the Act, whose financial information reflects total assets of ₹ 2 Crores and net assets of ₹ -2 Crores as at 31 March 2024, total revenues of ₹ 5 Crores and net cash outflows amounting to ₹ 1 Crore for the year ended on that date, as considered in the consolidated financial statements. The Internal Financial Controls with reference to financial statements of this subsidiary company, which is company covered under the Act, is unaudited and our opinion under section 143(3)(i) of the Act on adequacy and operating effectiveness of the Internal Financial Controls with reference to financial statements insofar as it relates to the aforesaid subsidiary company, which is a company covered under the Act, is solely based on the corresponding Internal Financial Controls with reference to financial statements reports certified by the management of such company. In our opinion and according to the information and explanations given to us by the management, the financial information is not material to the Group. Our opinion is not modified in respect of the above matter with respect to our reliance on the Internal Financial Controls with reference to financial statements reports certified by the management of such company.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Bharat Shetty
Partner
Membership No.: 106815
UDIN: 24106815BKFNW8949

Place: Mumbai
Date: 30 May 2024



Consolidated balance sheet

as at 31 March 2024

₹ in Crores

| | Notes | As at 31 March 2024 | As at 31 March 2023 |
|--|-------|------------------------|------------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 3 | 119.68 | 160.61 |
| Right of use assets | 4 | 291.34 | 259.06 |
| Goodwill | 5 | 334.11 | 315.96 |
| Other intangible assets | 6 | 63.07 | 58.58 |
| Intangible assets under development | 6.1 | - | 2.23 |
| Investment accounted for using the equity method | 7 | 32.07 | 30.40 |
| Financial assets | | | |
| Other financial assets | 8 | 35.17 | 18.03 |
| Deferred tax assets (net) | 9 | 24.57 | 19.82 |
| Income-tax assets (net) | | 15.59 | 39.97 |
| Other non-current assets | 11 | 48.21 | 71.33 |
| Total non-current assets | | 963.81 | 975.99 |
| Current assets | | | |
| Inventories | 12 | 246.39 | 362.00 |
| Financial assets | | | |
| Trade receivables | 13 | 386.33 | 421.05 |
| Cash and cash equivalents | 14 | 214.07 | 199.94 |
| Bank balances other than cash and cash equivalents | 14 | 8.58 | 9.59 |
| Other financial assets | 8 | 507.73 | 678.47 |
| Contract assets | 10 | 246.20 | 113.65 |
| Other current assets | 11 | 204.11 | 241.64 |
| Total current assets | | 1,813.41 | 2,026.34 |
| TOTAL ASSETS | | 2,777.22 | 3,002.33 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Equity share capital | 15 | 33.61 | 33.58 |
| Other equity | | 447.31 | 262.44 |
| Total equity | | 480.92 | 296.02 |

Consolidated balance sheet

as at 31 March 2024

₹ in Crores

| | Notes | As at 31 March 2024 | As at 31 March 2023 |
|--|-------|------------------------|------------------------|
| Liabilities | | | |
| Non-current liabilities | | | |
| Financial liabilities | | | |
| Borrowings | 16 | 361.83 | 304.97 |
| Lease liabilities | 17 | 266.58 | 221.63 |
| Other financial liabilities | 18 | 7.16 | 6.99 |
| Contract liabilities | 19 | 53.71 | 54.82 |
| Provisions | 20 | 53.65 | 74.20 |
| Other non-current liabilities | 21 | 0.16 | 0.18 |
| Total non-current liabilities | | 743.09 | 662.79 |
| Current liabilities | | | |
| Financial liabilities | | | |
| Borrowings | 22 | 35.47 | 47.00 |
| Lease liabilities | 17 | 48.37 | 54.45 |
| Trade payables | 23 | | |
| Total outstanding dues to micro enterprises and small enterprises | | 6.94 | 14.90 |
| Total outstanding dues to creditors other than micro enterprises and small enterprises | | 692.01 | 1,143.23 |
| Other financial liabilities | 18 | 162.05 | 89.75 |
| Contract liabilities | 19 | 501.16 | 505.04 |
| Other current liabilities | 21 | 32.18 | 120.64 |
| Provisions | 20 | 53.27 | 58.82 |
| Income tax liabilities (net) | | 21.76 | 9.69 |
| Total current liabilities | | 1,553.21 | 2,043.52 |
| Total liabilities | | 2,296.30 | 2,706.31 |
| TOTAL EQUITY AND LIABILITIES | | 2,777.22 | 3,002.33 |

The accompanying notes form an integral part of the consolidated financial statements

This is the consolidated balance sheet referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. : 001076N / N500013

BHARAT SHETTY
Partner
Membership No. 106815

Place : Mumbai
Date : 30 May 2024

For and on behalf of the Board of Directors of
Black Box Limited

SANJEEV VERMA
Whole-time Director
DIN - 06871685
Place: Dallas, Texas, USA

ADITYA GOSWAMI
Company Secretary

Place : Navi Mumbai
Date : 30 May 2024

ANSHUMAN RUIA
Executive Director
DIN - 00008501
Place : Mumbai

DEEPAK KUMAR BANSAL
Chief Financial Officer and
Executive Director
DIN - 07495199

Place : Ajmer



Consolidated Statement of Profit and Loss

for the year ended 31 March 2024

₹ in Crores

| | Notes | 31 March 2024 | 31 March 2023 |
|---|-------|-----------------|-----------------|
| Income | | | |
| Revenue from operations | 24 | 6,281.58 | 6,287.56 |
| Other income | 25 | 19.17 | 21.63 |
| Total income (I) | | 6,300.75 | 6,309.19 |
| Expenses | | | |
| Cost of materials and components consumed | 26 | 1.66 | 3.90 |
| Purchase of stock-in-trade | | 1,682.10 | 2,167.35 |
| Changes in inventories of finished goods, work-in-progress and stock-in-trade | 27 | 115.50 | (136.10) |
| Service charges | | 1,130.31 | 896.72 |
| Employee benefits expense (net) | 28 | 2,500.81 | 2,681.70 |
| Finance costs | 29 | 141.25 | 111.28 |
| Depreciation and amortisation expense | 30 | 114.34 | 107.48 |
| Other expenses | 31 | 425.00 | 400.82 |
| Total expenses (II) | | 6,110.97 | 6,233.15 |
| Profit before impact of foreign currency transactions and translations, loss on fair valuation of deferred purchase consideration, share of net profit of investment accounted for using the equity method, exceptional items and tax (I-II) | | 189.78 | 76.04 |
| Share of net profit of associate accounted for using the equity method | | 1.67 | - |
| Gain on foreign currency transactions and translations (net) | | 4.60 | 16.27 |
| Loss on fair valuation of deferred purchase consideration | | - | 10.55 |
| Profit before exceptional items and tax | | 196.05 | 81.76 |
| Exceptional items - expenses | 32 | 39.66 | 52.31 |
| Profit before tax | | 156.39 | 29.45 |
| Tax expense / (credit) | | | |
| Current tax | 33 | 9.11 | 6.72 |
| Deferred tax credit | 33 | (4.33) | (0.97) |
| Tax adjustment relating to earlier years | | 13.94 | - |
| Total tax expense | | 18.72 | 5.75 |
| Net profit for the year | | 137.67 | 23.70 |
| Other Comprehensive Income - gain/ (loss) | | | |
| Items that will not be reclassified subsequently to profit or loss | | | |
| - Remeasurement gain on defined benefit plans | | 13.15 | 0.70 |
| - Income tax relating to above items | | 0.10 | (0.05) |

Consolidated Statement of Profit and Loss

for the year ended 31 March 2024

₹ in Crores

| | Notes | 31 March 2024 | 31 March 2023 |
|--|-----------|---------------|----------------|
| Items that will be reclassified subsequently to profit or loss | | | |
| Exchange differences on translating the financial statements of foreign operations | | 33.43 | (26.70) |
| Other Comprehensive Income for the year (net of taxes) - gain/ (loss) | | 46.68 | (26.05) |
| Total Comprehensive Income for the year (net of taxes) - gain/ (loss) | | 184.35 | (2.35) |
| Earnings per equity share (Face value of ₹ 2 each) | 34 and 49 | | |
| Earnings per share before exceptional items: | | | |
| Basic (in ₹) | | 10.56 | 4.54 |
| Diluted (in ₹) | | 10.54 | 4.53 |
| Earnings per share after exceptional items: | | | |
| Basic (in ₹) | | 8.20 | 1.42 |
| Diluted (in ₹) | | 8.18 | 1.41 |

The accompanying notes form an integral part of the consolidated financial statements

This is the consolidated statement of profit and loss referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. : 001076N / N500013

BHARAT SHETTY
Partner
Membership No. 106815

Place : Mumbai
Date : 30 May 2024

For and on behalf of the Board of Directors of Black Box Limited

SANJEEV VERMA
Whole-time Director
DIN - 06871685
Place: Dallas, Texas, USA

ADITYA GOSWAMI
Company Secretary

Place : Navi Mumbai
Date : 30 May 2024

ANSHUMAN RUIA
Executive Director
DIN - 00008501
Place : Mumbai

DEEPAK KUMAR BANSAL
Chief Financial Officer and Executive Director
DIN - 07495199

Place : Ajmer



Consolidated Statement of Cash Flows

for the year ended 31 March 2024

₹ in Crores

| | 31 March 2024 | 31 March 2023 |
|---|-----------------|----------------|
| (A) Cash flows from operating activities | | |
| Profit before tax | 156.39 | 29.45 |
| Adjustments for non-cash transactions and items considered separately: | | |
| Depreciation and amortisation expense | 114.34 | 107.48 |
| Gain on disposal of property, plant and equipment and other intangible assets | (5.88) | (19.26) |
| Interest on income-tax refund | (10.56) | (0.60) |
| Actuarial gain on defined benefits plan | 13.15 | 0.70 |
| Expenses on share based payments | 0.28 | 0.42 |
| Reversal of provision for warranties (net) | (2.73) | (1.22) |
| Loss on fair valuation of deferred purchase consideration | - | 10.55 |
| Allowance for expected credit loss (net) | 18.11 | 28.75 |
| Bad debts | 8.33 | 11.09 |
| Sundry balances written off | 0.15 | 1.93 |
| Loss on de-recognition of financial assets | - | 9.97 |
| Impairment in value of inventory (net) | 0.74 | 0.70 |
| Liabilities/ provisions for earlier years no longer required written back/ reversed | (5.82) | (9.86) |
| Net (gain) / losses on foreign currency translation | (3.44) | 14.81 |
| Finance costs | 116.42 | 89.72 |
| Interest on lease liabilities | 24.83 | 21.56 |
| Interest income on security deposits | (0.03) | (0.05) |
| Interest income on margin money deposits | (0.38) | (0.37) |
| Operating profit before working capital changes | 423.90 | 295.77 |
| Changes in working capital : | | |
| Trade receivables | 11.84 | (81.21) |
| Inventories | 114.87 | (136.79) |
| Financial and other assets | 88.14 | (228.36) |
| Trade payables | (460.33) | 156.96 |
| Provisions and other liabilities | (67.66) | 7.04 |
| Cash generated from operating activities before taxes | 110.76 | 13.41 |
| Income taxes refund / (paid) [net] | 23.54 | (0.37) |
| Net cash generated from operating activities (A) | 134.30 | 13.04 |
| (B) Cash flows from investing activities | | |
| Purchase of property, plant and equipment and other intangible assets | (50.72) | (98.52) |
| Proceeds from sale of property, plant and equipment and other intangible assets | 55.41 | 117.82 |
| Acquisition of subsidiary, net of cash and cash equivalents (refer note 44) | (5.39) | - |
| Net cash (used in) / generated from investing activities (B) | (0.70) | 19.30 |
| (C) Cash flows from financing activities | | |
| Proceeds from issue of equity shares under ESOP (including securities premium) | 0.27 | 0.35 |
| Money received against share warrants (including securities premium) [refer note 38 (II)] | - | 37.30 |
| Availment of term loans | 81.50 | 107.03 |
| Repayment of term loans | (24.10) | (24.92) |
| (Repayment)/ availment of cash credit facilities (net) | (12.07) | 0.78 |
| Payment of lease liabilities | (59.34) | (67.75) |
| Payment of interest on lease liabilities | (24.83) | (21.56) |
| Payment of interest (excluding interest on lease liabilities) | (23.44) | (22.60) |
| Payment of other financing costs | (92.98) | (67.12) |
| Net cash used in financing activities (C) | (154.99) | (58.49) |
| Net decrease in cash and cash equivalents (A + B + C) | (21.39) | (26.15) |

Consolidated Statement of Cash Flows

for the year ended 31 March 2024

| | ₹ in Crores | |
|---|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Cash and cash equivalents at the beginning of the year | 199.94 | 301.70 |
| Unrealised gain / (loss) on foreign currency cash and cash equivalents | 29.97 | (75.61) |
| Cash and cash equivalents transferred pursuant to acquisition of subsidiary (refer note 44) | 5.55 | - |
| Cash and cash equivalents at the end of the year | 214.07 | 199.94 |
| Components of cash and cash equivalents (refer note 14) | | |
| Balances with banks: | | |
| - In current accounts | 213.92 | 199.43 |
| - In deposit accounts | 0.14 | 0.14 |
| Cash on hand | 0.01 | 0.37 |
| Total cash and cash equivalents | 214.07 | 199.94 |
| Refer note 22 for cash flow changes in liabilities arising from financial activities | | |

The above consolidated statement of cash flows has been prepared under the "Indirect Method" as set out in Ind AS 7 "Statement of Cash Flows" specified under section 133 of the Companies Act, 2013 ("the Act").

The accompanying notes form an integral part of the consolidated financial statements

This is the consolidated statement of cash flows referred to in our report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. : 001076N / N500013

BHARAT SHETTY
Partner
Membership No. 106815

Place : Mumbai
Date : 30 May 2024

**For and on behalf of the Board of Directors of
Black Box Limited**

SANJEEV VERMA
Whole-time Director
DIN - 06871685
Place: Dallas, Texas, USA

ADITYA GOSWAMI
Company Secretary

Place : Navi Mumbai
Date : 30 May 2024

ANSHUMAN RUIA
Executive Director
DIN - 00008501
Place : Mumbai

DEEPAK KUMAR BANSAL
Chief Financial Officer and
Executive Director
DIN - 07495199

Place : Ajmer



Consolidated Statement of Changes in Equity

for the year ended 31 March 2024

Equity share capital

| Particulars | Note | Number of shares | ₹ in Crores |
|----------------------------|-----------|--------------------|--------------|
| As at 1 April 2022 | 15 | 164,064,270 | 32.81 |
| Changes during the year | | 3,840,340 | 0.77 |
| As at 31 March 2023 | 15 | 167,904,610 | 33.58 |
| Changes during the year | | 120,980 | 0.03 |
| As at 31 March 2024 | 15 | 168,025,590 | 33.61 |

Other equity

| Particulars | Reserves and surplus | | | | | | | Other comprehensive income | Money received against share warrant | Total |
|--|----------------------|--------------------|-----------------|-------------------|-----------------------------------|--|--------------------------------------|----------------------------|--------------------------------------|-------|
| | Capital reserve | Securities premium | General reserve | Retained earnings | Stock options outstanding account | Remeasurement of defined benefit obligation (net of taxes) | Foreign currency translation reserve | | | |
| | | | | | | | | | | |
| As at 1 April 2022 | 38.04 | 223.11 | 100.59 | (134.88) | 1.01 | (5.97) | (6.71) | 12.40 | 227.59 | |
| Total Comprehensive Income ('TCI') for the year | | | | | | | | | | |
| Profit for the year | - | - | - | 23.70 | - | - | - | - | 23.70 | |
| Remeasurement of defined benefit plans | - | - | - | - | - | 0.65 | - | - | 0.65 | |
| TCI for the year | - | - | - | 23.70 | - | 0.65 | - | - | 24.35 | |
| Transactions with owners of the Group | | | | | | | | | | |
| Contributions and distributions | | | | | | | | | | |
| Exchange differences on remeasurement of defined benefit obligation | - | - | - | - | - | - | - | - | - | |
| Expenses on employee stock option scheme | - | - | - | - | 0.42 | - | - | - | 0.42 | |
| Money received against share warrant | - | - | - | - | - | - | - | 37.30 | 37.30 | |
| Transferred to other financial liabilities [refer footnote to Note 15(a)] | - | - | - | - | - | - | - | (0.10) | (0.10) | |
| Transferred to securities premium | - | 0.24 | - | - | (0.24) | - | - | - | - | |
| Transferred to securities premium on exercise of share warrants [refer note 38 (II)] | - | 48.86 | - | - | - | - | - | (48.86) | - | |
| Issue of equity shares on exercise of share warrants [refer note 38 (II)] | - | - | - | - | - | - | - | (0.74) | (0.74) | |
| Issue of equity shares on exercise of employee stock options | - | 0.32 | - | - | - | - | - | - | 0.32 | |

Consolidated Statement of Changes in Equity

for the year ended 31 March 2024

₹ in Crores

| Particulars | Reserves and surplus | | | | | | Other comprehensive income | Money received against share warrant | Total |
|--|----------------------|--------------------|-----------------|-------------------|-----------------------------------|--|--------------------------------------|--------------------------------------|---------------|
| | Capital reserve | Securities premium | General reserve | Retained earnings | Stock options outstanding account | Remeasurement of defined benefit obligation (net of taxes) | Foreign currency translation reserve | | |
| Exchange differences on translating the financial statements of foreign operations | - | - | - | - | - | - | (26.70) | - | (26.70) |
| Total transactions with owners of the Group | - | 49.42 | - | - | 0.18 | - | (26.70) | (12.40) | 10.50 |
| As at 31 March 2023 | 38.04 | 272.53 | 100.59 | (111.18) | 1.19 | (5.32) | (33.41) | - | 262.44 |
| Profit for the year | - | - | - | 137.67 | - | - | - | - | 137.67 |
| Remeasurement of defined benefit plans | - | - | - | - | - | 13.25 | - | - | 13.25 |
| TCI for the year | - | - | - | 137.67 | - | 13.25 | - | - | 150.92 |
| Transactions with owners of the Group | | | | | | | | | |
| Contributions and distributions | | | | | | | | | |
| Exchange differences on remeasurement of defined benefit obligation | - | - | - | - | - | - | (0.52) | - | (0.52) |
| Expenses on employee stock option scheme | - | - | - | - | 0.28 | - | - | - | 0.28 |
| Transferred to securities premium | - | 0.17 | - | - | (0.17) | - | - | - | - |
| Issue of equity shares on exercise of employee stock options | - | 0.24 | - | - | - | - | - | - | 0.24 |
| Exchange differences on translating the financial statements of foreign operations | - | - | - | - | - | - | 33.95 | - | 33.95 |
| Total transactions with owners of the Group | - | 0.41 | - | - | 0.11 | - | 33.43 | - | 33.95 |
| As at 31 March 2024 | 38.04 | 272.94 | 100.59 | 26.49 | 1.30 | 7.93 | 0.02 | - | 447.31 |

Nature and purpose of reserves:

Capital reserve

Any profit or loss on purchase, sale, issue or cancellation of the Group's own equity instrument is transferred to capital reserve.

Securities premium reserve

Amount received (on issue of shares) in excess of the par value has been classified as securities premium. The reserve is utilised in accordance with the provisions of the Act.

General reserve

This represent appropriation of profit by the Group.

Retained earnings

Retained earnings comprises of current year and prior years undistributed earnings/ (loss) after taxes.



Consolidated Statement of Changes in Equity

for the year ended 31 March 2024

Stock option outstanding account

The share option outstanding account is used to record the value of equity-settled share based payment transactions with employees. The amount recorded in this account are transferred to the securities premium upon exercise of stock options by employees, as applicable. In case of forfeiture, corresponding balance is transferred to general reserve.

Remeasurement of defined benefit plans

Differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in Other Comprehensive Income and are adjusted to retained earnings.

Exchange differences on translating the financial statements of a foreign operation

Exchange differences arising on translation of the foreign operations are recognised in Other Comprehensive Income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed off.

The accompanying notes form an integral part of the consolidated financial statements

This is the consolidated statement of changes in equity referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. : 001076N / N500013

BHARAT SHETTY
Partner
Membership No. 106815

Place : Mumbai
Date : 30 May 2024

**For and on behalf of the Board of Directors of
Black Box Limited**

SANJEEV VERMA
Whole-time Director
DIN - 06871685
Place: Dallas, Texas, USA

ADITYA GOSWAMI
Company Secretary

Place : Navi Mumbai
Date : 30 May 2024

ANSHUMAN RUIA
Executive Director
DIN - 00008501
Place : Mumbai

DEEPAK KUMAR BANSAL
Chief Financial Officer and
Executive Director
DIN - 07495199

Place : Ajmer

Summary of Material Accounting Policies and other Explanatory Information

as at and for the year ended 31 March 2024

1 Corporate information

Black Box Limited ("the Holding Company") or "BBL" is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on two stock exchanges in India, Bombay Stock Exchange ("BSE") and National Stock Exchange ("NSE"). The Holding Company's registered office is located at 501, 5th Floor, Building No.9, Airoli Knowledge Park, MIDC Industrial Area, Airoli, Navi Mumbai - 400708. The Holding Company, along with its foreign and Indian subsidiaries, (collectively referred to as "the Group") and its associate is a global information, communications technology (ICT) solutions provider and integrator seamlessly delivering technology based solutions across global markets and verticals layered with a spectrum of applications and services. The Group is the leader in Enterprise Communications with global footprint in locations spanning India, Middle East and Africa, North America, Australia, New Zealand, Singapore and Europe.

2 Basis of preparation and presentation

A. General information and statement of compliance

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 (as amended) and relevant amendment rules thereafter, including the presentation and disclosure requirements of Division II of Schedule III to the Act and the guidelines issued by the Securities and Exchange Board of India ("SEBI") to the extent applicable. The accounting policies for the years ended 31 March 2024 and 31 March 2023 are consistent.

The revision to consolidated financial statements is permitted by Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per the provisions of the Act.

All amounts included in the consolidated financial statements are reported in Indian Rupees ('INR') in Crores unless otherwise stated and rounded up to two decimals. Further, "0" denotes amounts less than fifty thousands rupees.

B. Basis of consolidation

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and its associate. They are deconsolidated from the date that control ceases.

The consolidated financial statements have been prepared in accordance with Ind AS 110 "Consolidated Financial Statements" and on the basis of the separate audited standalone financial statements of Black Box Limited and its subsidiaries. Reference in the notes to "the Holding Company" shall mean Black Box Limited and "the Group" shall mean Black Box Limited and its subsidiaries consolidated in these consolidated financial statements unless otherwise stated.

The consolidated financial statements of the Group are combined on a line by line basis by adding together book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses in accordance with Ind AS 110 "Consolidated Financial Statements".

The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and necessary adjustments required for deviations, if any, have been made in consolidated financial statements.



Summary of Material Accounting Policies and other Explanatory Information

as at and for the year ended 31 March 2024

Subsidiaries considered in the consolidated financial statements

| Sr No. | Name of the subsidiary | Principal place of business and country of incorporation | % holding as at 31 March 2024 | % holding as at 31 March 2023 |
|--------|---|--|-------------------------------|-------------------------------|
| 1 | Black Box Technologies Pte. Ltd. | Singapore | 100.00% | 100.00% |
| 2 | AGC Networks LLC, USA | United States of America ('USA') | 100.00% | 100.00% |
| 3 | AGC Networks Philippines, Inc. | Philippines | 100.00% | 100.00% |
| 4 | AGC Networks & Cyber Solutions Limited | Kenya | 100.00% | 100.00% |
| 5 | AGC Networks LLC, Dubai * | Dubai | 49.00% | 49.00% |
| 6 | AGC Networks LLC, Abu Dhabi * | Abu Dhabi | 0.00% | 0.00% |
| 7 | BBX Main Inc. | USA | 100.00% | 100.00% |
| 8 | BBX Inc. | USA | 100.00% | 100.00% |
| 9 | Black Box Corporation | USA | 100.00% | 100.00% |
| 10 | ACS Dataline, LP | USA | 100.00% | 100.00% |
| 11 | ACS Investors, LLC | USA | 100.00% | 100.00% |
| 12 | BB Technologies, LLC (formerly known as BB Technologies, Inc.) | USA | 100.00% | 100.00% |
| 13 | BBOX Holdings Mexico LLC | Mexico | 100.00% | 100.00% |
| 14 | BBOX Holdings Puebla LLC | USA | 100.00% | 100.00% |
| 15 | Black Box Corporation of Pennsylvania | USA | 100.00% | 100.00% |
| 16 | Black Box Network Services, Inc. – Government Solutions | USA | 100.00% | 100.00% |
| 17 | Black Box Services LLC (formerly known as Black Box Services Company) | USA | 100.00% | 100.00% |
| 18 | Delaney Telecom, Inc. | USA | 100.00% | 100.00% |
| 19 | Norstan Communications, Inc. | USA | 100.00% | 100.00% |
| 20 | Black Box Network Services Australia Pty Ltd | Australia | 100.00% | 100.00% |
| 21 | Black Box GmbH | Austria | 100.00% | 100.00% |
| 22 | Black Box Network Services NV | Belgium | 100.00% | 100.00% |
| 23 | Black Box do Brasil Industria e Comercio Ltda. | Brazil | 100.00% | 100.00% |
| 24 | Black Box Canada Corporation | Canada | 100.00% | 100.00% |
| 25 | Norstan Canada, Ltd./Norstan Canada, Ltée | Canada | 100.00% | 100.00% |
| 26 | Black Box Holdings Ltd. | Cayman Islands | 100.00% | 100.00% |
| 27 | Black Box Chile S.A. | Chile | 100.00% | 100.00% |
| 28 | Black Box E-Commerce (Shanghai) Co., Ltd. | China | 100.00% | 100.00% |
| 29 | Black Box A/S | Denmark | 100.00% | 100.00% |
| 30 | Black Box Network Services (UK) Limited | United Kingdom | 100.00% | 100.00% |
| 31 | Black Box Finland OY | Finland | 100.00% | 100.00% |
| 32 | Black Box France | France | 100.00% | 100.00% |
| 33 | Black Box Deutschland GmbH | Germany | 100.00% | 100.00% |
| 34 | Black Box Network Services India Private Limited | India | 100.00% | 100.00% |
| 35 | Black Box Network Services (Dublin) Limited | Ireland | 100.00% | 100.00% |
| 36 | Black Box Software Development Services Limited | Ireland | 100.00% | 100.00% |
| 37 | Black Box Network Services S.r.l. | Italy | 100.00% | 100.00% |
| 38 | Black Box Network Services Co., Ltd. | Japan | 100.00% | 100.00% |

Summary of Material Accounting Policies and other Explanatory Information

as at and for the year ended 31 March 2024

| Sr No. | Name of the subsidiary | Principal place of business and country of incorporation | % holding as at 31 March 2024 | % holding as at 31 March 2023 |
|--------|---|--|-------------------------------|-------------------------------|
| 39 | Black Box Network Services Korea Limited | Korea | 100.00% | 100.00% |
| 40 | Black Box Network Services SDN. BHD. | Malaysia | 100.00% | 100.00% |
| 41 | Black Box de Mexico, S. de R.L. de C.V. | Mexico | 100.00% | 100.00% |
| 42 | Black Box International B.V. | Netherlands | 100.00% | 100.00% |
| 43 | Black Box International Holdings B.V. | Netherlands | 100.00% | 100.00% |
| 44 | Black Box Network Services New Zealand Limited | New Zealand | 100.00% | 100.00% |
| 45 | Black Box Norge AS | Norway | 100.00% | 100.00% |
| 46 | Black Box P.R. Corp. | Puerto Rico | 100.00% | 100.00% |
| 47 | Black Box Network Services Singapore Pte Ltd | Singapore | 100.00% | 100.00% |
| 48 | Black Box Comunicaciones, S.A. | Spain | 100.00% | 100.00% |
| 49 | Black Box Network Services AB | Sweden | 100.00% | 100.00% |
| 50 | Black Box Network Services AG | Switzerland | 100.00% | 100.00% |
| 51 | Black Box Network Services Corporation | Taiwan | 100.00% | 100.00% |
| 52 | Servicios Black Box S.A. de C.V. | Mexico | 100.00% | 100.00% |
| 53 | Black Box Network Services Hong Kong Limited | Hong Kong | 100.00% | 100.00% |
| 54 | Black Box Network Services Philippines Inc. | Philippines | 100.00% | 100.00% |
| 55 | Black Box Technologies Australia Pty Limited | Australia | 100.00% | 100.00% |
| 56 | AGCN Solutions Pte. Limited | Singapore | 100.00% | 100.00% |
| 57 | COPC Holdings Inc. | USA | 100.00% | 100.00% |
| 58 | COPC Inc. | USA | 100.00% | 100.00% |
| 59 | COPC International Inc. | USA | 100.00% | 100.00% |
| 60 | COPC Asia Pacific Inc. | USA | 100.00% | 100.00% |
| 61 | COPC International Holdings LLC | USA | 100.00% | 100.00% |
| 62 | COPC India Private Limited | India | 100.00% | 100.00% |
| 63 | COPC Consultants (Beijing) Co. Limited | China | 100.00% | 100.00% |
| 64 | Black Box Technologies New Zealand Limited | New Zealand | 100.00% | 100.00% |
| 65 | Pyrios Pty Limited (up to 03 September 2022) | Australia | 100.00% | 100.00% |
| 66 | Fujisoft Security Solutions LLC * | Dubai | 49.00% | 49.00% |
| 67 | Black Box Technologies LLC, Dubai * | Dubai | 49.00% | 49.00% |
| 68 | Black Box Technologies LLC, Abu Dhabi (formerly known as Fujisoft Technology LLC) * | Abu Dhabi | 49.00% | 49.00% |
| 69 | Black Box Costa Rica S.R.L | Costa Rica | 100.00% | 100.00% |
| 70 | Black Box Network Services Colombia S.A.S. | Colombia | 100.00% | 100.00% |
| 71 | Black Box Bangladesh Technologies Private Limited | Bangladesh | 100.00% | 100.00% |
| 72 | Black Box Technologies Group B.V. | Netherlands | 100.00% | 100.00% |
| 73 | Dragonfly Technologies Pty Ltd | Australia | 100.00% | 100.00% |
| 74 | Cybalt LLC (formerly known as Cybalt Inc.) | USA | 100.00% | 100.00% |
| 75 | Black Box Products FZE | Dubai | 100.00% | 100.00% |
| 76 | Global Speech Networks Pty Limited (w.e.f. 16 June 2023) | Australia | 100.00% | 0.00% |
| 77 | Global Speech Networks Limited (w.e.f. 16 June 2023) | New Zealand | 100.00% | 0.00% |



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as at and for the year ended 31 March 2024

Note: Details of subsidiary companies merged during the year

| Sr No. | Name of subsidiary | Principal place of business and country of incorporation | % holding as at 31 March 2024 | % holding as at 31 March 2023 |
|--------|---|--|-------------------------------|-------------------------------|
| 1 | Nu-Vision Technologies, LLC (merged with Norstan Communications, Inc. w.e.f. 31 March 2024) | USA | Not applicable | 100.00% |
| 2 | Service Journey Strategies Inc. (merged with COPC Holdings Inc. w.e.f. 31 March 2024) | USA | Not applicable | 100.00% |

* Represents legal ownership as per the local laws of respective country. However, the Holding Company through its subsidiaries, is holding 100% of the beneficial interest in these entities and accordingly 100% of the voting rights for such entities are also with the Holding Company through its subsidiaries.

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

Associate considered in the consolidated financial statements

| Sr No. | Name of the associate | Principal place of business and country of incorporation | % holding as at 31 March 2024 | % holding as at 31 March 2023 |
|--------|-----------------------|--|-------------------------------|-------------------------------|
| 1 | Black Box DMCC ** | Dubai | 39.50% | 86.00% |

** The relationship of associate was established on 31 March 2023. The Holding Company through its subsidiaries, was holding 86% of the ownership interest as at 31 March 2022, however neither the Holding Company had control over this entity as per Ind AS 110 "Consolidated Financial Statements", nor it exercised significant influence as per Ind AS 28 "Investment in Associates and Joint Ventures" until the relationship was established on 31 March 2023. Further, voting power was waived under a waiver agreement, thus voting power percentage was Nil until 31 March 2023.

C. Basis of preparation

The consolidated financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

- Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments);
- Share based payment transactions;
- Defined benefit and other long-term employee benefits and;
- Derivative financial instruments.

D. Use of estimate and judgment

The preparation of consolidated financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying

Summary of Material Accounting Policies and other Explanatory Information

as at and for the year ended 31 March 2024

assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements is included in the following notes:

- (i) **Income tax:** Significant judgments are involved in determining the provision for income tax, including the amount expected to be paid or recovered in connection with uncertain tax positions.
- (ii) **Deferred tax:** Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry forwards become deductible. The Group and its associate considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.
- (iii) **Defined benefit plans and compensated absences:** The cost of the defined benefit plan, compensated absences and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, average future service and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

In case of compensated absences, employees generally have an unconditional right to avail the accumulated leaves, however there are certain circumstances which also gives a right to the Group and its associate to defer the employee's leave (for example: the Group and its associate's right to postpone/ deny the leave, restriction to avail leave in the next year for a maximum number of days etc.). Thus, for the bifurcation of provision between current and non-current, actuarial services are availed.

- (iv) **Share-based payments:** The grant date fair value of options granted to employees is recognised as employee benefit expense, with corresponding increase in equity, over the period that the employees become unconditionally entitled to the option. The increase in equity recognised in connection with share based payment transaction is presented as a separate component in equity under "stock options outstanding account". The amount recognised as an expense is adjusted to reflect the impact of the revision estimates based on number of options that are expected to vest, in the consolidated statement of profit and loss with a corresponding adjustment to equity.
- (v) **Property, plant and equipment:** The charge in respect of periodic depreciation is derived after determining an estimate of the PPE's expected useful life and the expected residual value at the end of its useful life. The useful lives and residual values of the Group and its associate's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The estimated useful lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. Depreciation of PPE is calculated on straight-line basis over the useful life estimated by the management either based on technical evaluation or those prescribed under schedule II of the Act.

Intangible assets: The charge in respect of periodic amortisation is derived after determining an estimate of the expected useful life and the expected residual value at the end of its useful life. Amortisation of intangible assets



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as at and for the year ended 31 March 2024

is calculated on straight-line basis over the useful life estimated by the management which reflects the manner in which the economic benefit is expected to be generated.

- (vi) Expected credit losses on financial assets:** On application of Ind AS 109 "Financial Instruments", the impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Group and its associate uses judgments in making these assumptions and selecting the inputs to the impairment calculation, based on the Group and its associate's past history of collections, customer's credit-worthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.
- (vii) Provisions:** Provisions are recognised when the Group and its associate has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding defined benefit plans and compensated absences) are not discounted to their present value and are determined based on best estimate of the amount required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.
- (viii) Warranty:** Management estimates the provision based on historical warranty claim information and any recent trends that may suggest future claims could differ from historical amounts.
- (ix) Leases:** Ind AS 116 "Leases" requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group and its associate makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group and its associate considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Group and its associate's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

Where the rate implicit in the lease is not readily available, an incremental borrowing rate is applied. This incremental borrowing rate reflects the rate of interest that the lessee would have to pay to borrow over a similar term, with a similar security, the funds necessary to obtain an asset of a similar nature and value to the right-of-use asset in a similar economic environment. Determination of the incremental borrowing rate requires estimation.

- (x) Evaluation of indicators for impairment of assets:** The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets. The carrying amount of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal and external factors. An asset is treated as impaired when the carrying value exceeds its recoverable value. The recoverable amount is the higher of the fair value less cost to sell and the value in use. In assessing value in use, the estimated future cash flows are discounted to the present value using a pre-tax discount rate that reflects current market assessment of the time value of money and risk specific to the assets. An impairment loss is charged to the consolidated statement of profit and loss in the year in which an assets is identified as impaired. After impairment, depreciation or amortisation is provided on the revised carrying amount of the asset over its remaining useful life.
- (xi) Contingent liabilities:** Contingent liability is possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group and its associate or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount

Summary of Material Accounting Policies and other Explanatory Information

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cannot be made. Initially, the Group and its associate makes an assessment of whether a transaction is to be disclosed as contingent liability or to be recoded as provision. Also at each balance sheet date, basis the management judgement, changes in facts and legal aspects, the Group and its associate assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

(xii) Fair value measurement: Management applies valuation techniques to determine fair value of financial assets and liabilities (where active market quotes are not available). This involves developing estimates and assumptions around volatility and dividend yield etc. which may affect the value of financial assets and liabilities.

(xiii) Revenue recognition

Timing of satisfaction of performance obligations - Revenue from sale of product, including leasing of specific inventory item, is recognised when control of the product is transferred to the buyer and performance obligation is satisfied, which generally coincides with acknowledgement of delivery. Revenue from implementation services (including installation and commissioning) related to products supplied or on a standalone basis are recognised when services are rendered, as the performance obligations are met. Revenue from maintenance contracts is recognised based on time elapsed and revenue is straight lined over the period of the performance or on the performance of services as specified in the contract.

Transaction price and amount allocated to performance obligations - The Group and its associate consider the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Group and its associate expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, goods and service tax). While determining the transaction price, the Group and its associate also considers variable consideration, existence of significant financing component in the contract, non-cash consideration and consideration payable to a customer (if any). The transaction price to be allocated to performance obligations is determined basis the terms of individual contracts.

(xiv) Control and significant influence: Subsidiaries are all entities over which the Group and its associate has control. the Group and its associate controls an entity when the Group and its associate is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Associate as an entity over which the investor has significant influence. If the Group and its associate holds, directly or indirectly through intermediaries, 20% or more of the voting power of the enterprise, it is presumed that the Group and its associate has significant influence, unless it can be clearly demonstrated that this is not the case. Also, the Group and its associate does not have significant influence in an enterprise can be demonstrated through following conditions:

- (i) the Group and its associate does not have any representation on the board of directors or corresponding governing body of the investee.
- (ii) the Group and its associate does not participate in policy making process.
- (iii) the Group and its associate does not have any material transactions with the investee.
- (iv) the Group and its associate does not interchange any managerial personnel.
- (v) the Group and its associate does not provide any essential technical information to the investee.

Estimates and judgements are continuously evaluated. These are based on historical experience and other factors including expectation of future events that may have a financial impact on the Group and its associate and that are believed to be reasonable under the circumstances.



Summary of Material Accounting Policies and other Explanatory Information

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E. Summary of material accounting policy information

(i) Functional and presentation currency

Items included in the consolidated financial statements of the Group and its associate are measured using the currency of the primary economic environment in which the Group and its associate operates (i.e. the “functional currency”). The consolidated financial statements are presented in INR, which is the functional and presentation currency of the Group and its associate.

(ii) Foreign currency transactions and translations

Foreign currency transactions of the Group and its associate are accounted at the exchange rates prevailing on the date of the transaction. Monetary assets and liabilities are translated at the rate prevailing on the balance sheet date whereas non-monetary assets and liabilities are translated at the rate prevailing on the date of the transaction. Gains and losses resulting from the settlement of foreign currency monetary items and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of profit and loss.

(iii) Financial instruments

a. Initial recognition and measurement

The Group and its associate recognises financial assets and liabilities when it becomes a party to the contractual provisions of the instrument. Financial assets (except trade receivables) and financial liabilities are recognised at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition. Regular purchase and sale of financial assets are recognised on the trade date. Further, trade receivables are measured at transaction price on initial recognition.

b. Subsequent measurement

Non derivative financial instruments

a. Financial assets carried at amortised cost

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

b. Financial assets at fair value through other comprehensive income ("FVOCI")

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

c. Financial assets at fair value through profit or loss ("FVTPL")

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

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d. Financial liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

e. Derivative financial instrument

Derivative financial instruments are initially measured at fair value on the contract date and are subsequently remeasured to fair value at each reporting date.

The Group and its associate's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

c. De-recognition of financial instruments

The Group and its associate de-recognises a financial asset when the contractual right to receive the cash flows from the financial asset expire or it transfers the financial asset. A financial liability is de-recognised when the obligation under the liability is discharged, cancelled or expires.

d. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group and its associate or the counterparty.

(iv) Current versus non-current classification

- (i) An asset is considered as current when it is:
 - a. Expected to be realised or intended to be sold or consumed in the normal operating cycle, or
 - b. Held primarily for the purpose of trading, or
 - c. Expected to be realised within twelve months after the reporting period, or
 - d. Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- (ii) All other assets are classified as non-current.
- (iii) Liability is considered as current when it is:
 - a. Expected to be settled in the normal operating cycle, or
 - b. Held primarily for the purpose of trading, or
 - c. Due to be settled within twelve months after the reporting period, or
 - d. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.



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- (iv) All other liabilities are classified as non-current.
- (v) Deferred tax assets and liabilities are classified as non-current assets and liabilities.
- (vi) All assets and liabilities have been classified as current or non-current as per the Group and its associate's operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of products and services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group and its associate has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

(v) Property, plant and equipment ("PPE")

PPE are stated at historical cost, less accumulated depreciation and impairment losses, if any. Historical costs include expenditure directly attributable to acquisition which are capitalised until the PPE are ready for use, as intended by management, including non-refundable taxes. Any trade discount and rebates are deducted in arriving at the purchase price.

An item of PPE initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from disposals of assets are measured as the difference between the net disposal proceeds and the carrying value of the asset on the date of disposal and are recognised in the consolidated statement of profit and loss, in the period of disposal.

The cost of an item of PPE shall be recognized as an asset if, and only if:

- (a) it is probable that future economic benefits associated with the item will flow to the Group and its associate's; and
- (b) the cost of the item can be measured reliably.

Items such as spare parts are recognised as PPE when they meet the definition of PPE. Otherwise, such items are classified as inventory.

The Group and its associate's depreciates PPE over their estimated useful lives using the straight-line method. The estimated useful lives of PPE for the current and comparative periods are as follows:

| Assets | Number of years |
|--------------------------|--------------------------|
| Leasehold improvements | Over the period of lease |
| Plant and equipment | 3 to 15 years |
| Furniture and fixtures | 5 years |
| Office equipment | 3 to 5 years |
| Buildings | 30 to 60 years |
| Vehicles | 3 to 5 years |
| Computers and servers | 3 to 7 years |
| Electrical installations | 5 years |

In case of certain old PPE, the Group and its associate's uses different useful life than those specified in Schedule II of the Act which is duly supported by technical evaluation. The management believe that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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Depreciation methods, estimated useful lives and residual values are reviewed at each reporting date. Depreciation on addition to PPE or on disposal of PPE is calculated pro-rata from the month of such addition or up to the month of such disposal as the case may be.

Capital work-in-progress includes PPE under construction and not ready for intended use as on the balance sheet date.

(vi) Intangible assets

Intangible assets acquired separately are initially recognised at cost of acquisition which includes purchase price including import duties and non-refundable taxes, if any and further includes directly attributable cost of preparing the asset for its intended use. Identifiable intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to the Group and its associate and the cost of the asset can be reliably measured. Computer software is amortised on a straight line basis over the estimated useful economic life which is expected as four years. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The amortisation of an intangible asset with a finite useful life reflects the manner in which the economic benefit is expected to be generated. The estimated useful life of amortisable intangibles are reviewed and where appropriate are adjusted, annually.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset on the date of disposal and are recognised in the consolidated statement of profit and loss when the asset is derecognised.

Amortisation on addition to intangible assets or on disposal of intangible assets is calculated pro-rata from the month of such addition or up to the month of such disposal as the case may be.

Intangible assets under development include purchase and implementation cost of new enterprise resource planning system/ application and are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and impairment losses, if any.

Trademark is not amortised and it is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired. It is carried at cost less accumulated impairment losses.

The Group and its associate amortises intangible assets over their estimated useful lives using the straight line method which are as follows:

| Assets | Number of years |
|------------------------|-----------------|
| Computer software | 3 to 5 years |
| Customer relationships | 4 to 20 years |
| Non-compete fees | 4 to 20 years |



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(vii) Business combinations

- (i) The Group and its associate accounts for each business combination by applying the acquisition method. The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another.
- (ii) Control exists when the Group and its associate is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive.
- (iii) The Group and its associate measures goodwill as of the applicable acquisition date at the fair value of the consideration transferred, including the recognised amount of any non-controlling interest in the acquiree, less the net recognised amount of the identifiable assets acquired and liabilities (including contingent liabilities in case such a liability represents a present obligation and arises from a past event and its fair value can be measured reliably) assumed. When the fair value of the net identifiable assets acquired and liabilities assumed exceeds the consideration transferred, a bargain purchase gain is recognised as capital reserve.
- (iv) Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group and its associate to the previous owners of the acquiree and equity interests issued by the Group and its associate. Consideration transferred also includes the fair value of any contingent consideration. Consideration transferred does not include amounts related to settlement of pre-existing relationships.
- (v) Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise subsequent changes in the fair value of the contingent consideration are recognised in the consolidated statement of profit and loss.
- (vi) Transaction costs that the Group and its associate incurs in connection with a business combination, such as finder's fees, legal fees, due diligence fees and other professional and consulting fees, are expensed as incurred.
- (vii) On an acquisition-by-acquisition basis, the Group and its associate recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.
- (viii) Any goodwill that arises on account of such business combination is tested annually for impairment or more frequently if events or changes in circumstances indicate that it might be impaired.
- (ix) Acquisitions of non-controlling interests are accounted for as transactions with equity holders in their capacity as equity holders. The difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity.

(viii) Investments

Investments, which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as non-current investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried at lower of cost and fair value determined on an individual investment basis.

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Non-current investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of these investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the consolidated statement of profit and loss.

Investment accounted for using the equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group and its associate's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group and its associate's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

Where the Group and its associate's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group and its associate does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associate are eliminated to the extent of the Group and its associate's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group and its associate.

The carrying amount of equity accounted investments are tested for impairment.

(ix) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

(i) The Group and its associate as a lessee

The Group and its associate's lease asset class consists of leases for buildings, furniture, computers and servers, plant and equipment, office equipment and vehicles. The Group and its associate assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group and its associate assesses whether: (i) the contract involves the use of an identified asset (ii) the Group and its associate has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group and its associate has the right to direct the use of the asset.

At the date of commencement of the lease, the Group and its associate recognises a right of use ('ROU') asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low value assets. For these short-term and leases of low value assets, the Group and its associate recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be



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exercised. The ROU assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit ("CGU") to which the asset belongs.

The lease liabilities is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Group and its associate changes its assessment on whether it will exercise an extension or a termination option.

Lease liabilities and ROU assets have been separately presented in the consolidated balance sheet and lease payments have been classified as financing cash flows.

(ii) The Group and its associate as a lessor

Leases for which the Group and its associate is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group and its associate is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the ROU asset arising from the head lease. For operating leases, rental income is recognised on a straight-line basis over the term of the relevant lease.

For operating leases, rental income is recognised on a straight-line basis over the term of the relevant lease. Contingent rents are recognised as revenue in the period in which they are earned.

(x) Impairment of assets

a. Non-financial assets:

Intangible assets, ROU assets and PPE are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value in use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognised in the consolidated statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the consolidated statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying

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amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. For impairment of inventory, refer accounting policy of "Inventories".

b. Financial assets:

The Group and its associate assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 "Financial Instruments" requires expected credit losses to be measured through a loss allowance. The Group and its associate recognises lifetime expected losses for all trade receivables and contract assets that do not constitute a financing component. In determining the allowances for doubtful trade receivables and contract assets, The Group and its associate has used a practical expedient by computing the expected credit loss allowance for trade receivables and contract assets based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the lifetime credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition, The Group and its associate considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on The Group and its associate's historical experience and informed credit assessment, that includes forward-looking information.

The Group and its associate assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due (inclusive of additional 60 days over and above 30 days rebuttable presumption, where the delay could be due to administrative oversight which is considered normal in the industry and/or geographies where Company is operating).

For impairment of investment in subsidiaries and associates, refer accounting policy of "Investment in subsidiaries and associate".

(xi) Investment in associate

Investment in associates are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and associates, the difference between net disposal proceeds and the carrying amounts are recognised in the consolidated statement of profit and loss.

(xii) Employee benefits

a. Long-term employee benefits

(i) Defined contribution plans

The Group and its associate has defined contribution plans for post employment benefits in the form of provident fund, employees' state insurance and labour welfare fund etc. Under the defined contribution plans, the Group and its associate has no further obligation beyond making the contributions. Such contributions are charged to the consolidated statement of profit and loss as incurred.



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(ii) Defined benefit plans

The Group and its associate has defined benefit plans for post employment benefits in the form of gratuity and pension for its employees. Liability for defined benefit plans is provided on the basis of actuarial valuations, as at the balance sheet date, carried out by an independent actuary. The actuarial valuation method used by independent actuary for measuring the liability is the projected unit credit method.

Actuarial gains or loss are recognised in Other Comprehensive Income ("OCI"). Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognised in consolidated statement of profit and loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognised as part of rereasurement of net defined benefit liability or asset through OCI.

Remeasurements comprising of actuarial gains or loss and return on plan assets (excluding amounts included in net interest on the net defined benefit liability or assets) are not reclassified to consolidated statement of profit and loss in subsequent periods.

(iii) Other long-term employee benefits

The employees of the Group and its associate are also entitled to other long-term employee benefits in the form of compensated absences as per the policy of the Group and its associate. Accumulated leave, which is expected to be utilised within the next twelve months, is treated as short-term employee benefit. the Group and its associate measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. the Group and its associate treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. In case of compensated absences, employees generally have an unconditional right to avail the accumulated leaves, however there are certain circumstances which also gives a right to the Group and its associate to defer the employee's leave (for example: Group and its associate's right to postpone/ deny the leave, restriction to avail leave in the next year for a maximum number of days etc.). Thus, compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end. Actuarial gains and loss are recognised in the consolidated statement of profit and loss during the period in which they arise.

b. Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised in the year during which the employee rendered the services. These benefits include salary and performance incentives etc.

c. Termination benefits

Termination benefits, including those in the nature of voluntary retirement benefits or those arising from restructuring, are recognised in the consolidated statement of profit and loss when the Group and its associate's has a present obligation as a result of past event, when a reliable estimate can be made of the amount of the obligation and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations.

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(xiii) Share based payments

The Group and its associate determines the compensation cost based on the fair value method using Black-Scholes-Merton formula, in accordance with Ind AS 102 "Share-based Payment". The Group and its associate grants options to its employees which will be vested in a graded manner and are to be exercised within a specified period. The compensation cost is amortised on graded basis over the vesting period. The share based payment expense is determined based on the Group and its associate estimate of equity instrument that will eventually vest.

The amounts recognised in "Share options outstanding account" are transferred to share capital and securities premium upon exercise of stock options by employees. Where employee stock options lapse after vesting, an amount equivalent to the cumulative cost for the lapsed option is transferred from "Share options outstanding account" to "General reserve".

(xiv) Unamortised cost for maintenance contracts

Contractual obligation relating to maintenance contracts, benefits of which will be consumed in subsequent years, have been recognised as unamortised cost for maintenance contracts and disclosed under "other assets".

(xv) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Group and its associate has a present obligation as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group and its associate or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Provisions are reviewed regularly and are adjusted where necessary to reflect the current best estimates of the obligation. Where the Group and its associate expects a provision to be reimbursed, the reimbursement is recognised as a separate asset, only when such reimbursement is virtually certain.

Contingent asset is not recognised in the consolidated financial statements. However, it is recognised only when an inflow of economic benefits is probable.

(xvi) Warranty provisions

Provisions for warranty-related costs are recognised when the product is sold or service provided. Provision is based on historical experience. The estimate of such warranty-related costs is reviewed annually.

(xvii) Borrowing costs

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

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. All other borrowing costs are expensed in the period in which they occur. The Group and its associate cease capitalising borrowing costs when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.



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(xviii) Inventories

Inventories of work-in-progress and stock-in-trade are valued at cost or net realisable value, whichever is lower. The cost is determined on weighted average basis, and includes all costs incurred in bringing the inventories to their present location and condition including non-recoverable taxes. In the case of work-in-progress, cost also includes costs of conversion.

Net realisable 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.

Further, inventory contains service spares which are used as replacement stocks by the Group and its associate for servicing the customers repairs and maintenance requirements during the service period. Adequate allowances are recognised as a measure of consumption over their expected life based on their usage.

Cost related to product and implementation contracts where performance obligation is not complete and certain goods or service inventories are transferred to customer premises as a part of contract, is recognised and presented as "Inventory at customer site".

Cost of stores and spares includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition including non-recoverable taxes. The aforesaid items are valued at net realisable value if the finished products in which they are to be incorporated are expected to be sold at a loss.

(xix) Income recognition

(a) Revenue recognition

When a performance obligation is satisfied, the Group and its associate recognise as revenue the amount of the transaction price (which excludes estimates of variable consideration) that is allocated to that performance obligation. Transaction price is the amount of consideration to which the Group and its associate expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Ind AS 115 specifies five step model for revenue recognition:

1. Identify the contract with a customer;
2. Identify the separate performance obligations in the contract;
3. Determine the transaction price;
4. Allocate the transaction price to the separate performance obligations; and
5. Recognize revenue when (or as) each performance obligation is satisfied.

The Group and its associate accounts for a contract when it has approval and commitment from all parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable.

Revenue is recognised in the statement of profit and loss with the contracted price showing separately each of the adjustments made to the contract price and specifying the nature and amount of each such adjustment separately.

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Sale of products

Revenue from sale of product, including leasing of specific inventory item, is recognised when control of the product is transferred to the buyer and performance obligation is satisfied, which generally coincides with acknowledgement of delivery pending which the sale is disclosed as "Contract liabilities". the Group and its associate collects goods and services tax ('GST') and other indirect taxes on behalf of the government and, therefore, these are not economic benefits flowing to the Group and its associate and are accordingly excluded from the revenue.

Sale of services

1. Revenue from implementation services (including installation and commissioning) related to products supplied or on a standalone basis are recognised when services are rendered, as the performance obligations are met.
2. Revenue from maintenance contracts is recognised based on time elapsed and revenue is straight lined over the period of the performance or on the performance of services as specified in the contract. This method of revenue recognition provides a faithful depiction of transfer of services.
3. Service income of a periodic nature which is billed but has not accrued during the year is disclosed as "Contract liabilities".
4. The Group and its associate collects GST and other indirect taxes on behalf of the government and therefore, these are not economic benefits flowing to the Group and its associate and are accordingly excluded from the revenue.

Any modification or change in existing performance obligations is assessed whether the services is added to the existing contracts or not. The distinct services are accounted for as a new contract and services which are not distinct are accounted for on a cumulative catch-up basis.

Cost to fulfil the contracts

Recurring operating costs for contracts with customers are recognised as incurred. Revenue recognition excludes any government taxes but includes reimbursement of out of pocket expenses. Provision of onerous contract are recognised when the expected benefits to be derived by the Group and its associate from a contract are lower than the unavoidable cost of meeting the future obligations under the contract. The provision is measured at present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

Incremental costs of obtaining a contract

The incremental costs of obtaining a contract are those costs that an entity incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained. For certain contracts, Group and its associate does incur insignificant incremental costs to obtain the contract. Group and its associate applies practical expedient by recognising such cost as expense, when incurred, in the consolidated statement of profit and loss instead of creating an asset as the amortisation period of the asset that the Group and its associate otherwise would have recognised is one year or less.



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Significant financing component

The Group and its associate considers all relevant facts and circumstances in assessing whether a contract contains a financing component and whether that financing component is significant to the contract, including both the conditions:

- (a) the difference, if any, between the amount of promised consideration and the cash selling price of the promised goods or services; and
- (b) the combined effect of both the following conditions:
 - (i) the expected length of time between when the entity transfers the promised goods or services to the customer and when the customer pays for those goods or services; and
 - (ii) the prevailing interest rates in the relevant market.

(b) Other operating revenue

It includes revenue arising from the reversal of operating liabilities / provisions no longer required or revenue arising from Group and its associate's ancillary revenue-generating activities. Revenue from these activities are recorded only when Group and its associate is reasonably certain of such income.

(c) Other income

Other income majorly comprises interest income and is recognised using the effective interest method and on time proportion basis.

(d) Trade receivables, contract assets and contract liabilities

Trade Receivable, net is primarily comprised of billed and unbilled receivables (i.e. only the passage of time is required before payment is due) for which the Group has an unconditional right to consideration, net of an allowance for doubtful accounts. A contract asset is a right to consideration that is conditional upon factors other than the passage of time. Contract assets are primarily related to unbilled amounts on fixed-price contracts utilising the cost to cost method i.e. percentage of completion method ('POCM') of revenue recognition. Contract liabilities consist of advance payments and billings in excess of revenues recognised. The difference between opening and closing balance of the contract assets and liabilities results from the timing differences between the performance obligation and customer payment.

(xx) Income tax

Tax expense for the year comprises of current tax and deferred tax. Current tax is measured by the amount of tax expected to be paid to the taxation authorities on the taxable profits after considering tax allowances and exemptions and using applicable tax rates and laws. Deferred tax is recognised on temporary differences between the accounting base and the tax base for the year and quantified using the tax rates and tax laws enacted or substantively enacted as at the balance sheet date.

Deferred tax is recognised using the balance sheet approach. Deferred tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in consolidated financial statements, except when the deferred tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

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

Current tax and deferred tax assets and liabilities are offset when there is a legally enforceable right to set off the recognised amount and there is an intention to settle the asset and liability on a net basis.

(xxi) Exceptional items

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to assist users in understanding the financial performance achieved and in making projections of future financial performance, the nature and amount of such material items are disclosed separately as exceptional items.

(xxii) Service charges

Service charges comprise of cost for back to back implementation services/ installation and commissioning related to products supplied at customer location. Cost is recognised when services are received/ commissioned or on completion of performance obligation.

Further, cost towards maintenance contracts is recognised based on receipt/ delivery of services under the contract. It includes charges paid/ payable to vendors towards annual maintenance contracts/ warranty contracts/ software support charges/ engineers posted at customer sites.

(xxiii) Segments

Segments are identified based on the manner in which the Group and its associate's Chief Operating Decision Maker ('CODM') decides about resource allocation and reviews performance. Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

(xxiv) Trade receivables securitization

The Group and its associate accounts for receivables sold under the AR Securitization program as a sale of financial assets and derecognises these receivables, as well as the related loss allowances, from its consolidated balance sheet. The Group and its associate has no retained interests in the receivables, other than its right to the collection of servicing fees as the master servicer. The Group and its associate considers the fees received as adequate compensation for services rendered and accordingly have recorded no servicing asset or liability.

(xxv) Events after the reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the consolidated financial statements. Where the events are indicative of conditions that arose after the reporting period, the amounts are not adjusted, but are disclosed if those non-adjusting events are material.

(xxvi) Recent accounting pronouncements

Ministry of Corporate Affairs ('MCA') notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group and its associate.

New standards and amendments issued but not effective – There are no such standards which are notified but not yet effective.



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3 Property, plant and equipment

₹ in Crores

| | Leasehold improvement | Freehold land | Buildings | Plant and equipment | Computers and servers | Electrical installations | Furniture and fixtures | Office equipment | Vehicles | Total |
|---|-----------------------|---------------|--------------|---------------------|-----------------------|--------------------------|------------------------|------------------|--------------|---------------|
| Gross carrying amount | | | | | | | | | | |
| As at 1 April 2022 | 10.56 | 19.29 | 90.11 | 33.51 | 131.10 | 0.28 | 3.00 | 21.68 | 13.40 | 322.93 |
| Additions | 5.95 | - | 44.96 | 1.14 | 19.76 | - | 1.27 | 0.50 | - | 73.58 |
| Disposals | - | 20.10 | 92.27 | 10.26 | 25.49 | - | - | - | 1.24 | 149.36 |
| Exchange differences | 1.02 | 1.21 | 6.67 | 1.77 | 8.28 | - | 0.50 | 0.31 | 1.10 | 20.86 |
| As at 31 March 2023 | 17.53 | 0.40 | 49.47 | 26.16 | 133.65 | 0.28 | 4.77 | 22.49 | 13.26 | 268.01 |
| Additions | 3.21 | - | - | 0.46 | 25.18 | - | 0.78 | 2.11 | 1.08 | 32.82 |
| Acquisitions through business combination (refer note 44) | - | - | - | - | 0.26 | - | - | - | - | 0.26 |
| Disposals | 2.99 | 0.40 | 49.05 | 4.32 | 32.93 | 0.09 | 6.42 | 1.42 | 1.11 | 98.73 |
| Exchange differences | 0.25 | 0.00 | 0.37 | 3.96 | 29.72 | - | 6.24 | 0.06 | 0.19 | 40.79 |
| As at 31 March 2024 | 18.00 | 0.00 | 0.79 | 26.26 | 155.88 | 0.19 | 5.37 | 23.24 | 13.42 | 243.15 |
| Accumulated depreciation / amortisation | | | | | | | | | | |
| As at 1 April 2022 | 3.55 | - | 15.74 | 17.06 | 71.84 | 0.16 | 0.80 | 16.20 | 7.18 | 132.53 |
| Charge for the year | 1.99 | - | 0.43 | 2.68 | 11.43 | 0.04 | 0.71 | 0.75 | 1.60 | 19.63 |
| Disposals | - | - | 14.10 | 10.25 | 25.49 | - | - | - | 0.96 | 50.80 |
| Exchange differences | 0.32 | - | 1.05 | 0.58 | 2.95 | - | 0.19 | 0.30 | 0.65 | 6.04 |
| As at 31 March 2023 | 5.86 | - | 3.12 | 10.07 | 60.73 | 0.20 | 1.70 | 17.25 | 8.47 | 107.40 |
| Charge for the year | 5.76 | - | 0.01 | 3.08 | 15.38 | 0.01 | 1.34 | 1.76 | 1.82 | 29.16 |
| Disposals | 2.99 | - | 3.14 | 3.92 | 32.93 | 0.09 | 6.42 | 1.42 | 0.88 | 51.79 |
| Exchange differences | 0.10 | - | 0.02 | 3.77 | 28.44 | - | 6.18 | 0.06 | 0.13 | 38.70 |
| As at 31 March 2024 | 8.73 | - | 0.01 | 13.00 | 71.62 | 0.12 | 2.80 | 17.65 | 9.54 | 123.47 |
| Net carrying amount | | | | | | | | | | |
| As at 31 March 2023 | 11.67 | 0.40 | 46.35 | 16.09 | 72.92 | 0.08 | 3.07 | 5.24 | 4.79 | 160.61 |
| As at 31 March 2024 | 9.27 | 0.00 | 0.78 | 13.26 | 84.26 | 0.07 | 2.57 | 5.59 | 3.88 | 119.68 |

Footnotes:

- 1 Building includes those constructed on leasehold land held in the name of group company.
- 2 For capital commitments, refer note 39(B).
- 3 The title deed of building is held in the name of the Group. Further, all the lease agreements are duly executed in favour of the Group (lessee).

Summary of Material Accounting Policies and other Explanatory Information

as at and for the year ended 31 March 2024

4 Information on PPE maintained as security by the Group (refer notes 16 and 22).

₹ in Crores

| Class of asset | Net carrying amount | | Loans / financing facilities against which assets are pledged |
|--------------------------|---------------------|---------------|---|
| | 31 March 2024 | 31 March 2023 | |
| Leasehold improvement | 9.21 | 11.61 | Term loans, working capital term loan and cash credits facilities |
| Freehold land | - | 0.39 | |
| Buildings | - | 45.59 | |
| Plant and equipment | 14.15 | 16.95 | |
| Computers and servers | 80.51 | 68.71 | |
| Electrical installations | - | 0.01 | |
| Furniture and fixtures | 4.75 | 5.26 | |
| Office equipment | 2.66 | 2.29 | |
| Vehicles | 3.68 | 4.58 | |

4 Right of use assets

₹ in Crores

| | Buildings | Furniture | Computers and servers | Plant and equipment | Office equipment | Vehicles | Total |
|---------------------------------|---------------|-------------|-----------------------|---------------------|------------------|--------------|---------------|
| Gross carrying amount | | | | | | | |
| As at 1 April 2022 | 294.26 | 4.19 | 4.43 | 14.51 | 31.86 | 16.80 | 366.05 |
| Additions | 104.62 | - | 1.23 | - | - | 27.17 | 133.02 |
| Disposals | 22.70 | - | 1.86 | 6.94 | 22.50 | 4.53 | 58.53 |
| Exchange differences | 23.38 | - | (0.45) | 1.10 | 2.25 | 1.99 | 28.27 |
| As at 31 March 2023 | 399.56 | 4.19 | 3.35 | 8.67 | 11.61 | 41.43 | 468.81 |
| Additions | 65.98 | - | 13.06 | - | 1.90 | 13.54 | 94.48 |
| Disposals | 145.77 | - | - | 6.95 | 7.44 | 0.79 | 160.95 |
| Exchange differences | 4.92 | - | 0.09 | 0.08 | 0.13 | 0.69 | 5.91 |
| As at 31 March 2024 | 324.69 | 4.19 | 16.50 | 1.80 | 6.20 | 54.87 | 408.25 |
| Accumulated depreciation | | | | | | | |
| As at 1 April 2022 | 135.45 | 0.26 | 1.89 | 6.66 | 17.67 | 9.80 | 171.73 |
| Charge for the year | 57.88 | 0.41 | 3.02 | 2.54 | 3.32 | 5.08 | 72.25 |
| Disposals | 22.58 | - | 3.76 | 2.83 | 12.73 | 4.53 | 46.43 |
| Exchange differences | 9.94 | - | (0.48) | 0.57 | 1.32 | 0.85 | 12.20 |
| As at 31 March 2023 | 180.69 | 0.67 | 0.67 | 6.94 | 9.58 | 11.20 | 209.75 |
| Charge for the year | 49.65 | 0.42 | 7.36 | 1.58 | 1.12 | 5.75 | 65.88 |
| Disposals | 145.77 | - | - | 6.95 | 7.44 | 0.79 | 160.95 |
| Exchange differences | 1.84 | - | 0.05 | 0.06 | 0.09 | 0.19 | 2.23 |
| As at 31 March 2024 | 86.41 | 1.09 | 8.08 | 1.63 | 3.35 | 16.35 | 116.91 |
| Net carrying amount | | | | | | | |
| As at 31 March 2023 | 218.87 | 3.52 | 2.68 | 1.73 | 2.03 | 30.23 | 259.06 |
| As at 31 March 2024 | 238.28 | 3.10 | 8.42 | 0.17 | 2.85 | 38.52 | 291.34 |

Footnotes:

- Disposals includes lease reassessments in the nature of pre-termination of lease arrangements for the previous year.
- Refer note 42 for disclosure on ROU assets and related lease liabilities.



Summary of Material Accounting Policies and other Explanatory Information

as at and for the year ended 31 March 2024

5 Goodwill

| | ₹ in Crores |
|---|---------------|
| Gross carrying amount | |
| As at 1 April 2022 | 323.40 |
| Exchange differences | 16.47 |
| As at 31 March 2023 | 339.87 |
| Acquisitions through business combination (refer note 44) | 16.83 |
| Exchange differences | 2.53 |
| As at 31 March 2024 | 359.23 |
| Impairment | |
| As at 1 April 2022 | 23.05 |
| Exchange differences | 0.86 |
| As at 31 March 2023 | 23.91 |
| Exchange differences | 1.21 |
| As at 31 March 2024 | 25.12 |
| Net carrying amount | |
| As at 31 March 2023 | 315.96 |
| As at 31 March 2024 | 334.11 |

For impairment testing, goodwill and trademark, i.e., intangible asset with indefinite life are allocated to the Cash Generating Unit ("CGU") which represents the lowest level within the group at which goodwill or trademark is monitored for internal management purposes. The Group's goodwill on consolidation and intangible assets with indefinite life are tested for impairment annually or more frequently if there are indications that goodwill or trademark might be impaired.

If any indication of impairment exists, an estimate of the recoverable amount of the individual asset / CGU is made. Asset / CGU whose carrying value exceeds their recoverable amount are written down to the recoverable amount by recognising the impairment loss as an expense in the consolidated statement of profit and loss.

The impairment loss is allocated first to reduce the carrying amount of goodwill (if any) allocated to the CGU and then to the other assets of the unit, pro rata based on the carrying amount of each asset in the unit. Recoverable amount is higher of an asset's or CGU's value in use and its fair value less cost of disposal. Value in use is estimated future cash flows expected to arise from the continuing use of an asset or CGU and from its disposal at the end of its useful life discounted to their present value using a post-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 considered. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

During the current year and previous year, the testing did not result in any impairment in the carrying amount of goodwill or trademark.

Goodwill acquired in business combination and trademark, were allocated to the following CGUs that are expected to benefit from that business combination:

Summary of Material Accounting Policies and other Explanatory Information

as at and for the year ended 31 March 2024

Goodwill

| Particulars | ₹ in Crores | |
|----------------------|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| America | 242.36 | 240.70 |
| Australia | 60.97 | 45.83 |
| India | 10.17 | 10.17 |
| United Arab Emirates | 7.11 | 7.01 |
| Singapore | 2.78 | 2.77 |
| New Zealand | 10.72 | 9.48 |
| | 334.11 | 315.96 |

Trademark

| Particulars | ₹ in Crores | |
|-------------|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| America | 26.10 | 25.73 |
| | 26.10 | 25.73 |

The recoverable amount of each CGU are determined based on value in use calculated using estimated discounted cash flows.

Key assumptions upon which the Group has based its determinations of value in use includes:

- The Group prepares its cash flow forecasts for 3 years based on the most recent financial budgets approved by board of directors. The Group believes this to be the most appropriate timescale over which Group review and consider annual performances before applying a fixed terminal value multiple to the final year cash flows.
- A terminal value is arrived at by extrapolating the last forecasted year cashflows to perpetuity, using a constant long-term growth rate ranging from 0.00% to 5.00% (31 March 2023: 0.00% to 5.00%)

c) **Growth rates**

The growth rates are based on industry growth forecasts. Management determines the budgeted growth rates based on past performance and its expectations of market development. The weighted average growth rates used were 5% considering the future market conditions and past trends on a conservative basis as at 31 March 2024 (31 March 2023: 7.13% to 11.07%).

d) **Discount rates**

Management estimates discount rates that reflect current market assessments of the risks specific to the CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and is derived from its weighted average cost of capital (WACC) is 12.80% as at 31 March 2024 (31 March 2023: 20.40%). WACC = Risk free return + (Market risk premium X Beta factor).

The Group believes that any reasonably possible change in the key assumptions on which a recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the CGU.

e) **Sensitivity**

Reasonable sensitivities in key assumptions consequent to the change in estimated growth rate and discount rate is unlikely to cause the carrying amount to exceed the recoverable amount of the CGU.



Summary of Material Accounting Policies and other Explanatory Information

as at and for the year ended 31 March 2024

6 Other intangible assets

₹ in Crores

| | Customer Relationships | Non-compete fee | Trademark | Computer software | Total |
|---|------------------------|-----------------|--------------|-------------------|---------------|
| Gross carrying amount | | | | | |
| As at 1 April 2022 | 12.34 | 1.38 | 23.67 | 50.25 | 87.64 |
| Additions | - | - | - | 22.63 | 22.63 |
| Exchange differences | 2.93 | 0.12 | 2.06 | 3.30 | 8.41 |
| As at 31 March 2023 | 15.27 | 1.50 | 25.73 | 76.18 | 118.68 |
| Additions | - | - | - | 20.06 | 20.06 |
| Acquisitions through business combination (refer note 44) | 3.01 | 0.03 | - | - | 3.04 |
| Disposals | - | - | - | 5.25 | 5.25 |
| Exchange differences | 0.55 | 0.03 | 0.37 | 0.60 | 1.55 |
| As at 31 March 2024 | 18.83 | 1.56 | 26.10 | 91.59 | 138.08 |
| Accumulated amortisation | | | | | |
| As at 1 April 2022 | 3.96 | 0.15 | - | 36.11 | 40.22 |
| Charge for the year | 6.27 | 0.09 | - | 9.24 | 15.60 |
| Exchange differences | 0.49 | 0.02 | - | 3.77 | 4.28 |
| As at 31 March 2023 | 10.72 | 0.26 | - | 49.12 | 60.10 |
| Charge for the year | 3.25 | 0.14 | - | 15.91 | 19.30 |
| Disposals | - | - | - | 5.25 | 5.25 |
| Exchange differences | 0.18 | 0.01 | - | 0.67 | 0.86 |
| As at 31 March 2024 | 14.15 | 0.41 | - | 60.45 | 75.01 |
| Net carrying amount | | | | | |
| As at 31 March 2023 | 4.55 | 1.24 | 25.73 | 27.06 | 58.58 |
| As at 31 March 2024 | 4.68 | 1.15 | 26.10 | 31.14 | 63.07 |

Footnote:

For capital commitments, refer note 39(B).

6.1 Intangible assets under development ('IAUD')

₹ in Crores

| Particulars | As at 01 April 2023 | Additions | Capitalised | As at 31 March 2024 |
|-------------|---------------------|-----------|-------------|---------------------|
| IAUD | 2.23 | - | 2.23 | - |
| | 2.23 | - | 2.23 | - |

₹ in Crores

| Particulars | As at 01 April 2022 | Additions | Capitalised | As at 31 March 2023 |
|-------------|---------------------|-------------|-------------|---------------------|
| IAUD | - | 2.23 | - | 2.23 |
| | - | 2.23 | - | 2.23 |

IAUD represents purchase and implementation cost of new enterprise resource planning system/ application

Summary of Material Accounting Policies and other Explanatory Information

as at and for the year ended 31 March 2024

Ageing schedule as at 31 March 2024

₹ in Crores

| Particulars | Less than | 1 - 2 | 2 - 3 | More than | Total |
|--------------------------------|-----------|-------|-------|-----------|-------|
| | 1 year | years | years | 3 years | |
| Project in progress | - | - | - | - | - |
| Projects temporarily suspended | - | - | - | - | - |
| | - | - | - | - | - |

Ageing schedule as at 31 March 2023

₹ in Crores

| Particulars | Less than | 1 - 2 | 2 - 3 | More than | Total |
|--------------------------------|-------------|-------|-------|-----------|-------------|
| | 1 year | years | years | 3 years | |
| Project in progress | 2.23 | - | - | - | 2.23 |
| Projects temporarily suspended | - | - | - | - | - |
| | 2.23 | - | - | - | 2.23 |

There is no IAUD whose completion is overdue or which has exceeded its cost compared to its original plan.

7 Investment accounted for using the equity method

₹ in Crores

| Name of entity | Place of business | % of ownership interest | Relationship | Accounting method | Quoted fair value | | Carrying amount | |
|--|-------------------|-------------------------|--------------|-------------------|--|-----------------|-----------------|-----------------|
| | | | | | 31 March 2024 * | 31 March 2023 * | 31 March 2024 * | 31 March 2023 * |
| | | | | | Black Box DMCC (Formerly known as Zservices HQ DMCC) | Dubai | 39.50% | Associate |
| | | | | | - | - | 32.07 | 30.40 |
| Aggregate amount of unquoted investment (at cost) | | | | | - | - | 32.07 | 30.40 |
| Aggregate amount of impairment in value of investment | | | | | - | - | - | - |

* Unlisted entity - no quoted price available.



Summary of Material Accounting Policies and other Explanatory Information

as at and for the year ended 31 March 2024

8 Other financial assets

₹ in Crores

| | Non-current | | Current | |
|---|---------------|---------------|---------------|---------------|
| | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
| Unsecured, considered good | | | | |
| Margin money deposits with maturity of more than twelve months * | 5.78 | 2.53 | 0.67 | 0.66 |
| Margin money deposits having remaining maturity less than twelve months * | - | - | 2.07 | 1.77 |
| Security deposits | 2.19 | 2.68 | 0.39 | 1.20 |
| Receivable from related parties [refer note 38 (III)] ** | - | - | 0.32 | 0.32 |
| Net investment in finance lease [refer note 42(e)] | | | | |
| Others (Credit impaired) | 1.24 | 1.77 | 2.14 | 1.37 |
| Less: Allowance for expected credit loss | (1.24) | (1.77) | (2.14) | (1.37) |
| Receivable against securitisation of trade receivables | - | - | 482.41 | 652.94 |
| Forward contract asset | - | - | 0.68 | - |
| Other receivables *** | 27.20 | 12.82 | 25.64 | 25.96 |
| Less: Allowance for expected credit loss | - | - | (4.45) | (4.38) |
| | 35.17 | 18.03 | 507.73 | 678.47 |

Refer note 40 for information on credit risk and market risk.

Refer notes 16 and 22 for information on assets provided as collateral or security for borrowings or financing facilities availed by the Group.

* As lien against bank guarantees issued amounting to ₹ 6.42 Crores (31 March 2023 : ₹ 8.03 Crores). There are no repatriation restrictions with regard to margin money deposits as at the end of the reporting period and prior periods.

** Majorly includes reimbursement receivable on allocation of expenses

*** Majorly includes receivable from securitisation of loan receivable, sale of trade receivable and purchase related rebates

9 Deferred tax assets (net)

₹ in Crores

| | 31 March 2024 | 31 March 2023 |
|--|---------------|---------------|
| Deferred tax asset arising on account of | | |
| Timing difference between book depreciation and depreciation as per the Income-tax Act, 1961 | 0.41 | 0.48 |
| Provision for employee benefits | 0.50 | 0.57 |
| Allowance for expected credit loss | 2.39 | 3.32 |
| Lease liabilities | 0.82 | 1.22 |
| Brought forward tax losses | 20.01 | 17.94 |
| Others (net) | 5.09 | 2.85 |
| | 29.22 | 26.38 |

Summary of Material Accounting Policies and other Explanatory Information

as at and for the year ended 31 March 2024

| | ₹ in Crores | |
|---|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| (Deferred tax liability) arising on account of | | |
| ROU assets | (4.59) | (5.66) |
| Others | (0.06) | (0.90) |
| | (4.65) | (6.56) |
| Deferred tax assets (net) | 24.57 | 19.82 |

* Deferred tax assets have been recognised to the extent of deferred tax liability as there is no reasonable certainty of future taxable income against which such deferred tax assets can be realised.

(a) Movement in deferred tax assets and deferred tax liability from 1 April 2023 to 31 March 2024

| | ₹ in Crores | | | | |
|--|------------------------------------|--|--|-------------------------------|-------------------------------------|
| | Opening balance as on 1 April 2023 | Recognised in the statement of profit and loss | Recognised in Other Comprehensive Income | Recognised directly in equity | Closing balance as on 31 March 2024 |
| Deferred tax assets arising on account of | | | | | |
| Timing difference between book depreciation and depreciation as per the Income-tax Act, 1961 | 0.48 | (0.07) | - | - | 0.41 |
| Provision for employee benefits | 0.57 | (0.17) | 0.10 | - | 0.50 |
| Allowance for expected credit loss | 3.32 | (0.93) | - | - | 2.39 |
| Lease liabilities | 1.22 | (0.40) | - | - | 0.82 |
| Brought forward tax losses | 17.94 | 2.07 | - | - | 20.01 |
| Others (net) | 2.85 | 2.24 | - | - | 5.09 |
| | 26.38 | 2.74 | 0.10 | - | 29.22 |
| (Deferred tax liability) arising on account of | | | | | |
| ROU assets | (5.66) | 1.07 | - | - | (4.59) |
| Others | (0.90) | 0.84 | - | - | (0.06) |
| | (6.56) | 1.91 | - | - | (4.65) |
| Deferred tax assets (net) | 19.82 | 4.65 | 0.10 | - | 24.57 |



Summary of Material Accounting Policies and other Explanatory Information

as at and for the year ended 31 March 2024

(b) Movement in deferred tax assets and deferred tax liability from 1 April 2022 to 31 March 2023

| | ₹ in Crores | | | | |
|--|------------------------------------|--|--|-------------------------------|-------------------------------------|
| | Opening balance as on 1 April 2022 | Recognised in the statement of profit and loss | Recognised in Other Comprehensive Income | Recognised directly in equity | Closing balance as on 31 March 2023 |
| Deferred tax assets arising on account of | | | | | |
| Timing difference between book depreciation and depreciation as per the Income-tax Act, 1961 | 0.49 | (0.01) | - | - | 0.48 |
| Provision for employee benefits | 0.53 | 0.09 | (0.05) | - | 0.57 |
| Allowance for expected credit loss | 2.87 | 0.45 | - | - | 3.32 |
| Lease liabilities | 1.18 | 0.04 | - | - | 1.22 |
| Brought forward tax losses | 16.27 | 1.67 | - | - | 17.94 |
| Others (net) | 1.70 | 1.15 | - | - | 2.85 |
| | 23.04 | 3.39 | (0.05) | - | 26.38 |
| (Deferred tax liability) arising on account of | | | | | |
| ROU assets | (5.90) | 0.24 | - | - | (5.66) |
| Others | - | (0.90) | - | - | (0.90) |
| | (5.90) | (0.66) | - | - | (6.56) |
| Deferred tax assets (net) | 17.14 | 2.73 | (0.05) | - | 19.82 |

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off tax assets and tax liabilities and Group's intention is to settle on a net basis or to realise the asset and settle the liabilities simultaneously, and deferred tax assets and deferred tax liabilities relate to the income taxes levied by the respective tax authorities.

Brought forward tax losses and other temporary differences of Holding Company and certain subsidiary companies of the Group on which no deferred tax asset is recognised in consolidated balance sheet :

| | ₹ in Crores | |
|-----------------------------|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Brought forward tax losses | 104.03 | 87.96 |
| Temporary differences (net) | 98.71 | 101.97 |
| | 202.74 | 189.93 |

Summary of Material Accounting Policies and other Explanatory Information

as at and for the year ended 31 March 2024

10 Contract assets

₹ in Crores

| | Current | |
|---|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Unsecured | | |
| Considered good | 246.34 | 113.65 |
| Less: Allowance for expected credit loss | (0.14) | - |
| | 246.20 | 113.65 |
| Dues from directors or other officers of the Company | - | - |
| Dues from firms or private companies in which director is a partner or a director or a member | - | 0.00 |
| Includes due from related parties [refer note 38 (III)] | - | 0.00 |

Notes:

1. Refer notes 16 and 22 for information on assets provided as collateral or security for borrowings or financing facilities availed by the Group.
2. Refer note 43 (c) for movement in contract assets.

11 Other assets

₹ in Crores

| | Non-current | | Current | |
|---|---------------|---------------|---------------|---------------|
| | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
| Advances other than capital advances | | | | |
| Advance to vendors | | | | |
| - Others | - | - | 16.06 | 18.12 |
| Prepaid expenses | 0.03 | 57.62 | 47.08 | 162.76 |
| Balances with statutory / government authorities | 7.12 | 13.71 | 26.04 | 27.50 |
| Unamortised cost for maintenance contracts | 25.81 | - | 104.23 | 33.26 |
| Others* | 15.25 | - | 10.70 | - |
| | 48.21 | 71.33 | 204.11 | 241.64 |
| Dues from directors or other officers of the Company | - | - | - | - |
| Dues from firms or private companies in which director is a partner or a director or a member | - | - | - | - |

Refer notes 16 and 22 for information on assets provided as collateral or security for borrowings or financing facilities availed by the Group.

* Majorly includes health care rebate receivable.



Summary of Material Accounting Policies and other Explanatory Information

as at and for the year ended 31 March 2024

12 Inventories

| | ₹ in Crores | |
|---|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Raw materials | 7.30 | 7.41 |
| Stock-in-trade (includes in transit ₹ 0.20 Crores) (31 March 2023 : ₹ 0.16 Crores) (refer footnote of note 27)* | 239.09 | 354.59 |
| | 246.39 | 362.00 |
| Impairment in value of inventory | 0.74 | 0.73 |
| Reversal of impairment in value of inventory | - | 0.03 |

* Includes inventory at customer site having net carrying value of ₹ 0.94 Crores as at 31 March 2024 (31 March 2023: ₹ 1.49 Crores) [refer note 43(e)]

Notes:

Write down of inventories to net realisable value is amounting to ₹ 31.22 Crores (31 March 2023: ₹ 55.18 Crores).

Refer note 16 and 22 for information on assets provided as collateral or security for borrowings or financing facilities availed by the Group. The carrying value of inventory pledged as security as at 31 March 2024 is ₹ 13.58 Crores (31 March 2023: ₹ 11.49 Crores)

Inventory of finished goods as at reporting dates is Nil.

13 Trade receivables

| | ₹ in Crores | |
|---|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Unsecured | | |
| Considered good | 378.20 | 397.62 |
| Significant increase in credit risk | 152.34 | 159.13 |
| Less: Allowance for expected credit loss | (144.21) | (135.70) |
| Credit impaired | 1.29 | 4.17 |
| Less: Allowance for expected credit loss | (1.29) | (4.17) |
| | 386.33 | 421.05 |
| Dues from directors or other officers of the Company (Gross) | - | - |
| Dues from firms or private companies in which director is a partner or a director or a member (Gross) | - | - |
| Includes due from related parties (Gross) [refer note 38 (III)] | 11.46 | 15.87 |

Notes:

- Trade receivables are non-interest bearing and are generally settled in 45 to 90 days.
- Refer note 40 for information on credit risk and market risk.
- Refer notes 16 and 22 for information on assets provided as collateral or security for borrowings or financing facilities availed by the Group.

Summary of Material Accounting Policies and other Explanatory Information

as at and for the year ended 31 March 2024

Ageing for trade receivables outstanding as at 31 March 2024 is as follows :

₹ in Crores

| Particulars | Outstanding for following periods from date of transaction | | | | | Total |
|---|--|-------------------|--------------|--------------|-------------------|-----------------|
| | Less than 6 months | 6 months - 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| Undisputed trade receivables – considered good | 375.68 | - | - | - | - | 375.68 |
| Undisputed trade receivables – which have significant increase in credit risk | - | 9.66 | 23.79 | 15.61 | 103.28 | 152.34 |
| Undisputed trade receivables – credit impaired | - | - | - | - | - | - |
| Disputed trade receivables – considered good | - | - | - | - | - | - |
| Disputed trade receivables – which have significant increase in credit risk | - | - | - | - | - | - |
| Disputed trade receivables – credit impaired | - | - | - | - | 3.81 | 3.81 |
| | 375.68 | 9.66 | 23.79 | 15.61 | 107.09 | 531.83 |
| Less: Allowance for expected credit loss | | | | | | (145.50) |
| Trade receivables (net) | | | | | | 386.33 |

Ageing for trade receivables outstanding as at 31 March 2023 is as follows :

₹ in Crores

| Particulars | Outstanding for following periods from date of transaction | | | | | Total |
|---|--|-------------------|--------------|-------------|-------------------|-----------------|
| | Less than 6 months | 6 months - 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| Undisputed trade receivables – considered good | 397.62 | - | - | - | - | 397.62 |
| Undisputed trade receivables – which have significant increase in credit risk | - | 18.22 | 26.26 | 9.48 | 105.17 | 159.13 |
| Undisputed trade receivables – credit impaired | - | - | - | - | - | - |
| Disputed trade receivables – considered good | - | - | - | - | - | - |
| Disputed trade receivables – which have significant increase in credit risk | - | - | - | - | - | - |
| Disputed trade receivables – credit impaired | - | - | - | - | 4.17 | 4.17 |
| | 397.62 | 18.22 | 26.26 | 9.48 | 109.34 | 560.92 |
| Less: Allowance for expected credit loss | | | | | | (139.87) |
| Trade receivables (net) | | | | | | 421.05 |

14 Cash and cash equivalents and bank balances other than cash and cash equivalents

₹ in Crores

| | 31 March 2024 | 31 March 2023 |
|----------------------------------|---------------|---------------|
| Cash and cash equivalents | | |
| Balances with banks: | | |
| - In current accounts | 213.92 | 199.43 |
| - In deposit accounts * | 0.14 | 0.14 |
| Cash on hand | 0.01 | 0.37 |
| | 214.07 | 199.94 |



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| | ₹ in Crores | |
|---|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Bank balances other than cash and cash equivalents | | |
| Margin money deposits with original maturity of more than three months and less than twelve months* | 0.24 | 1.37 |
| Restricted cash balance** | 8.34 | 8.22 |
| | 8.58 | 9.59 |

* As lien against bank guarantees issued amounting to ₹ 6.42 Crores (31 March 2023 : ₹ 8.03 Crores) towards performance guarantees.

** Represents earmarked balance as collateral for credit card program of BBX Inc. and its subsidiaries ("BBX") and these balances held by the Group are not available for use.

There are no repatriation restrictions with regard to cash and cash equivalents and bank balances other than cash and cash equivalents of the Group as at the end of the reporting periods.

Refer note 40 for information on credit risk and market risk.

Refer notes 16 and 22 for information on assets provided as collateral or security for borrowings or financing facilities availed by the Group.

There are no significant cash and cash equivalents which will not be available for use by the Group.

15 Equity share capital

| | ₹ in Crores | |
|--|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Authorised share capital | | |
| 225,000,000 (31 March 2023: 225,000,000) equity shares of ₹ 2 each * | 45.00 | 45.00 |
| 5,000,000 (31 March 2023: 5,000,000) Cumulative or Non-cumulative redeemable preference shares of ₹ 100 each | 50.00 | 50.00 |
| 5,000,000 (31 March 2023: 5,000,000) Convertible preference shares of ₹ 100 each | 50.00 | 50.00 |
| Issued, subscribed and fully paid-up share capital | | |
| 168,025,590 (31 March 2023: 167,904,610) equity shares of ₹ 2 each * | 33.61 | 33.58 |
| Total issued, subscribed and fully paid-up share capital | 33.61 | 33.58 |

Notes:

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares

| | 31 March 2024 | | 31 March 2023 | |
|---|--------------------|--------------|--------------------|--------------|
| | No. of shares | ₹ in Crores | No. of shares | ₹ in Crores |
| At the beginning of the year | 167,904,610 | 33.58 | 164,064,270 | 32.81 |
| Shares issued on exercise of employee stock option plan (refer note 36) | 120,980 | 0.03 | 166,925 | 0.03 |
| Shares issued on conversion of share warrants issued on preferential basis (refer footnote below) | - | - | 3,673,415 | 0.74 |
| Outstanding at the end of the year | 168,025,590 | 33.61 | 167,904,610 | 33.58 |

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Footnote:

Pursuant to shareholders' approval obtained in the Extraordinary General Meeting held on 11 December 2020, the Holding Company had allotted on preferential basis, 3,333,334 convertible warrants of ₹ 10 each at a premium of ₹ 665 per warrant to Essar Telecom Limited and Onir Metalics Limited (now merged with Essar Steel Metal Trading Limited) on 8 January 2021. During the year ended 31 March 2021, the Holding Company had received money aggregating to ₹ 187.81 Crores against convertible warrants. Initially each warrant was convertible into 1 equity share of ₹ 10 (before sub-division) each of the Holding Company within 18 months from the date of allotment subject to payment of balance subscription amount. Out of total 3,333,334 convertible warrants, 2,598,651 warrants were converted into equity shares until 31 March 2021. During the year ended 31 March 2023, remaining 734,683 warrants were converted into equity shares of ₹ 2 each.

Also, the Holding Company had received consideration in excess by ₹ 0.10 Crores which was shown in other financial liabilities during the previous year. It is refunded during the current year. Refer note 18 and note 38(III).

(b) Rights, preference and restriction on equity shares

The Holding Company has only one class of equity shares having par value of ₹ 2 per share. Each holder of equity share is entitled to one vote per equity share. The Holding Company declares and pays dividends in INR. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except for interim dividend which is approved by the Board.

In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive assets of the Holding Company remaining after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Essar Telecom Limited ('ETL') is the holding company with effect from 28 December 2023. Essar Global Fund Limited is the ultimate holding company as at 31 March 2024 and 31 March 2023. Refer note (h) below.

(d) Aggregate number of bonus shares issued or buy back of shares during the period of five years immediately preceding the reporting date

The Holding Company has neither issued bonus shares nor there has been any buy back of shares during five years immediately preceding 31 March 2024.

(e) Shares issued for consideration other than cash

The Holding Company has allotted 6,355,925 fully paid-up equity shares of ₹ 2 each on conversion of compulsorily convertible preference shares during the year ended 31 March 2019.

(f) Details of shareholders holding more than 5% equity share in the Holding Company

Name of the shareholder

| | 31 March 2024 | | 31 March 2023 | |
|--|---------------|------------------------|---------------|------------------------|
| | No. of shares | % holding in the class | No. of shares | % holding in the class |
| Equity shares of ₹ 2 each fully paid-up | | | | |
| - Essar Telecom Limited | 119,441,430 | 71.09% | 82,910,275 | 49.38% |
| - Essar Steel Metal Trading Limited | - | 0.00% | 36,531,155 | 21.76% |



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(g) Shareholding of promoters

Details of shares held by promoters as at 31 March 2024 are as follows:

| Promoter name | No. of shares | % holding in the class | % change during the year |
|-------------------------------------|---------------|------------------------|--------------------------|
| - Essar Telecom Limited | 119,441,430 | 71.09% | 44.06% |
| - Essar Steel Metal Trading Limited | - | 0.00% | (100.00)% |

Details of shares held by promoters as at 31 March 2023 are as follows:

| Promoter name | No. of shares | % holding in the class | % change during the year |
|-------------------------------------|---------------|------------------------|--------------------------|
| - Essar Telecom Limited | 82,910,275 | 49.38% | 1.44% |
| - Essar Steel Metal Trading Limited | 36,531,155 | 21.76% | 7.33% |

Details of equity shares held by promoters as at 01 April 2022 are as follows:

| Promoter name | % holding in the class | % change during the year |
|-------------------------------------|------------------------|--------------------------|
| - Essar Telecom Limited | 81,731,680 | 49.82% |
| - Essar Steel Metal Trading Limited | 34,036,335 | 20.75% |

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 ownership of shares.

(h) Shares held by the group

| Particulars | No. of shares (in absolute) | |
|--|-----------------------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Equity shares held by | | |
| Holding company | 119,441,430 | - |
| Ultimate holding company | - | - |
| Subsidiary of holding company | - | - |
| Subsidiary of ultimate holding company | - | 119,441,430 |
| Associate of holding company | - | - |
| Associate of ultimate holding company | - | - |

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(i) Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option plan of the Company, refer note 36.

Date of conversion of convertible securities

| Particulars | 31 March 2024 | 31 March 2023 |
|------------------|---|---|
| | Date of conversion | Date of conversion |
| Series 3 ESOPs * | 14 June 2025 14 June 2024 | 14 June 2025 14 June 2024 |
| Series 4 ESOPs * | 18 October 2027 18 October 2026 18 October 2025 | 18 October 2027 18 October 2026 18 October 2025 |

* Includes both vested as well as unvested options and date of conversion represents last date of exercise under ESOP scheme 2015. However, vested options can be exercised on or before the last exercise date for each tranche.

16 Non-current borrowings

| | ₹ in Crores | |
|--|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Secured | | |
| Term loans from banks [refer footnote (a)] | 69.64 | 90.72 |
| Working capital term loan [refer footnote (a)] | 291.74 | 213.63 |
| Unsecured | | |
| Term loan from others [refer footnote (b)] | 0.45 | 0.62 |
| | 361.83 | 304.97 |

Footnotes:

- (a) On 31 March 2021, BBX entered into a five year term loan with Fifth Third Bank for ₹ 79.89 Crores equivalent to US\$ 10.91 million and simultaneously entered into a five year term loan contract with East West Bank for ₹ 66.57 Crores equivalent to US\$ 9.09 million, out of which of ₹ 117.38 Crores equivalent to US\$ 14.29 million and ₹ 95.27 Crores equivalent to US\$ 11.43 million is outstanding inclusive of processing fees amounting to ₹ 7.92 Crores and ₹ 3.62 Crores as at 31 March 2023 and 31 March 2024, respectively. Outstanding principal payments on term loans are due in equal installments on the last business day of each March, June, September, and December in each year, with the amount of each such principal installment equal to ₹ 5.92 Crores equivalent to US\$ 0.71 million. A total of ₹ 23.82 Crores equivalent to US\$ 2.86 million is due within the next 12 months, applied ratably to the outstanding balances of each lender amount which include processing fees amounting to ₹ 1.81 Crores. A final payment comprised of all the principal and interest not sooner paid on the term loans is due and payable on 31 March 2026, the final maturity thereof. Interest accrues at a rate per annum equal to the greatest of: (a) the rate of interest announced by Fifth Third Bank, National Association, from time to time as its "prime rate" as in effect on such day, with any change in the Base Rate resulting from a change in said prime rate to be effective as of the date of the relevant change in said prime rate, (b) the sum of (i) the Federal Funds Rate, plus (ii) one-half of one percent (0.50%) and (c) the sum of (i) the Adjusted London Interbank Offered Rate ('LIBOR') that would be applicable to a Eurodollar loan with a one (1) month interest period advanced



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on such day plus (ii) one percent (1.00%). The obligations are secured by (a) valid, perfected, and enforceable Liens of the Fifth Third Bank, National Association on all right, title, and interest of BBX and each loan party in all ownership interests held by such person in each of its subsidiaries provided that the loan parties shall only be required to pledge 65% of the outstanding voting ownership interest and 100% of the outstanding non-voting ownership interests of their foreign subsidiaries, and (b) valid, perfected and enforceable liens of the Fifth Third Bank, National Association on all right, title, and interest of each loan party in all personal property, fixtures, and real estate, whether now owned or hereafter acquired or arising, and all proceeds thereof. The aforementioned loan has been accounted under effective interest method.

Further, BBX has the ability to draw on a revolving notes with Fifth Third Bank in the amount of ₹ 139.87 Crores equivalent to US\$ 19.10 million dollars and with East West Bank for ₹ 116.44 Crores equivalent to US\$ 15.90 million. W.e.f. 28 April 2023, East West Bank increased our revolving notes capability by ₹ 62.52 Crores equivalent to US\$ 7.50 million. BBX may elect for these borrowings to pay either base rate loans or Eurodollar loans, as described above. BBX has total outstanding revolving notes of ₹ 213.63 Crores equivalent to US\$ 26.00 million and ₹ 291.74 Crores equivalent to US\$ 35.00 million as at 31 March 2023 and 31 March 2024, respectively. The notes will terminate on 31 March 2026, and any amounts previously unpaid are due on that date. BBX also has the ability to draw on from time to time a swing loan in the minimum amount of ₹ 1.83 Crores equivalent to US\$ 0.25 million and a maximum amount of ₹ 36.62 Crores equivalent to US\$ 5.00 million, which must be repaid by the last day of the interest period applicable thereto. Each swing loan shall bear interest until maturity at a rate per annum equal to, at the option of the borrower, (i) the sum of the base rate plus the applicable margin for base rate loans under the revolving credit from time to time in effect (computed on the basis of a year of 365 or 366 days, as the case may be, for the actual number of days elapsed) or (ii) the swing line lender's quoted rate (computed on the basis of a year of 360 days for the actual number of days elapsed). Interest on each swing loan shall be due and payable prior to such maturity on the last day of each interest period applicable thereto. BBX has no outstanding amounts under these swing loans as at 31 March 2023 and 31 March 2024.

(b) The Holding Company had taken an unsecured term loan of ₹ 0.89 Crores from Hewlett-Packard Financial Services (India) Private Limited during the year ended 31 March 2023. The term loan carry an effective interest rate of 10.49% p.a. (31 March 2023: 10.49% p.a.). The loan was initially repayable in 60 equal monthly instalments.

(c) Current maturities of the above-mentioned borrowings, unless otherwise specified, are disclosed under note 22 "Current borrowings".

(d) **Details of repayment terms**

| Period of maturity with reference to consolidated balance sheet date | Number of instalments outstanding as at 31 March 2024 | Amount * |
|--|---|----------|
| Term loans from banks | 7 quarterly | 41.68 |
| Term loans from banks | Bullet repayment on maturity date | 53.59 |
| Working capital term loan from banks | Bullet repayment on maturity date | 291.74 |
| Term loan from others | 38 monthly instalments | 0.62 |

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| Period of maturity with reference to consolidated balance sheet date | Number of instalments outstanding as at 31 March 2023 | Amount * |
|--|---|----------|
| Term loans from banks | 11 quarterly | 64.55 |
| Term loans from banks | Bullet repayment on maturity date | 52.83 |
| Working capital term loan from banks | Bullet repayment on maturity date | 213.63 |
| Term loan from others | 50 monthly instalments | 0.78 |

* These amounts are exclusive of EIR impact as per Ind AS 109 "Financial Instruments"

- (e) The Group has used the borrowings for the specific purpose for which it was availed.
- (f) There is no default in repayment of borrowings and payment of interest thereon during the year ended 31 March 2024 and 31 March 2023.
- (g) Refer note 40 for information on interest risk, market risk and liquidity risk.

17 Lease liabilities

| | ₹ in Crores | | | |
|-------------------|---------------|---------------|---------------|---------------|
| | Non-current | | Current | |
| | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
| Lease liabilities | 266.58 | 221.63 | 48.37 | 54.45 |
| | 266.58 | 221.63 | 48.37 | 54.45 |

Notes:

- (a) Refer note 29 for interest on lease liabilities.
- (b) Refer note 42 for disclosure on ROU assets.
- (c) Refer note 40 for information on interest risk, market risk and liquidity risk.

18 Other financial liabilities

| | ₹ in Crores | | | |
|---|---------------|---------------|---------------|---------------|
| | Non-current | | Current | |
| | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
| Employee related payables | - | - | 70.31 | 75.50 |
| Forward contract liability | - | - | - | 1.17 |
| Payable to shareholders [refer note 38 (III)] | - | - | - | 0.10 |
| Other payables * | 7.16 | 6.99 | 91.74 | 12.98 |
| | 7.16 | 6.99 | 162.05 | 89.75 |

* Majorly includes amount payable for business acquisition.

Refer note 40 for information on interest risk, market risk and liquidity risk.



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19 Contract liabilities

₹ in Crores

| | Non-current | | Current | |
|--|---------------|---------------|---------------|---------------|
| | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
| Contract liabilities [refer note 43 (b)] | 53.71 | 54.82 | 501.16 | 505.04 |
| | 53.71 | 54.82 | 501.16 | 505.04 |

20 Provisions

₹ in Crores

| | Non-current | | Current | |
|--|---------------|---------------|---------------|---------------|
| | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
| Provision for employee benefits | | | | |
| Provision for gratuity [refer note 35 (b)] | 7.50 | 8.80 | 2.85 | 0.64 |
| Provision for compensated absences [refer note 35 (c)] | 0.36 | 0.46 | 42.75 | 48.18 |
| Provision for pension [refer note 35 (b)] | 42.29 | 59.70 | - | - |
| Provision for disability [refer note (c)] | 3.50 | 5.24 | 1.83 | 1.07 |
| | 53.65 | 74.20 | 47.43 | 49.89 |
| Other provisions | | | | |
| Provision for warranties [refer note (a)] | - | - | 0.87 | 3.60 |
| Provision for restructuring [refer note (b)] | - | - | 4.97 | 5.33 |
| | - | - | 5.84 | 8.93 |
| | 53.65 | 74.20 | 53.27 | 58.82 |

(a) Provision for warranties

A provision is recognised for expected warranty claims on products sold during the last one year, based on past experience of the level of repairs and returns. It is expected that significant portion of these costs will be incurred in the next financial year and all will have been incurred within a year after the reporting date. Assumptions used to calculate the provision for warranties were based on current sales levels and current information available about returns based on the one-year warranty period for all products sold. The table below gives information about movement in warranty provision.

₹ in Crores

| | 31 March 2024 | 31 March 2023 |
|-------------------------------|---------------|---------------|
| At the beginning of the year | 3.60 | 4.82 |
| Recognised during the year | 0.47 | 3.60 |
| Unused amounts reversed | (3.20) | (4.82) |
| At the end of the year | 0.87 | 3.60 |

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(b) Provision for restructuring

During the financial year ended 31 March 2016, BBX had incurred expenditure related to employee severance and facility consolidation (collectively referred to as "restructuring expenses") in a continued effort to consolidate back office functions and to make the organisation more efficient. Restructuring efforts increased significantly over the years leading up to acquisition of BBX by the Holding Company, due to the liquidity concerns of BBX at that time. The Group has continued the on-going restructuring plans and expanded the initiatives during the post-acquisition period through executed and planned workforce reduction. The table below gives information about movement in restructuring provision.

| | ₹ in Crores | |
|-------------------------------|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| At the beginning of the year | 5.33 | 3.10 |
| Recognised during the year | 21.00 | 25.56 |
| Payment made during the year | (21.44) | (23.62) |
| Exchange differences | 0.08 | 0.29 |
| At the end of the year | 4.97 | 5.33 |

(c) Provision for disability

Norstan Communications Inc., step-down subsidiary of Black Box Limited has a long term disability plan, for its employees. The plan covers a closed group of 11 disabled participants. Under the plan, employees who become disabled prior to 60 years will receive benefits until the earlier of recovery or attainment of 65 years.

| | ₹ in Crores | |
|-------------------------------|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| At the beginning of the year | 6.31 | 9.36 |
| Payment made during the year | (1.06) | (3.76) |
| Exchange differences | 0.08 | 0.71 |
| At the end of the year | 5.33 | 6.31 |

21 Other liabilities

| | ₹ in Crores | | | |
|---------------------------|---------------|---------------|---------------|---------------|
| | Non-current | | Current | |
| | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
| Advances from customers * | - | - | 1.42 | 3.26 |
| Others | | | | |
| Statutory dues payable | - | - | 30.68 | 112.69 |
| Other payables | 0.16 | 0.18 | 0.08 | 4.69 |
| | 0.16 | 0.18 | 32.18 | 120.64 |



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Advances from customers

| | ₹ in Crores |
|--|-------------|
| | Amount |
| Balance as at 01 April 2022 | 3.61 |
| Net revenue recognised that was included in the balance at the beginning of the year | (1.29) |
| Additional advance received during the year | 0.94 |
| Balance as at 31 March 2023 | 3.26 |
| Net revenue recognised that was included in the balance at the beginning of the year | (3.10) |
| Additional advance received during the year | 1.26 |
| Balance as at 31 March 2024 | 1.42 |

22 Current borrowings

| | ₹ in Crores | |
|---|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Secured | | |
| Working capital term loan from other [refer footnote (a)] | 1.91 | 2.10 |
| Loans repayable on demand | | |
| - Cash credits facilities from banks [refer footnote (b)] | 11.38 | 23.45 |
| Current maturities of long-term borrowing [(refer note 16 (a))] | 22.01 | 21.29 |
| Unsecured | | |
| Current maturities of long-term borrowing [(refer note 16 (b))] | 0.17 | 0.16 |
| | 35.47 | 47.00 |

Cash flow changes in liabilities arising from financial activities:

| | ₹ in Crores | |
|--|-------------------|---------------|
| | Lease liabilities | Borrowings |
| As at 1 April 2022 | 206.83 | 269.08 |
| Non cash movement: additions to / reassessment of lease liabilities (including unwinding of interest) and interest expense on borrowings | 158.56 | - |
| Cash flows (net) | (89.31) | 82.89 |
| As at 31 March 2023 | 276.08 | 351.97 |
| Non cash movement: additions to / reassessment of lease liabilities (including unwinding of interest) and interest expense on borrowings | 123.04 | - |
| Cash flows (net) | (84.17) | 45.33 |
| As at 31 March 2024 | 314.95 | 397.30 |

Footnotes:

- (a) On 26 July 2022, AGC Networks LLC had taken a secured working capital term loan of ₹ 4.11 Crores equivalent to US\$ 0.50 million from Rising Groups DMCC, out of which ₹ 2.10 Crores equivalent to US\$ 0.26 million and ₹ 1.91 Crores equivalent to US\$ 0.23 million is outstanding as at 31 March 2023 and 31 March 2024 respectively. The working capital term loan carry an effective interest rate of 4.00% per annum. Security shall be mutually agreed between the parties. The loan is initially repayable with interest within 3 months from the date of first drawdown. The maturity date of repayment was extended and is now repayable by 30 September 2024.

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(b) For Black Box Limited, cash credit facilities from banks are secured by first pari-passu charge on entire current assets of the Holding Company (present and future) including inventory of materials and components, work-in-progress, stock-in-trade, trade receivables, insurances etc. and by second pari-passu charge on all moveable PPE of the Holding Company.

Cash credit facilities carry an effective interest rate of 12.00% to 13.80% p.a. (31 March 2023: 12.00% to 13.55% p.a.).

(c) The Group has used the borrowings from banks and financial institutions for the specific purpose for which it was availed.

(d) There is no default in repayment of borrowings and payment of interest thereon during the year ended 31 March 2024 and 31 March 2023.

(e) Refer note 40 for information on interest risk, market risk and liquidity risk.

23 Trade payables

| | ₹ in Crores | |
|--|---------------|-----------------|
| | 31 March 2024 | 31 March 2023 |
| Dues to micro enterprises and small enterprises | 6.94 | 14.90 |
| Dues to creditors other than micro enterprises and small enterprises | 692.01 | 1,143.23 |
| | 698.95 | 1,158.13 |
| Includes due to related parties [refer note 38 (III)] | 0.43 | 0.32 |

Notes:

- Trade payables are generally non-interest bearing and are normally settled within 45 to 60 days
- Refer note 40 for information on credit risk, market risk and liquidity risk.

Ageing for trade payables outstanding as at 31 March 2024 is as follows *

| Particulars | ₹ in Crores | | | | | |
|--|---------------|--|-------------|-------------|-------------------|---------------|
| | Unbilled | Outstanding for following periods from date of transaction | | | | Total |
| | | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| Trade payables | | | | | | |
| Micro enterprises and small enterprises ("MSME") | - | 4.72 | 2.01 | 0.11 | 0.10 | 6.94 |
| Other than MSME | 266.87 | 411.42 | 4.20 | 1.23 | 5.97 | 689.69 |
| Disputed dues - MSME | - | - | - | - | - | - |
| Disputed dues - Other than MSME | - | - | - | - | 2.32 | 2.32 |
| | 266.87 | 416.14 | 6.21 | 1.34 | 8.39 | 698.95 |



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Ageing for trade payables outstanding as at 31 March 2023 is as follows

₹ in Crores

| Particulars | Unbilled | Outstanding for following periods from date of transaction | | | | Total |
|---------------------------------|---------------|--|-------------|-------------|-------------------|-----------------|
| | | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| Trade payables | | | | | | |
| MSME | 0.48 | 13.96 | 0.39 | 0.07 | - | 14.90 |
| Other than MSME | 135.57 | 993.31 | 5.80 | 1.00 | 7.55 | 1,143.23 |
| Disputed dues - MSME | - | - | - | - | - | - |
| Disputed dues - Other than MSME | - | - | - | - | - | - |
| | 136.05 | 1,007.27 | 6.19 | 1.07 | 7.55 | 1,158.13 |

24 Revenue from operations

₹ in Crores

| | 31 March 2024 | 31 March 2023 |
|--|-----------------|-----------------|
| Revenue from contracts with customers | | |
| Sale of products (refer footnote of note 27) | | |
| Finished goods | 22.14 | 42.40 |
| Stock-in-trade | 1,924.67 | 2,088.74 |
| Sale of services [refer note (a) below] | 4,321.49 | 4,146.56 |
| | 6,268.30 | 6,277.70 |
| Other operating revenue | | |
| Reversal of allowance for expected credit loss | 7.46 | 2.63 |
| Recovery from receivables recorded as bad debt in earlier years | 1.93 | - |
| Liabilities/ provisions for earlier years no longer required written back/ reversed [refer note (b) below] | 3.89 | 7.23 |
| | 6,281.58 | 6,287.56 |

Notes:

The tables below presents disaggregated revenues from contracts with customers by customer location and type of customers. The Group believes this disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected by industry, market and other economic factors.

(a) Details of sale of services

₹ in Crores

| | 31 March 2024 | 31 March 2023 |
|------------------------------------|-----------------|-----------------|
| - Maintenance services | 821.66 | 890.32 |
| - Implementation services | 3,394.28 | 3,141.95 |
| - Training and consulting services | 105.55 | 114.29 |
| | 4,321.49 | 4,146.56 |

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(b) Details of liabilities/ provisions for earlier years no longer required written back/ reversed

₹ in Crores

| | 31 March 2024 | 31 March 2023 |
|---|---------------|---------------|
| - pertaining to provision for expenses | 0.79 | 0.67 |
| - pertaining to employee related payables | - | 0.01 |
| - pertaining to trade payables | 0.36 | 5.22 |
| - pertaining to goods receipt/ invoice receipt balances | 2.17 | 1.30 |
| - pertaining to advance from customers | 0.57 | - |
| - pertaining to inventory | - | 0.03 |
| | 3.89 | 7.23 |

(c) Disaggregation of revenue of contracts by geographical region

₹ in Crores

| | 31 March 2024 | 31 March 2023 |
|--------------------------------|-----------------|-----------------|
| India | 407.95 | 352.86 |
| United States of America | 4,701.49 | 4,736.36 |
| Others * | 1,225.38 | 1,230.70 |
| Total | 6,334.82 | 6,319.92 |
| Less : Inter-segment | (53.24) | (32.36) |
| Revenue from operations | 6,281.58 | 6,287.56 |

* Majorly includes Ireland and United Kingdom

(d) Disaggregation of revenue of contracts by type of customers

₹ in Crores

| | 31 March 2024 | 31 March 2023 |
|--------------------------------------|---------------|---------------|
| Government | 237.11 | 208.87 |
| Non-government | 6,010.10 | 6,046.86 |
| Related parties [refer note 38 (II)] | 21.09 | 21.97 |

(e) Reconciliation between the contract price and revenue from contracts with customers

₹ in Crores

| | 31 March 2024 | 31 March 2023 |
|---|---------------|---------------|
| Contract price | 6,263.31 | 6,314.90 |
| Adjustment for: | | |
| Contract liabilities (net) | 4.99 | (37.20) |
| Revenue from contracts with customers (refer note 43) | 6,268.30 | 6,277.70 |



Summary of Material Accounting Policies and other Explanatory Information

as at and for the year ended 31 March 2024

25 Other income

| | ₹ in Crores | |
|---|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Interest income on | | |
| Margin money deposits with banks | 0.38 | 0.37 |
| Income tax refund | 10.56 | 0.60 |
| Service tax refund | 0.53 | - |
| Others | 0.87 | 0.57 |
| Interest income calculated using the effective interest method | | |
| Security deposits | 0.03 | 0.05 |
| Gain on disposal of property, plant and equipment and other intangible assets | 5.88 | 19.26 |
| Other non-operating income * | 0.92 | 0.78 |
| | 19.17 | 21.63 |

* Majorly includes sale of scrap, training income, income on assignment of trade receivables and export incentives.

26 Cost of materials and components consumed

| | ₹ in Crores | |
|---|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Inventory at the beginning of the year | 7.41 | 6.78 |
| Add: Purchases made during the year (net) | 1.55 | 4.53 |
| | 8.96 | 11.31 |
| Less: Inventory at the end of the year | 7.30 | 7.41 |
| | 1.66 | 3.90 |

Details of material and components consumed

| | ₹ in Crores | |
|-------------|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Peripherals | 1.66 | 3.90 |
| | 1.66 | 3.90 |

27 Changes in inventories of finished goods, work-in-progress and stock-in-trade

| | ₹ in Crores | |
|------------------------------------|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Inventories at the end of the year | | |
| Stock-in-trade | 239.09 | 354.59 |
| Work-in-progress | - | - |
| | 239.09 | 354.59 |

Summary of Material Accounting Policies and other Explanatory Information

as at and for the year ended 31 March 2024

| | ₹ in Crores | |
|--|---------------|-----------------|
| | 31 March 2024 | 31 March 2023 |
| Inventories at the beginning of the year | | |
| Stock-in-trade | 354.59 | 218.46 |
| Work-in-progress | - | 0.03 |
| | 354.59 | 218.49 |
| | 115.50 | (136.10) |

Footnote: The Group is a global ICT solution provider and integrator operating in various quadrants and the solutions sold to customers are configured as per specific customer requirements. The heterogeneous mix of components in solutions offered to customers makes it difficult to establish a meaningful and homogenous relationship for providing breakup of products purchased or sold during the year and the stock position. Consequently, it is neither feasible nor meaningful to give the category-wise details of products purchased or sold during the year and stock position for all its product solutions.

28 Employee benefits expense (net)

| | ₹ in Crores | |
|---|-----------------|-----------------|
| | 31 March 2024 | 31 March 2023 |
| Salaries and wages* | 2,487.78 | 2,667.22 |
| Contribution to provident fund and other funds [refer note 35 (a)]* | 10.97 | 12.13 |
| Share based payment to employees* | 0.28 | 0.42 |
| Staff welfare expenses | 1.78 | 1.93 |
| | 2,500.81 | 2,681.70 |

* Includes amount paid to key managerial personnel amounting to ₹ 16.27 Crores (31 March 2023: ₹ 13.35 Crores) [refer note 38 (IV)].

29 Finance costs

| | ₹ in Crores | |
|--|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Interest on borrowings | 23.44 | 21.30 |
| Guarantee commission to banks | 0.15 | 0.16 |
| Unwinding of discount on security deposits | 0.02 | 0.02 |
| Interest on lease liabilities | 24.83 | 21.56 |
| Other borrowing costs * | 92.81 | 68.24 |
| | 141.25 | 111.28 |

* Majorly includes trade receivable securitisation charges, loan (short term) processing charges, MSME interest and letter of credit issuance or discounting charges.



Summary of Material Accounting Policies and other Explanatory Information

as at and for the year ended 31 March 2024

30 Depreciation and amortisation expense

| | ₹ in Crores | |
|--|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Depreciation / amortisation of PPE (refer note 3) | 29.16 | 19.63 |
| Depreciation of ROU assets (refer note 4) | 65.88 | 72.25 |
| Amortisation of other intangible assets (refer note 6) | 19.30 | 15.60 |
| | 114.34 | 107.48 |

31 Other expenses

| | ₹ in Crores | |
|--|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Consumption of stores and spares | 0.47 | 0.58 |
| Power and water charges | 11.66 | 9.71 |
| Rent (net)* | 15.03 | 23.97 |
| Rates and taxes | 0.20 | 9.60 |
| Insurance | 42.65 | 36.20 |
| Repairs and maintenance - others | 12.15 | 8.14 |
| Travelling and conveyance | 134.42 | 96.84 |
| Communication expenses | 26.29 | 27.26 |
| Legal and professional fees | 92.27 | 60.27 |
| Advertisement and sales promotion | 38.93 | 55.85 |
| Outward freight, clearing and forwarding charges | 6.22 | 7.75 |
| Commission on sales | 0.47 | 0.31 |
| Corporate social responsibility expenditure | 0.08 | 0.03 |
| Auditor's remuneration | 1.43 | 1.65 |
| Allowance for expected credit loss | | |
| Trade receivables | 25.13 | 21.21 |
| Net investment in finance lease | 0.24 | 3.14 |
| Other receivables | 0.21 | 4.38 |
| Bad debts** | 8.33 | 11.09 |
| Sundry balances written off | 0.15 | 1.93 |
| Miscellaneous expenses | 8.67 | 20.91 |
| | 425.00 | 400.82 |

* Pertains to rental for short term leases. Refer note 42.

** Represents loss on derecognition of financial assets measured at amortised cost.

Summary of Material Accounting Policies and other Explanatory Information

as at and for the year ended 31 March 2024

32 Exceptional items - expenses

| | ₹ in Crores | |
|---|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Provision of severance expenses [refer note (a)] | 21.03 | 25.56 |
| Acquisition cost [refer note (b)] | 6.00 | - |
| Foreclosure of leases [refer note (c)] | 12.63 | 14.15 |
| Litigation settlement [refer note (d)] | - | 2.63 |
| Loss on de-recognition of financial assets [refer note (e)] | - | 9.97 |
| | 39.66 | 52.31 |

Notes:

- (a) Represents severance cost of BBX Inc ("BBX") towards rationalisation of manpower to enhance operational efficiencies.
- (b) Represents acquisition related cost of BBX which includes valuation fees, advisory fees, legal and professional fees and consulting fees.
- (c) Represents early closure of leases related to BBX.
- (d) Represents settlement of litigation claim related to subsidiary in Singapore.
- (e) Represents loss on de-recognition of financial assets related to step-down subsidiaries in USA, Dubai and Netherlands.

33 Tax expenses

a) Income tax expense on profit or loss consists of:

| | ₹ in Crores | |
|--|---------------|---------------|
| Particulars | 31 March 2024 | 31 March 2023 |
| Current tax: | | |
| Current tax on profits for the year | 9.11 | 6.72 |
| | 9.11 | 6.72 |
| Deferred tax: | | |
| In respect of current year origination and reversal of temporary differences | (4.33) | (0.97) |
| | (4.33) | (0.97) |
| Tax adjustment relating to earlier years: | | |
| In respect of tax adjustment relating to earlier years | 13.94 | - |
| | 13.94 | - |

(b) Income tax on OCI

| | ₹ in Crores | |
|--------------------------------|---------------|---------------|
| Particulars | 31 March 2024 | 31 March 2023 |
| Deferred tax (credit) / charge | (0.10) | 0.05 |
| | (0.10) | 0.05 |

The above deferred tax expense/ (credit) is related to the origination and reversal of temporary differences.



Summary of Material Accounting Policies and other Explanatory Information

as at and for the year ended 31 March 2024

(c) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

₹ in Crores

| Particulars | 31 March 2024 | 31 March 2023 |
|--|---------------|---------------|
| Accounting profit before income tax | 156.39 | 29.45 |
| Applicable statutory income tax rate (in %) | 25.17% | 25.17% |
| Computed expected tax expense | 39.36 | 7.41 |
| Tax effect of amount which are not (taxable) / deductible in calculating taxable income | | |
| Timing difference between book depreciation and depreciation as per the Income-tax Act, 1961 (net) | 1.44 | 0.68 |
| Provision for employee benefits (net) | (0.11) | 0.06 |
| Allowance for expected credit loss | 1.51 | 2.64 |
| Corporate social responsibility expenditure | 0.02 | 0.01 |
| Transfer pricing adjustment | - | 0.72 |
| Deemed income | (2.89) | (1.63) |
| Lease adjustments (net) | (0.93) | (0.55) |
| Disallowance u/s 40(a) and 43B of Income-tax Act, 1961 | 0.81 | 0.73 |
| Other items (net) | 0.20 | - |
| Brought forward losses adjustment | (16.25) | (3.40) |
| Deferred tax charge/ (credit) | (4.43) | (0.92) |
| Tax expense reported in the consolidated statement of profit and loss | 18.72 | 5.75 |
| Tax on income at different tax rates as per respective jurisdiction | 9.11 | 6.72 |
| Deferred tax (credit) / charge | (4.33) | (0.97) |
| Tax adjustment relating to earlier years | 13.94 | - |
| Tax expense reported in the consolidated statement of profit and loss | 18.72 | 5.75 |

34 Earnings per equity share ("EPS")

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the Group and the weighted average number of shares outstanding during the period, are adjusted for the effects of all dilutive potential equity shares.

| | 31 March 2024 | 31 March 2023 |
|---|---------------|---------------|
| The components of basic and diluted EPS are as follows: | | |
| (a) Profit attributable to equity shareholders of the parent entity (basic) (₹ in Crores) | | |
| Net profit before exceptional items (₹ in Crores) | 177.33 | 76.01 |
| Net profit after exceptional items (₹ in Crores) | 137.67 | 23.70 |
| (b) Weighted average number (in absolute) of equity shares (basic) | | |
| Opening balance | 167,904,610 | 164,064,270 |
| Effect of share options exercised | 17,188 | 105,643 |
| Effect of convertible warrants exercised | - | 3,180,272 |
| Weighted average number of equity shares for the year | 167,921,798 | 167,350,185 |
| (c) Basic earnings per equity share (in ₹) | | |
| Basic EPS before exceptional items (in ₹) : | 10.56 | 4.54 |
| Basic EPS after exceptional items (in ₹) : | 8.20 | 1.42 |

Summary of Material Accounting Policies and other Explanatory Information

as at and for the year ended 31 March 2024

| | 31 March 2024 | 31 March 2023 |
|---|---------------|---------------|
| (d) Profit attributable to equity shareholders of the parent entity (diluted) (₹ in Crores) | | |
| Net profit before exceptional items (₹ in Crores) | 177.33 | 76.01 |
| Net profit after exceptional items (₹ in Crores) | 137.67 | 23.70 |
| (e) Weighted average number (in absolute) of equity shares (diluted) | | |
| Weighted average number of equity shares (basic) | 167,921,798 | 167,350,185 |
| Effect of share options on issue | 371,673 | 361,498 |
| Weighted average number of equity shares for the year | 168,293,471 | 167,711,683 |
| (f) Diluted earnings per equity share (in ₹) | | |
| Diluted EPS before exceptional items (in ₹) : | 10.54 | 4.53 |
| Diluted EPS after exceptional items (in ₹) : | 8.18 | 1.41 |
| (g) Nominal value of each equity share (in ₹) | 2.00 | 2.00 |

Notes:

The average market value of the Group's equity shares for the purpose of calculating the dilutive effect of share options was based on quoted market prices for the year during which the options were outstanding.

Tax impact on exceptional items has not been considered for the purpose of reporting earnings per share.

35 Employee benefits plan

(a) **Defined contribution plan** - The following amount is recognised in the consolidated statement of profit and loss for the year ended:

Disclosure in respect of the Holding Company

| | ₹ in Crores | |
|--|---------------|---------------|
| Particulars | 31 March 2024 | 31 March 2023 |
| Contribution to provident fund | 1.28 | 1.11 |
| Contribution to employees' state insurance | 0.00 | 0.00 |
| Contribution to labour welfare fund | 0.00 | 0.00 |

Above amount has been included in the line item "Contribution to provident fund and other funds" in note 28. Also, the contribution of the Holding Company is limited to the amount contributed and it has no further contractual or constructive obligation.

(b) **Defined benefit plan (unfunded)** - The Holding Company has an unfunded defined benefit plan i.e. Gratuity, for its employees. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service. This defined benefit plan is governed by The Payment of Gratuity Act, 1972.

The following tables summarises the components of employee benefit expense recognised in the consolidated statement of profit and loss and the amounts recognised in the consolidated balance sheet for the gratuity plan.



Summary of Material Accounting Policies and other Explanatory Information

as at and for the year ended 31 March 2024

Amount recognised in the consolidated statement of profit and loss in respect of gratuity cost (defined benefit plan) is as follows:

| Particulars | ₹ in Crores | |
|---|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Current service cost | 0.66 | 0.69 |
| Interest expense | 0.54 | 0.49 |
| Employee benefit expense recognised in profit or loss | 1.20 | 1.18 |
| Actuarial loss/ (gain) transferred to OCI | | |
| Actuarial loss due to demographic assumptions | 0.25 | - |
| Actuarial loss due to experience adjustment | 0.04 | 0.06 |
| Actuarial loss/ (gain) due to change in financial assumptions | 0.12 | (0.25) |
| Net actuarial loss / (gain) recognised in OCI | 0.41 | (0.19) |

Amount recognised in the consolidated balance sheet in respect of gratuity liability (defined benefit plan) is as follows:

Benefit liability

| Particulars | ₹ in Crores | |
|---|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Present value of defined benefit obligation | 7.22 | 7.17 |
| Liability recognised in consolidated balance sheet | 7.22 | 7.17 |

Changes in the present value of the defined benefit obligation are as follows:

| Particulars | ₹ in Crores | |
|---|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Opening defined benefit obligation | 7.17 | 7.05 |
| Current service cost | 0.66 | 0.69 |
| Interest cost | 0.54 | 0.49 |
| Benefits paid | (1.56) | (0.87) |
| Remeasurement loss/ (gain) | 0.41 | (0.19) |
| Closing defined benefit obligation | 7.22 | 7.17 |

Sensitivity analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, salary growth rate, attrition rate and mortality rate. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of the sensitivity analysis is given below:

| Particulars | ₹ in Crores | | | |
|-------------------------------|---------------|----------|---------------|----------|
| | 31 March 2024 | | 31 March 2023 | |
| | Decrease | Increase | Decrease | Increase |
| Discount rate (- /+ 1%) | 0.25 | (0.20) | 0.57 | (0.48) |
| Salary growth rate (- /+ 1%) | (0.18) | 0.22 | (0.42) | 0.48 |
| Attrition rate (- /+ 50%) | (0.04) | 0.03 | (0.03) | 0.05 |
| Mortality rate (- /+ 10%) | 0.02 | 0.02 | 0.01 | 0.02 |

The sensitivity analysis presented above may not be a 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 related to each other.

Summary of Material Accounting Policies and other Explanatory Information

as at and for the year ended 31 March 2024

Following are the principal assumptions used as at the consolidated balance sheet date:

| Particulars | 31 March 2024 | 31 March 2023 |
|-----------------------------------|--|--|
| Discount rate (% per annum) | 7.20% | 7.45% |
| Salary growth rate (% per annum) | 6.00% | 6.00% |
| Mortality rate | Indian Assured Lives Mortality (2012-14) | Indian Assured Lives Mortality (2012-14) |
| Retirement age (in years) | 58 years | 58 years |
| Average future service (in years) | 19.17 years | 20.41 years |
| Attrition rate, based on age: | | |
| Up to 26 years | 30.20% | 5.00% |
| 27 - 34 years | 47.23% | 12.00% |
| 35 - 44 years | 21.03% | 5.00% |
| Above 44 years | 21.53% | 1.00% |

These assumptions were developed by the management with the assistance of independent actuarial appraiser. Discount factors are determined close to each year end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience. The estimates of future salary growth rate considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Risk

| Factor | Impact |
|--------------------------|---|
| Salary increase | Actual salary increases will increase the obligation. Increase in salary increase rate assumption in future valuations will also increase the obligation. |
| Discount rate | Reduction in discount rate in subsequent valuations can increase the obligation. |
| Mortality and disability | Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the obligation. |
| Withdrawals | Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact the obligation. |

Maturity profile of defined benefit obligation on an undiscounted basis:

| Particulars | ₹ in Crores | |
|---------------------|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| One year | 2.31 | 0.37 |
| Two to five years | 4.52 | 3.56 |
| Six years and above | 2.45 | 9.90 |

The weighted average duration of the defined benefit obligation at the end of the reporting period is 3 years (31 March 2023: 7 years)

The Holding Company expects to make a contribution of ₹ 7.74 Crores (31 March 2023: ₹ 7.90 Crores) to the defined benefit plan during the next financial year.



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as at and for the year ended 31 March 2024

Amount recognised in the consolidated statement of profit and loss in respect of gratuity cost and in consolidated balance sheet in respect of gratuity liability for the subsidiaries (including step-down subsidiaries), which are not material to the Group, created as per the local laws of respective countries is as follows:

| Name of the subsidiary | ₹ in Crores | | | |
|--|---|--------------------------------------|---|--------------------------------------|
| | 31 March 2024 | | 31 March 2023 | |
| | Impact on consolidated statement of profit and loss | Impact on consolidated balance sheet | Impact on consolidated statement of profit and loss | Impact on consolidated balance sheet |
| AGC Networks & Cyber Solutions Limited | 0.44 | 0.23 | - | - |
| AGC Networks LLC, Dubai | 0.04 | 0.19 | 0.11 | 0.15 |
| BBX | 0.94 | 2.71 | 0.53 | 2.12 |
| | 1.42 | 3.13 | 0.64 | 2.27 |

Bifurcation of defined benefit obligation of the Group:

| | ₹ in Crores | |
|-------------|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Current | 2.85 | 0.64 |
| Non-current | 7.50 | 8.80 |
| | 10.35 | 9.44 |

Disclosure in respect of Norstan Communications Inc. ("Norstan"), step-down subsidiary of the Holding Company

Defined benefit plan (partially funded) - Norstan has a partially funded defined benefit plan i.e. Pension, for its employees where benefits have been "frozen" whereby, starting on 26 August 2006, no new employees were admitted, and, starting on 1 January 2008, those employees currently in the plan will not earn additional benefits based on service.

The following tables summarise the components of employee benefits expense recognised in the consolidated statement of profit and loss and the amounts recognised in the consolidated balance sheet for the pension plan.

Amount recognised in the consolidated statement of profit and loss in respect of pension cost is as follows:

| Particulars | ₹ in Crores | |
|--|----------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Net interest (income) | (4.07) | (7.39) |
| Employee benefits (income) recognised in profit or loss (net) | (4.07) | (7.39) |
| Actuarial (gain)/ loss | | |
| Actuarial loss due to experience adjustment | 8.17 | 5.47 |
| Actuarial gain due to change in financial assumptions | (14.76) | (59.57) |
| Return on plan assets | (7.49) | 53.60 |
| Net actuarial gain recognised in OCI | (14.08) | (0.50) |

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as at and for the year ended 31 March 2024

Amount recognised in the consolidated balance sheet in respect of pension obligation is as follows:

Benefit liability

| Particulars | ₹ in Crores | |
|---|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Present value of defined benefit obligation | 372.91 | 376.06 |
| Fair value of plan assets | 330.62 | 316.36 |
| Net liability recognised in the consolidated balance sheet | 42.29 | 59.70 |

Changes in the present value of the defined benefit obligation are as follows:

| Particulars | ₹ in Crores | |
|---|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Opening defined benefit obligation | 376.06 | 399.76 |
| Interest cost | 17.69 | 14.43 |
| Remeasurement gain | (6.59) | (54.09) |
| Benefits paid | (19.64) | (17.48) |
| Exchange differences | 5.39 | 33.44 |
| Closing defined benefit obligation | 372.91 | 376.06 |

Changes in the fair value of plan assets are as follows:

| Particulars | ₹ in Crores | |
|--|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Opening fair value of plan assets | 316.36 | 337.40 |
| Interest income | 21.76 | 21.82 |
| Return on plan assets | 7.49 | (53.60) |
| Benefits paid | (19.64) | (17.48) |
| Exchange differences | 4.65 | 28.22 |
| Closing fair value of plan assets | 330.62 | 316.36 |

Major categories of plan assets (as a % of total plan assets):

| Particulars | ₹ in Crores | |
|-------------------|----------------|----------------|
| | 31 March 2024 | 31 March 2023 |
| Bank balance | 1.97% | 1.44% |
| Other Investments | 98.03% | 98.56% |
| Total | 100.00% | 100.00% |

Bifurcation of defined benefit obligation (net):

| Particulars | ₹ in Crores | |
|-------------|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Current | - | - |
| Non-current | 42.29 | 59.70 |



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as at and for the year ended 31 March 2024

Sensitivity analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and mortality rate. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of the sensitivity analysis is given below:

| Particulars | ₹ in Crores | | | |
|----------------------------|---------------|----------|---------------|----------|
| | 31 March 2024 | | 31 March 2023 | |
| | Decrease | Increase | Decrease | Increase |
| Discount Rate (- /+ 0.5%) | 20.91 | (19.14) | 22.47 | (20.51) |
| Mortality Rate (- /+ 10%) | 8.29 | (7.61) | 8.52 | (7.83) |

The sensitivity analysis presented above may not be a 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 related to each other.

Following are the principal assumptions used as at the consolidated balance sheet date:

| Particulars | 31 March 2024 | 31 March 2023 |
|-------------------------------------|---|---|
| Discount rate (% per annum) | 5.02% | 4.66% |
| Salary growth rate (% per annum) | 0.00% | 0.00% |
| Pension growth rate (% per annum) | 0.00% | 0.00% |
| Return on plan assets (% per annum) | 6.70% | 6.70% |
| Mortality rate | Pri-2012 Blue Collar Mortality Tables for Males and Females with Improvements Under MP-2021 | Pri-2012 Blue Collar Mortality Tables for Males and Females with Improvements Under MP-2021 |
| Attrition rate, based on age: | | |
| 15 years | 43.00% | 43.00% |
| 20 years | 35.00% | 35.00% |
| 25 years | 27.00% | 27.00% |
| 30 years | 21.00% | 21.00% |
| 35 years | 18.00% | 18.00% |
| 40 years | 16.00% | 16.00% |
| 45 years | 15.00% | 15.00% |
| 50 years | 12.00% | 12.00% |
| 55 years | 0.00% | 0.00% |
| 60 years | 0.00% | 0.00% |
| 65 years | 0.00% | 0.00% |

These assumptions were developed by the management with the assistance of independent actuarial appraiser. Discount rate is the rate which is used to discount future benefit cash flows to determine the present value of the defined benefit obligation at the valuation date. The rate is based on the prevailing market yields of high quality corporate bonds at the valuation date for the expected term of the obligation. In countries where there are no such bonds, the market yields at the valuation date on government bonds for the expected term is used.

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Maturity profile of net defined benefit obligation (undiscounted):

| Particulars | ₹ in Crores | |
|---------------------|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| One year | 23.43 | 21.07 |
| Two to five years | 105.65 | 96.12 |
| Six years and above | 144.34 | 139.06 |

The weighted average duration of the defined benefit obligation at the end of the reporting period is 16 years (31 March 2023 : 17 years)

Norstan expects to make a contribution of ₹ Nil (31 March 2023: ₹ Nil) to the defined benefit plan during the next financial year.

(c) Compensated absences:

Disclosure in respect of the Holding Company:

With effect from 1 January 2017, the Holding Company has decided to restrict the balance of un-availed privilege leave ("PL") to a maximum of 42 days from erstwhile limit of 90 days. Further, PL cannot be en-cashed or accumulated and shall lapse every year in the month of December. The balance as at 31 December 2016 is entitled to be en-cashed only during separation from the Holding Company based on the basic salary as at 31 December 2016.

Following are the principal assumptions used as at the consolidated balance sheet date:

| Particulars | 31 March 2024 | 31 March 2023 |
|----------------------------------|---------------|---------------|
| Discount rate (% per annum) | 7.20% | 7.45% |
| Salary growth rate (% per annum) | 0.00% | 0.00% |

Movement during the year

| Particulars | ₹ in Crores | |
|-------------------------------|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| At the beginning of the year | 0.49 | 0.56 |
| Recognised during the year | 0.17 | 0.19 |
| Paid during the year | (0.23) | (0.26) |
| At the end of the year | 0.43 | 0.49 |

Disclosure in respect of subsidiaries (including step-down subsidiaries):

PL for the subsidiaries (including step-down subsidiaries) cannot be en-cashed or accumulated and shall lapse every year in the month of December.



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Amount recognised in the consolidated statement of profit and loss in respect of compensated absences cost and in consolidated balance sheet in respect of compensated absences liability for the subsidiaries (including step-down subsidiaries) created as per the local laws of respective countries is as follows:

Movement during the year

| Particulars | ₹ in Crores | |
|-------------------------------|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| At the beginning of the year | 48.15 | 45.31 |
| Recognised during the year | 8.38 | - |
| Reversed during the year | - | (0.06) |
| Paid during the year | (14.51) | (1.01) |
| Exchange differences | 0.66 | 3.91 |
| At the end of the year | 42.68 | 48.15 |

Bifurcation of provision for compensated absences of the Group:

| Particulars | ₹ in Crores | |
|-------------|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Current | 42.75 | 48.18 |
| Non-current | 0.36 | 0.46 |
| | 43.11 | 48.64 |

36 Employees stock option plan of the Holding Company

The Holding Company provides share based payment schemes to its employees. Since the year ended 31 March 2016, an employee stock option plan ('ESOP') was in existence i.e. ESOP scheme 2015. The relevant details of the scheme (post sub-division of its equity share of ₹ 10 each into equity share of ₹ 2 each) and the grant are as below.

The shareholders of the Holding Company through postal ballot on 21 April 2015 approved the equity settled ESOP scheme 2015 for issue of stock options to key employees and directors of the Holding Company setting aside 7,116,615 options under this scheme. The Holding Company had previously granted 5,024,330, 1,601,240, 853,995 and 315,000 stock options on 14 May 2015, 19 May 2016, 15 June 2018 and 19 October 2020, respectively. According to the scheme, the employees selected by the Nomination and Remuneration Committee from time to time will be entitled to options, subject to satisfaction of the prescribed vesting conditions. The other relevant terms of the grants are as below:

| Grant date | 19 October 2020 | 15 June 2018 | 19 May 2016 ** | 14 May 2015 ** |
|------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Number of option granted | 315,000 | 853,995 | 1,601,240 | 5,024,330 |
| Vesting period (in years) | 3 to 5 years | 3 to 5 years | 3 to 5 years | 3 to 5 years |
| Exercise period (in years) | 2 years | 2 years | 2 years | 2 years |
| | from the end of vesting period | from the end of vesting period | from the end of vesting period | from the end of vesting period |
| Exercise price (₹) | 85.00 | 21.40 | 11.00 | 16.00 |
| Fair value at grant date (₹) | 43.13 | 14.33 | 8.57 | 6.57 |

** No ESOPs are outstanding against these grants as at 31 March 2024 and 31 March 2023

The options are granted at an exercise price, which is in accordance with the relevant Securities and Exchange Board of India ("SEBI") guidelines in force, at the time of such grants. Further, the Holding Company does not have a past practice of cash settlement for these ESOPs. The Holding Company accounts for the ESOPs as an equity-settled plan.

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The details of activity under the ESOP scheme 2015 are summarised below:

| Particulars | 31 March 2024 | | 31 March 2023 | |
|---|----------------|--------------|----------------|--------------|
| | No. of options | * WAEP (₹) | No. of options | * WAEP (₹) |
| Outstanding at the beginning of the year | 536,480 | 58.74 | 703,405 | 49.88 |
| Granted during the year | - | - | - | - |
| Forfeited during the year | - | - | - | - |
| Exercised during the year | 120,980 | 21.40 | 166,925 | 21.40 |
| Expired during the year | - | - | - | - |
| Outstanding at the end of the year | 415,500 | 69.61 | 536,480 | 58.74 |
| Exercisable at the end of the year | 204,450 | 53.74 | 49,500 | 21.40 |

* WAEP denotes weighted average exercise price of the option

Weighted average share price for options exercised during the year ended 31 March 2024 is ₹ 298.90 (31 March 2023: ₹ 131.03)

The following tables summarises the information about the outstanding options as at 31 March 2024 and 31 March 2023, respectively.

| Grant | As at 31 March 2024 | | |
|----------|---------------------|----------------------------|------------------------|
| | Grant date | No. of options outstanding | Weighted average life* |
| Series 3 | 15 June 2018 | 100,500 | 0.71 |
| Series 4 | 19 October 2020 | 315,000 | 2.56 |

| Grant | As at 31 March 2023 | | |
|----------|---------------------|----------------------------|------------------------|
| | Grant date | No. of options outstanding | Weighted average life* |
| Series 3 | 15 June 2018 | 221,480 | 1.98 |
| Series 4 | 19 October 2020 | 315,000 | 3.57 |

* Weighted average of remaining contractual life of options outstanding at the end of respective year

For the options outstanding as at 31 March 2024, the exercise price range is ₹ 21.40 to ₹ 85.00 (31 March 2023: ₹ 21.40 to ₹ 85.00).

The weighted average fair value of the stock options outstanding as at 31 March 2024 is ₹ 36.16 (31 March 2023: ₹ 31.24). Options were priced using Black-Scholes-Merton formula.



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Inputs into the model:

| Particulars | Grant date | | | |
|---|-----------------|----------------|----------------|----------------|
| | 19 October 2020 | 15 June 2018 | 19 May 2016 ** | 14 May 2015 ** |
| Dividend yield (%) | 0.00% | 0.00% | 0.00% | 9.60% |
| Expected volatility (%) | 59.69 - 61.22% | 60.04 - 61.19% | 55.71 - 60.74% | 54.42 - 57.57% |
| Risk-free interest rate (%) | 5.05 - 5.62% | 7.87 - 8.04% | 7.30 - 7.46% | 7.77 - 7.82% |
| Weighted average share price (₹) | 78.86 | 23.25 | 13.64 | 20.83 |
| Exercise price (₹) | 85.00 | 21.40 | 11.00 | 16.00 |
| Expected life of options granted (in years) | 4.00 - 6.00 | 4.00 - 6.01 | 4.00 - 6.00 | 4.00 - 6.01 |

** No ESOPs are outstanding against these grants as at 31 March 2024 and 31 March 2023

Volatility: Volatility is a measure of the amount by which a price has fluctuated or is expected to fluctuate during the period. The measure of volatility used in Black-Scholes-Merton formula is the annualised standard deviation of the continuously compounded rates of return on the stock over a period of time. The Holding Company considered the daily historical volatility of the Holding Company's stock price on NSE over a period prior to the date of grant, corresponding with the expected life of the options.

Risk free rate : The risk free rate being considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the options based on zero coupon yield curve for government securities.

Expected life of the options : Expected life of the options is the period for which the Holding Company expects the options to be live. The minimum life of stock options is the minimum period before which the options cannot be exercised and the maximum life of the option is the maximum period after which the options cannot be exercised. The Holding Company has calculated expected life as the average of the minimum and the maximum life of the options.

Dividend yield: Expected dividend yield has been calculated by dividing the last declared dividend per share by the market price per share as on the date of grant.

37 Segment information

Ind AS 108 "Operating Segments" ("Ind AS 108") establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas and major customers. The Group's operations predominantly relate to providing end-to-end business solutions to enable clients to enhance business performance.

Based on the 'management approach' as defined in Ind AS 108 "Operating Segments", the Chief Operating Decision Maker (CODM) evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments and geographical segments. Accordingly, the information has been presented as business segment and geographical segment. The accounting principles used in the preparation of the consolidated financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the significant accounting policies.

Business segment of the Group are:

1. System Integration ("SI") includes enterprise networking, data centers, digital workplace, connected buildings and cyber security.

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- Technology Product Solution ("TPS") includes keyboard, video and mouse (KVM), cables, Internet of Things (IoT), audio video products.
- Others includes training, consulting and design services.

Inter segment revenues are recognised at sales price. The same is based on market price and business risks. Profit or loss on inter segment transfer are eliminated at the Group level.

(a) Information about reportable business segments:

₹ in Crores

| Particulars | 31 March 2024 | | | | 31 March 2023 | | | |
|--|---------------|---------|--------|---------------|---------------|--------|--------|--------------|
| | SI | TPS | Others | Total | SI | TPS | Others | Total |
| Segment revenue | 5,417.56 | 758.41 | 105.61 | 6,281.58 | 5,283.28 | 890.35 | 113.93 | 6,287.56 |
| Segment results | 348.60 | (45.26) | 8.52 | 311.86 | 113.05 | 43.95 | 8.69 | 165.69 |
| Other income | | | | 19.17 | | | | 21.63 |
| Finance costs | | | | 141.25 | | | | 111.28 |
| Profit before impact of foreign currency transactions and translations, loss on fair valuation of deferred purchase consideration, share of net profit of investment accounted for using the equity method, exceptional items and tax | | | | 189.78 | | | | 76.04 |
| Share of net profit of associate accounted for using the equity method | | | | 1.67 | | | | - |
| Gain on foreign currency transactions and translations (net) | | | | 4.60 | | | | 16.27 |
| Loss on fair valuation of deferred purchase consideration | | | | - | | | | 10.55 |
| Profit before exceptional items and tax | | | | 196.05 | | | | 81.76 |
| Exceptional items - expenses (refer note 32) | | | | (39.66) | | | | (52.31) |
| Profit before tax | | | | 156.39 | | | | 29.45 |
| Tax expense | | | | 18.72 | | | | 5.75 |
| Net profit for the year | | | | 137.67 | | | | 23.70 |
| Depreciation and amortisation expenses | | | | 114.34 | | | | 107.48 |

(b) Geographical segment

Revenue from external customers :

₹ in Crores

| Particulars | 31 March 2024 | 31 March 2023 |
|--------------------------------|-----------------|-----------------|
| India | 407.95 | 352.86 |
| America | 4,701.49 | 4,736.36 |
| Rest of the world | 1,225.38 | 1,230.70 |
| Total | 6,334.82 | 6,319.92 |
| Less : Inter-segment | (53.24) | (32.36) |
| Revenue from operations | 6,281.58 | 6,287.56 |



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Non-current assets based on geography (location of assets) *

| Particulars | ₹ in Crores | |
|-----------------------|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| India | 56.39 | 82.90 |
| America | 749.68 | 776.24 |
| Rest of the world | 98.00 | 79.00 |
| Segment assets | 904.07 | 938.14 |

*Non-current assets other than financial instruments, deferred tax assets, post-employment benefit assets and rights arising under insurance contracts as per Ind AS 108.

Additions to non-current assets based on geography (location of assets) *

| Particulars | ₹ in Crores | |
|-------------------|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| India | 5.36 | 7.15 |
| America | 135.52 | 117.18 |
| Rest of the world | 6.48 | 104.90 |
| | 147.36 | 229.23 |

*Non-current assets other than financial instruments, deferred tax assets, post-employment benefit assets and rights arising under insurance contracts as per Ind AS 108. It further excludes tax assets and other financial and non-financial assets (other than PPE, ROU assets, goodwill and other intangible assets)

*America comprises of North America, Canada and Mexico.

Rest of the world comprising all other places except America and India i.e. Europe, Asia Pacific ("APAC"), Middle East and Africa ("MEA"), South Asian Association for Regional Cooperation ("SAARC") and Latin America ("LATAM").

Notes on segment information :

- The Board considers a business activity focused reporting format to be more meaningful from a management forecasting perspective.
- Assets (including additions to non-current assets) and liabilities used in the Group's business are not identifiable to any of the reportable business segments, as these are used interchangeably between segments. The management believes that it is currently not practicable to provide segment disclosures relating to total assets (including additions to non-current assets) and liabilities since a meaningful segregation of the available data is onerous.
- Revenue of ₹ 1,091.26 Crores equivalent to US\$ 131.82 million (31 March 2023 : ₹ 924.09 Crores equivalent to US\$ 115.09 million) is derived from a single external customer, Bank of America and it constitutes more than 10% of the Group's revenue. This revenue is attributable to SI segment.

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38 Related Party Disclosure:

In accordance with the requirement of Ind AS 24 "Related Party Disclosures", name of the related parties, their relationship, transactions and outstanding balances including commitments, with whom transactions have taken place during the reported period are as follows:

(I) List of related parties and relationship

(i) Ultimate Holding Company:

Essar Global Fund Limited

(ii) Holding Company:

Essar Telecom Limited (w.e.f. 28 December 2023)

(iii) Subsidiary companies (including step-down subsidiaries):

Black Box Technologies Pte. Limited
AGC Networks LLC, USA
AGC Networks Philippines, Inc.
AGC Networks & Cyber Solutions Limited
AGC Networks LLC, Dubai
AGC Networks LLC, Abu Dhabi
BBX Main Inc.
BBX Inc.
Black Box Corporation
ACS Dataline, LP
ACS Investors, LLC
BB Technologies, LLC (formerly known as BB Technologies, Inc.)
BBOX Holdings Mexico LLC
BBOX Holdings Puebla LLC
Black Box Corporation of Pennsylvania
Black Box Network Services, Inc. – Government Solutions
Black Box Services LLC (formerly known as Black Box Services Company)
Delaney Telecom, Inc.
Norstan Communications, Inc.
Black Box Network Services Australia Pty Ltd
Black Box GmbH
Black Box Network Services NV
Black Box do Brasil Industria e Comercio Ltda.
Black Box Canada Corporation
Norstan Canada, Ltd./Norstan Canada, Ltée
Black Box Holdings Ltd.
Black Box Chile S.A.
Black Box E-Commerce (Shanghai) Co., Ltd.
Black Box A/S
Black Box Network Services (UK) Limited
Black Box Finland OY
Black Box France
Black Box Deutschland GmbH



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Black Box Network Services India Private Limited
Black Box Network Services (Dublin) Limited
Black Box Software Development Services Limited
Black Box Network Services S.r.l.
Black Box Network Services Co., Ltd.
Black Box Network Services Korea Limited
Black Box Network Services SDN. BHD.
Black Box de Mexico, S. de R.L. de C.V.
Black Box International B.V.
Black Box International Holdings B.V.
Black Box Network Services New Zealand Limited
Black Box Norge AS
Black Box P.R. Corp.
Black Box Network Services Singapore Pte Ltd
Black Box Comunicaciones, S.A.
Black Box Network Services AB
Black Box Network Services AG
Black Box Network Services Corporation
Servicios Black Box S.A. de C.V.
Black Box Network Services Hong Kong Limited
Black Box Network Services Philippines Inc.
Black Box Technologies Australia Pty Limited
AGCN Solutions Pte. Limited
COPC Holdings Inc.
COPC Inc.
COPC International Inc.
COPC Asia Pacific Inc.
COPC International Holdings LLC
COPC India Private Limited
COPC Consultants (Beijing) Co. Limited
Black Box Technologies New Zealand Limited
Pyrios Pty Limited (upto 03 September 2022)
Fujisoft Security Solutions LLC
Black Box Technologies LLC, Dubai
Black Box Technologies LLC, Abu Dhabi (formerly known as FujiSoft Technology LLC)
Black Box Costa Rica S.R.L
Black Box Network Services Colombia S.A.S.
Black Box Bangladesh Technologies Private Limited
Black Box Technologies Group B.V.
Dragonfly Technologies Pty Ltd (w.e.f. 11 February 2022)
Cybalt LLC (formerly known as Cybalt Inc.) (w.e.f. 16 February 2022)
Black Box Products FZE (w.e.f. 24 March 2022)
Global Speech Networks Pty Limited (w.e.f. 16 June 2023)
Global Speech Networks Limited (w.e.f. 16 June 2023)

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Associate company

Black Box DMCC (w.e.f. 31 March 2023)

Related party with whom transactions have taken place

(iv) Entities under common control:

Essar Bulk Terminal (Salaya) Limited
AMNS Ports Hazira Limited (formerly known as Essar Bulk Terminal Limited) (up to 15 November 2022)
AMNS Power Hazira Limited (formerly known as Essar Power Hazira Limited) (up to 15 November 2022)
Essar Oil UK Limited
Essar Projects Limited
Essar Power Gujarat Limited
Essar Oil and Gas Exploration and Production Limited
Arkay Logistics Limited
Mesabi Metallics Company LLC
EPC Constructions India Limited
Essar Constructions India Limited
Essar Power Transmission Company Limited
Essar Projects PNG Limited
Essar Steel Metal Trading Limited
Essar Capital Advisory India Private Limited
Essar Capital Mauritius Limited
Essar Vizag Terminals Limited
Prajesh Realities Private Limited (formerly known as Prajesh Marketing Private Limited)
PT Manoor Bulatn Lestari
Essar Steel Limited
Essar Power Limited
Essar Telecom Limited (up to 28 December 2023)
Essar Infrastructure Uganda Limited
Essar UK Services Private Limited
Essar Ports Limited
Essar Minmet Limited

(v) Key Managerial Personnel:

Mr. Sanjeev Verma, Whole-time Director
Mr. Sujay R Sheth, Independent Director
Mr. Dilip Thakkar, Independent Director
Ms. Neha Nagpal, Independent Director
Mrs. Mahua Mukherjee, Executive Director (up to 09 November 2023)
Mr. Naresh Kothari, Non-executive Director
Mr. Anshuman Ruia, Executive Director
Mr. Deepak Kumar Bansal, Chief Financial Officer and Executive Director
Mr. Aditya Goswami, Company Secretary



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(II) Transactions during the year with related parties :

| Nature of transaction | ₹ in Crores | |
|--|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Sale of products * | | |
| Essar Projects Limited | - | 0.12 |
| AMNS Power Hazira Limited | - | 1.16 |
| Essar Bulk Terminal (Salaya) Limited | 0.13 | - |
| Essar Ports Limited | 0.00 | - |
| Essar Oil and Gas Exploration and Production Limited | 0.03 | 0.45 |
| Essar Power Transmission Company Limited | 0.03 | 0.43 |
| Essar Capital Advisory India Private Limited | - | 0.01 |
| Mesabi Metalics Company LLC | 0.53 | - |
| Essar Constructions India Limited | 0.09 | 1.05 |
| EPC Constructions India Limited | 0.89 | 3.54 |
| Essar Minmet Limited | 0.03 | - |
| Essar Power Gujarat Limited | 0.07 | - |
| Essar Capital Mauritius Limited | - | 0.41 |
| | 1.80 | 7.17 |
| Sale of services * | | |
| Essar Oil UK Limited | 5.44 | 5.18 |
| AMNS Ports Hazira Limited | - | 3.10 |
| AMNS Power Hazira Limited | - | 0.64 |
| Essar Projects Limited | 0.56 | 0.11 |
| Essar Vizag Terminals Limited | 0.26 | - |
| Essar Power Transmission Company Limited | 0.86 | 0.63 |
| Essar Power Limited | 0.44 | - |
| Essar Infrastructure Uganda Limited | 0.32 | - |
| Essar Projects PNG Limited | - | 0.60 |
| Essar Oil and Gas Exploration and Production Limited | 3.20 | 1.12 |
| Essar Constructions India Limited | 1.50 | 0.80 |
| Essar Capital Advisory India Private Limited | 0.02 | 0.00 |
| Essar Power Gujarat Limited | 1.18 | 1.18 |
| Essar Capital Mauritius Limited | 2.83 | 1.17 |
| Essar Bulk Terminal (Salaya) Limited | 2.14 | - |
| Prajesh Realities Private Limited | - | 0.03 |
| Essar UK Services Private Limited | 0.08 | - |
| PT Manoor Bulatn Lestari | 0.46 | 0.24 |
| | 19.29 | 14.80 |
| Issue of equity shares (including securities premium) | | |
| Essar Telecom Limited | - | 15.92 |
| Essar Steel Metal Trading Limited | - | 33.68 |
| | - | 49.60 |

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| Nature of transaction | ₹ in Crores | |
|--|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Money received against share warrants | | |
| Essar Telecom Limited | - | 12.04 |
| Essar Steel Metal Trading Limited | - | 25.26 |
| | - | 37.30 |
| Allowance for expected credit loss ** | 0.61 | 5.41 |
| | 0.61 | 5.41 |

*Sale of products and services represent invoices raised during the year and it also includes invoices where revenue recognition has been deferred.

** The Group has adopted simplified approach under Ind AS 109 "Financial Instruments" for computing allowance for expected credit loss. Accordingly, it is not practicable to give entity-wise details

Notes:

- Transactions up to the date of cessation/ from the date of establishment of related party relationship have been considered for disclosure.
- Foreign currency transactions are reported in INR using exchange rate at the transaction date.

(III) Amount due to / from related parties (as at year-end) **

| Nature of balances | ₹ in Crores | |
|--|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Trade payables | | |
| Essar Constructions India Limited | - | 0.19 |
| Essar Oil and Gas Exploration and Production Limited | 0.40 | - |
| Essar steel limited | 0.03 | 0.03 |
| Essar Telecom Limited | - | 0.10 |
| | 0.43 | 0.32 |
| Trade receivables and contract assets # | | |
| Essar Bulk Terminal (Salaya) Limited | 0.03 | - |
| AMNS Ports Hazira Limited | - | 1.03 |
| Essar Oil UK Limited | 1.88 | 1.32 |
| AMNS Power Hazira Limited | - | 0.22 |
| Essar Projects Limited | 0.68 | 1.48 |
| Essar Power Gujarat Limited | 0.13 | 0.59 |
| Essar Constructions India Limited | 0.69 | 1.51 |
| Essar Oil and Gas Exploration and Production Limited | - | 0.39 |
| Essar Power Transmission Company Limited | - | 0.01 |
| Essar Power Limited | 0.09 | - |
| Essar Projects (PNG) Limited | 0.10 | 0.60 |
| EPC Constructions India Limited | 5.71 | 5.71 |
| Essar Infrastructure Uganda Limited | 0.03 | - |
| Essar Minmet Limited | 0.00 | - |
| Mesabi Metallics Company LLC | 1.31 | 2.88 |
| Essar Capital Advisory India Private Limited | - | 0.02 |
| Essar Capital Mauritius Limited | 0.03 | - |
| Essar UK Services Private Limited | 0.02 | - |



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| Nature of balances | ₹ in Crores | |
|----------------------------------|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Essar Vizag Terminals Limited | 0.26 | 0.02 |
| Prajesh Realties Private Limited | 0.01 | 0.01 |
| PT Manoor Bulatn Lestari | 0.49 | 0.08 |
| | 11.46 | 15.87 |
| Other receivable | | |
| Essar Projects Limited | 0.32 | 0.32 |
| | 0.32 | 0.32 |

- Foreign currency balances (other than advances) are reinstated in INR using year end exchange rate.
- All the amounts due to/ from related parties (as at year-end) are unsecured.
- All the amounts due to/ from related parties (as at year-end), other than advances, will be cash-settled. Goods or services will be received/ provided against the advance given/ taken.

** These amounts include trade payables, advance from customers and excess money received from warrant holders

Amount disclosed is gross carrying value before considering impact of allowance for expected credit loss

(IV) Key Management Personnel (“KMP”) compensation:

The following table provides the total value of transactions that have been entered into with KMP for the relevant financial year:

During the year, Nil (31 March 2023: Nil) ESOPs are granted to KMP and Nil (31 March 2023: Nil) ESOPs granted to KMP have lapsed.

| Particulars | ₹ in Crores | |
|---|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| (i) Short term employee benefits | 15.32 | 12.68 |
| (ii) Post employment benefits | 0.72 | 0.34 |
| (iii) Other long term benefits (refer note below) | - | - |
| (iv) Termination benefits | - | - |
| (v) Share based payment | 0.23 | 0.33 |
| Payable as at year end | - | - |

Notes:

- The remuneration to the KMP does not include the provisions made for gratuity and compensated absences, as they are determined on an actuarial basis for the Group as a whole.
- No remuneration has been paid to Mr. Sanjeev Verma, Whole-time Director during the years ended 31 March 2024 and 31 March 2023 through the Group.
- The Group has paid the remuneration to its directors during the year in accordance with the provision of and limits laid down under section 197 read with Schedule V to the Act.

(V) There are no commitments with any related party during the year or as at year end.

(VI) All the related party transactions are made on terms equivalent to those that prevail in an arm's length transactions, for which prior approval of Audit Committee was obtained during the years ended 31 March 2024 and 31 March 2023.

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39 Contingent liabilities and capital commitments

(A) Contingent liabilities

| ₹ in Crores | | | |
|--|----------|---------------|---------------|
| | Footnote | 31 March 2024 | 31 March 2023 |
| I] Claims against the Group not acknowledged as debt | (a) | 0.60 | 0.60 |
| II] Other money for which the Group is contingently liable | | | |
| (A) In respect of disputed demands for matters under appeal with | (b) | | |
| (a) Income tax authorities * | | 8.23 | 6.88 |
| (b) Excise, service tax and customs authorities * | | 3.70 | 4.20 |
| (c) Sales tax authorities * | | 10.80 | 10.80 |
| (B) Form-F pending receipt | (c) | 0.83 | 0.83 |

Notes:

- The Group is contesting all of the above demands in respect of Income tax, Excise duty, Service tax, Customs duty and Sales tax and the management believes that its positions are likely to be upheld at the appellate stage. No expense has been accrued in the consolidated financial statements for the aforesaid demands. The management believes that the ultimate outcome of these proceedings are not expected to have a material adverse effect on the Group's financial position and results of operations and hence no provision has been made in this regard.
- It is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.
- The amounts disclosed above represent the best possible estimates arrived at on the basis of available information and do not include any penalty payable.
- The Group does not expect any reimbursements in respect of the above contingent liabilities.
- Refer note 48 for penalty unascertained on account of non-compliance with provisions of Foreign Exchange Management Act, 1999.

* Amount outstanding as at balance sheet date represents gross demand raised by the tax authorities, as amount paid under protest is not charged to the consolidated statement of profit and loss by the Group.

Footnotes:

- It represents demand raised by vendor for remaining outstanding amount which is disputed by the Group over non-performance of certain duties by vendor under the contract.
- It represents demands raised by direct and indirect tax authorities on various grounds, which are contested by the Group.
- It represents demand raised by sales tax authorities for non submission of Form F.

(B) Capital commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for is ₹ Nil (31 March 2023: ₹ Nil).

For lease commitment, refer note 42



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40.1 Financial Instruments

a) Categories of financial instruments

₹ in Crores

| | Carrying value and fair value | | | |
|--|-------------------------------|----------------|---------------------|----------------|
| | As at 31 March 2024 | | As at 31 March 2023 | |
| | FVTPL | Amortised cost | FVTPL | Amortised cost |
| Financial assets | | | | |
| Non-current | | | | |
| (a) Other financial assets | | 35.17 | | 18.03 |
| Current | | | | |
| (a) Trade receivables | | 386.33 | | 421.05 |
| (b) Cash and cash equivalents | | 214.07 | | 199.94 |
| (c) Bank balances other than cash and cash equivalents | | 8.58 | | 9.59 |
| (d) Other financial assets | 0.68 | 507.05 | | 678.47 |
| Financial liabilities | | | | |
| Non-current | | | | |
| (a) Borrowings | | 361.83 | | 304.97 |
| (b) Lease liabilities | | 266.58 | | 221.63 |
| (c) Other financial liabilities | | 7.16 | | 6.99 |
| Current | | | | |
| (a) Borrowings | | 35.47 | | 47.00 |
| (b) Lease liabilities | | 48.37 | | 54.45 |
| (c) Trade payables | | 698.95 | | 1,158.13 |
| (d) Other financial liabilities | - | 162.05 | 1.17 | 88.58 |

b) Fair value hierarchy and method of valuation

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

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

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data (unobservable inputs).

There have been no transfer amongst the levels of fair value hierarchy during the year.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group 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.

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

1. Fair value of cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, trade payables, other current financial assets/ liabilities and short term borrowings approximate their carrying amounts largely due to short term maturities of these instruments. They are classified as Level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.
2. Financial instruments are evaluated by the Group based on parameters such as individual credit worthiness of the counter-party. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.
3. The fair values for deposits, finance lease contracts and financial guarantee contract were calculated based on cash flows discounted using lending rate on the date of initial recognition. The lease liability is initially recognised at the present value of the future lease payments and are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates and subsequently measured at amortised cost.
4. Fair value of long term borrowings approximate their carrying amounts due to the fact no upfront fees is paid as compensation to secure the borrowing and the interest rate is equals to the market interest rate. This is classified as Level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs.
5. The Group has measured forward contracts at fair value, which is classified as Level 3 hierarchy, as it is based on forward contract rate for remaining period.

c) Details of financial assets and liabilities considered under Level 3 classification

| | ₹ in Crores | |
|---|---------------|---------------|
| Lease liabilities | 31 March 2024 | 31 March 2023 |
| Balance at the beginning of the year | 276.08 | 206.83 |
| Additions, including reassessment, during the year | 98.21 | 137.00 |
| Repayments during the year | (84.17) | (89.31) |
| Balance at the end of the year (Gross) | 290.12 | 254.52 |
| Expense recognised in profit or loss (unwinding of interest) | 24.83 | 21.56 |
| Carried forward balance of allowance for expected credit loss | - | - |
| Balance at the end of the year (net) | 314.95 | 276.08 |

| | ₹ in Crores | |
|---------------------------------------|---------------|---------------|
| Forward contract asset | 31 March 2024 | 31 March 2023 |
| Balance at the beginning of the year | - | - |
| Recognised during the year | 0.68 | - |
| Balance at the end of the year | 0.68 | - |



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₹ in Crores

| Forward contract liability | 31 March 2024 | 31 March 2023 |
|---------------------------------------|---------------|---------------|
| Balance at the beginning of the year | 1.17 | - |
| Recognised during the year | - | 1.17 |
| Repayments during the year | (1.17) | - |
| Balance at the end of the year | - | 1.17 |

Derivative financial instruments:

The Group holds derivative financial instrument i.e., foreign currency forward contracts to mitigate the risk of changes in exchange rate on foreign currency exposure. The counterparty for these contracts is generally a bank or a financial institution. These derivative financial instruments are valued based on inputs that is directly or indirectly observable in the marketplace.

The following table gives details in respect of outstanding foreign exchange forward contracts:

| Particulars | Buy / sell | As at 31 March 2024 | | As at 31 March 2023 | |
|--|------------|-----------------------------|--------------------------|-----------------------------|--------------------------|
| | | Foreign currency (in units) | Fair value (₹ in Crores) | Foreign currency (in units) | Fair value (₹ in Crores) |
| Foreign currency forward contracts in AUD | Sell | 4,200,000 | (0.25) | 3,000,000 | 0.28 |
| Foreign currency forward contracts in CAD | Sell | 316,000 | (0.00) | 500,000 | 0.08 |
| Foreign currency forward contracts in EURO | Sell | 4,100,000 | (0.39) | 3,100,000 | 0.73 |
| Foreign currency forward contracts in EURO | Buy | - | - | 20,033 | 0.01 |
| Foreign currency forward contracts in NZD | Sell | - | - | 500,000 | 0.03 |
| Foreign currency forward contracts in GBP | Buy | - | - | 94,211 | 0.03 |
| Foreign currency forward contracts in JPY | Sell | 37,000,000 | (0.04) | 70,000,000 | 0.01 |
| Foreign currency forward contracts in INR | Sell | 44,000,000 | (0.00) | - | - |
| | | | (0.68) | | 1.17 |

The impact of additions, deletions and gain or loss on profit or loss and OCI for security deposits and other payables is negligible.

40.2 Financial risk management objectives and policies

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's primary focus is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance. The Group's management oversees these risks and formulates the policies which are reviewed and approved by the Board of Directors and Audit Committee. Such risks are summarised below:

a) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market prices. The primary market risk to the Group is currency risk and interest risk.

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 Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations.

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Exposure to interest risk

| Particulars | ₹ in Crores | |
|--|------------------------|------------------------|
| | As at 31 March 2024 | As at 31 March 2023 |
| Fixed-rate instruments | | |
| Term loan | 2.53 | 2.88 |
| Variable-rate instruments | | |
| Cash credit facilities | 11.38 | 23.45 |
| Term loans and working capital term loan | 383.39 | 325.64 |
| Total | 397.30 | 351.97 |

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected. With all other variables held constant, the Group's profit or loss before tax and Group's equity is affected through the impact on floating rate borrowings, as follows:

| Particulars | ₹ in Crores | | | |
|---|---------------|---------------|------------------------------------|---------------|
| | Equity | | Gain / (loss) on profit before tax | |
| | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
| Interest rate increase by 50 basis points | 1.97 | 1.75 | (1.97) | (1.75) |
| Interest rate decrease by 50 basis points | (1.97) | (1.75) | 1.97 | 1.75 |

b) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises from cash and cash equivalents, bank balances other than cash and cash equivalents, other financial assets as well as credit exposures to customers including outstanding receivables and contract assets. The maximum exposure to credit risk is equal to the carrying value of the financial assets.

Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. To manage this, the Group periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, forward looking macroeconomic information, analysis of historical bad debts and ageing of accounts receivables. Individual risk limits are set accordingly. The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer including the default risk of the industry and country in which the customer operates also has an influence on credit risk assessment.

The expected credit loss rates are based on the payment profiles of sales over a period of 36 months before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macro-economic factors affecting the ability of the customers to settle the receivables. The Group recognises lifetime expected losses for all trade receivables and contract assets that do not constitute a financing component.

The Group has no concentration of credit risk as the customer base is widely distributed both economically and geographically. There is one customer contributing 13% of outstanding trade receivables and contract assets as at 31 March 2024 (31 March 2023: No such customer contributing more than 10% of outstanding trade receivables and contract assets), however it is a reputed organisation and credit risk is minimal with no history of dispute/ non-recovery.

Outstanding customer receivables and contract assets are regularly monitored.



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Other financial assets

The Group periodically monitors the recoverability and credit risks of its other financial assets. The Group evaluates 12 months expected credit losses for all the financial assets for which credit risk has not increased. In case credit risk has increased significantly, the Group considers life time expected credit losses for the purpose of impairment provisioning.

The Group has considered financial condition, current economic trends, forward looking macroeconomic information, analysis of historical bad or doubtful receivables and ageing of receivables related to cash and cash equivalents, bank balances other than cash and cash equivalents, margin deposits, security deposits, finance lease assets and other financial assets. In most of the cases, risk is considered low since the counterparties are reputed organisations with no history of default to the Group and no unfavourable forward looking macro economic factors. Wherever applicable, expected credit loss allowance is recorded (refer notes 8, 10 and 13).

The following table gives details in respect of geography-wise trade receivables and contract assets (gross):

| Particulars | ₹ in Crores | | | |
|------------------|---------------|---------------|---------------|---------------|
| | As at | | In % | |
| | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
| India | 172.83 | 178.82 | 22% | 27% |
| Other than India | 604.05 | 491.58 | 78% | 73% |

Expected credit loss for trade receivables

| As at 31 March 2024 | ₹ in Crores | | | | | |
|--|---------------|--------------|--------------|-------------------|-----------------|---------------|
| | 0-30 days | 31-60 days | 61-90 days | More than 90 days | Credit impaired | Total |
| Gross trade receivables | 238.74 | 94.16 | 16.13 | 178.99 | 3.81 | 531.83 |
| Less: Trade receivables from group companies | 2.08 | 0.46 | 0.30 | 8.62 | 0.00 | 11.46 |
| Net trade receivables | 236.66 | 93.70 | 15.83 | 170.37 | 3.81 | 520.37 |
| Expected loss rates | 0.91% | 1.26% | 3.54% | 80.88% | 100.03% | |
| Expected credit loss | 2.16 | 1.18 | 0.56 | 137.79 | 3.81 | 145.50 |

| As at 31 March 2023 | ₹ in Crores | | | | | |
|--|---------------|--------------|--------------|-------------------|-----------------|---------------|
| | 0-30 days | 31-60 days | 61-90 days | More than 90 days | Credit impaired | Total |
| Gross trade receivables | 286.66 | 73.56 | 17.39 | 179.14 | 4.17 | 560.92 |
| Less: Trade receivables from group companies | 1.72 | 1.96 | 2.66 | 9.53 | 0.00 | 15.87 |
| Net trade receivables | 284.94 | 71.60 | 14.73 | 169.61 | 4.17 | 545.05 |
| Expected loss rates | 1.34% | 4.36% | 6.57% | 75.34% | 100.00% | |
| Expected credit loss | 3.82 | 3.12 | 0.97 | 127.79 | 4.17 | 139.87 |

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The following table summarises the change in the loss allowance measured using expected credit loss model on trade receivable:

| ₹ in Crores | | |
|-------------------------------------|---------------|---------------|
| Particulars | 31 March 2024 | 31 March 2023 |
| At the beginning of the year | 139.87 | 117.10 |
| Provision made during the year | 25.13 | 21.21 |
| Provision reversed during the year | (7.46) | (2.63) |
| Exchange differences | (12.04) | 4.19 |
| At the end of the year | 145.50 | 139.87 |

The following table gives details in respect of percentage of revenues generated from top customer and top five customers:

| Particulars | 31 March 2024 | 31 March 2023 |
|---------------------------------|---------------|---------------|
| Revenue from top customer | 17% | 15% |
| Revenue from top five customers | 37% | 31% |

Expected credit loss for contract assets

| ₹ in Crores | | | | | |
|--------------------------------|---------------|-------------|-------------|-------------------|---------------|
| As at 31 March 2024 | 0-30 days | 31-60 days | 61-90 days | More than 90 days | Total |
| Contract assets (Gross) | 232.52 | 0.52 | 0.04 | 13.26 | 246.34 |
| Expected loss rates | 0.00% | 0.00% | 0.00% | 0.00% | |
| Expected credit loss | - | - | - | 0.14 | 0.14 |

| ₹ in Crores | | | | | |
|--------------------------------|---------------|-------------|-------------|-------------------|---------------|
| As at 31 March 2023 | 0-30 days | 31-60 days | 61-90 days | More than 90 days | Total |
| Contract assets (Gross) | 112.47 | 1.01 | 0.17 | - | 113.65 |
| Expected loss rates | 0.00% | 0.00% | 0.00% | 0.00% | |
| Expected credit loss | - | - | - | - | - |

No loss allowance was required on contract assets during the year ended 31 March 2023. Also, no loss allowance was reversed on contract assets during the year ended 31 March 2024 and 31 March 2023.

The following table summarises the change in the loss allowance measured using expected credit loss model on contract asset (current) :

| ₹ in Crores | | |
|-------------------------------------|---------------|---------------|
| Particulars | 31 March 2024 | 31 March 2023 |
| At the beginning of the year | - | - |
| Provision made during the year | 0.14 | - |
| At the end of the year | 0.14 | - |

There is no loss allowance created or reversed on contract assets during the previous year ended 31 March 2023.



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Expected credit loss for other receivables (current)

₹ in Crores

| As at 31 March 2024 | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | Total |
|----------------------------------|------------------|-------------|-------------|-------------------|--------------|
| Other receivables (Gross) | 25.64 | - | - | - | 25.64 |
| Expected loss rates | 17.34% | 0.00% | 0.00% | 0.00% | |
| Expected credit loss | 4.45 | - | - | - | 4.45 |

₹ in Crores

| As at 31 March 2023 | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | Total |
|----------------------------------|------------------|-------------|-------------|-------------------|--------------|
| Other receivables (Gross) | 25.96 | - | - | - | 25.96 |
| Expected loss rates | 16.87% | 0.00% | 0.00% | 0.00% | |
| Expected credit loss | 4.38 | - | - | - | 4.38 |

The following table summarises the change in the loss allowance measured using expected credit loss model on other receivables (current) :

₹ in Crores

| Particulars | 31 March 2024 | 31 March 2023 |
|-------------------------------------|---------------|---------------|
| At the beginning of the year | 4.38 | - |
| Provision made during the year | 0.07 | 4.38 |
| At the end of the year | 4.45 | 4.38 |

c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. Also, the Group has unutilized credit limits with banks. The Group manages its liquidity needs by monitoring scheduled debt servicing payments for financial liabilities as well as forecast cash inflow and outflows due in day to day business. In addition, processes and policies related to such risks are overseen by senior management. The Group's management monitors the net liquidation position through rolling forecast on the basis of expected cash flows.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2024 and 31 March 2023 on undiscounted basis:

Maturity profile of financial liabilities:

₹ in Crores

| As at 31 March 2024 | On demand | Less than one year | One to five years | More than five years | Total |
|-----------------------------|--------------|--------------------|-------------------|----------------------|-----------------|
| Borrowings | 11.38 | 25.90 | 363.64 | - | 400.92 |
| Lease liabilities | - | 48.37 | 194.42 | 93.87 | 336.66 |
| Trade payables | - | 698.95 | - | - | 698.95 |
| Other financial liabilities | - | 162.05 | 7.16 | - | 169.21 |
| | 11.38 | 935.27 | 565.22 | 93.87 | 1,605.74 |

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| ₹ in Crores | | | | | |
|-----------------------------|--------------|--------------------|-------------------|----------------------|-----------------|
| As at 31 March 2023 | On demand | Less than one year | One to five years | More than five years | Total |
| Borrowings | 23.45 | 23.55 | 312.89 | - | 359.89 |
| Lease liabilities | - | 54.45 | 169.30 | 96.54 | 320.29 |
| Trade payables | - | 1,158.13 | - | - | 1,158.13 |
| Other financial liabilities | - | 89.75 | 6.99 | - | 96.74 |
| | 23.45 | 1,325.88 | 489.18 | 96.54 | 1,935.05 |

The Group has undrawn ₹ 107.09 Crores (31 March 2023: ₹ 123.58 Crores) credit line facility that is secured (refer note 16 and 22) and can be drawn down to meet short-term financing needs. Interest would be payable at a rate mutually agreed with banks at the time of drawdown.

40.3 Foreign currency risk

Foreign currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group procures products and services in their respective local currency and in case of imports, it primarily deals in United States Dollars (US\$). The Group has mainly foreign currency trade payables and other receivables which are unhedged and exposed to foreign currency risk.

The Group evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies. There are earnings from customers in foreign currency which act as a natural hedge against foreign currency risk.



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The Group's exposure to foreign currency risk at the end of the reporting period are as under:

| Particulars | 31 March 2024 | | | | | | | | | | | | | | | | | | | | | | |
|--|----------------------------------|--------------|-------------|---------------|-------------|-------------|-------------|-------------|---------------|---------------|-------------|---------------|--------------|-------------|---------------|-------------|-------------|-------------|-------------|---------------|---------------|-------------|-------------|
| | In foreign currency (in million) | | | | | | | ₹ in Crores | | | | | | | | | | | | | | | |
| | US\$ | AED | SAR | CAD | GBP | AUD | SGD | EUR | NZD | KES | Other | US\$ | AED | SAR | CAD | GBP | AUD | SGD | EUR | NZD | KES | Other | |
| Financial assets | | | | | | | | | | | | | | | | | | | | | | | |
| Trade receivables | 1.08 | 15.01 | 0.78 | 0.00 | 0.27 | 0.36 | 0.17 | 0.98 | - | - | 0.29 | 9.00 | 34.07 | 1.74 | 0.01 | 2.87 | 1.94 | 1.06 | 8.83 | - | - | - | 0.35 |
| Cash and cash equivalents and bank balances other than cash and cash equivalents | 0.36 | 0.06 | - | - | - | 0.18 | 0.01 | - | - | - | 0.01 | 3.01 | 0.13 | - | - | - | 1.00 | 0.07 | - | - | - | - | 0.00 |
| Exposure to foreign currency risk on financial assets | 1.44 | 15.07 | 0.78 | 0.00 | 0.27 | 0.54 | 0.18 | 0.98 | - | - | 0.30 | 12.01 | 34.20 | 1.74 | 0.01 | 2.87 | 2.94 | 1.13 | 8.83 | - | - | - | 0.35 |
| Financial liabilities | | | | | | | | | | | | | | | | | | | | | | | |
| Trade payables | 2.13 | 7.59 | 0.66 | 0.04 | 0.09 | 0.06 | 0.06 | 0.25 | 0.18 | 4.70 | - | 17.75 | 17.22 | 1.47 | 0.24 | 1.00 | 0.32 | 0.35 | 2.28 | 0.91 | 0.30 | - | - |
| Other financial liabilities * | 0.03 | - | - | - | - | - | - | - | - | - | - | 0.28 | - | - | - | - | - | - | - | - | - | - | - |
| Exposure to foreign currency risk on financial liabilities | 2.16 | 7.59 | 0.66 | 0.04 | 0.09 | 0.06 | 0.06 | 0.25 | 0.18 | 4.70 | - | 18.03 | 17.22 | 1.47 | 0.24 | 1.00 | 0.32 | 0.35 | 2.28 | 0.91 | 0.30 | - | - |
| Net exposure to foreign currency risk | (0.72) | 7.48 | 0.12 | (0.04) | 0.18 | 0.48 | 0.13 | 0.73 | (0.18) | (4.70) | 0.30 | (6.02) | 16.98 | 0.27 | (0.23) | 1.87 | 2.62 | 0.78 | 6.55 | (0.91) | (0.30) | 0.35 | 0.35 |

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| Particulars | 31 March 2023 | | | | | | | | | | | | | | | | | | | | | | |
|---|----------------------------------|-------------|-------------|-------------|-------------|----------|-------------|---------------|----------|-------------|-------------|--------------|-------------|-------------|-------------|--------------|----------|-------------|---------------|----------|-------------|-------------|-------------|
| | In foreign currency (in million) | | | | | | | ₹ in Crores | | | | | | | | | | | | | | | |
| | US\$ | AED | SAR | CAD | GBP | AUD | SGD | EUR | NZD | KES | Other | US\$ | AED | SAR | CAD | GBP | AUD | SGD | EUR | NZD | KES | Other | |
| Financial assets | | | | | | | | | | | | | | | | | | | | | | | |
| Trade receivables | 3.78 | 1.81 | 0.03 | 1.30 | 1.30 | - | - | 0.40 | - | 0.01 | 3.29 | 31.04 | 4.05 | 0.07 | - | 13.24 | - | - | 3.56 | - | - | - | 6.76 |
| Cash and cash equivalents | 0.02 | 0.07 | - | 0.01 | - | - | 0.02 | - | - | 0.18 | 3.62 | 0.18 | 0.15 | - | 0.03 | - | - | 0.10 | - | - | - | 0.01 | 0.29 |
| balances other than cash and cash equivalents | | | | | | | | | | | | | | | | | | | | | | | |
| Exposure to foreign currency risk on financial assets | 3.80 | 1.88 | 0.03 | 1.31 | 1.30 | - | 0.02 | 0.40 | - | 0.19 | 6.91 | 31.22 | 4.20 | 0.07 | 0.03 | 13.24 | - | 0.10 | 3.56 | - | 0.01 | 0.01 | 7.05 |
| Financial liabilities | | | | | | | | | | | | | | | | | | | | | | | |
| Trade payables | 3.60 | 0.07 | - | - | 0.29 | - | - | 1.33 | - | - | - | 29.60 | 0.16 | - | - | 2.90 | - | - | 11.93 | - | - | - | - |
| Other financial liabilities* | 0.04 | - | - | - | - | - | - | - | - | - | - | 0.32 | - | - | - | - | - | - | - | - | - | - | |
| Exposure to foreign currency risk on financial liabilities | 3.64 | 0.07 | - | - | 0.29 | - | - | 1.33 | - | - | - | 29.92 | 0.16 | - | - | 2.90 | - | - | 11.93 | - | - | - | - |
| Net exposure to foreign currency risk | 0.16 | 1.81 | 0.03 | 1.31 | 1.02 | - | 0.02 | (0.94) | - | 0.19 | 6.91 | 1.30 | 4.04 | 0.07 | 0.03 | 10.34 | - | 0.10 | (8.37) | - | 0.01 | 0.01 | 7.05 |

Group has accumulated net exposure to foreign currency risk amounting to ₹ 21.96 Crores (31 March 2023 : ₹ 14.57 Crores).

* Includes provision for expenses, billing of which is pending as at reporting date and will be billed in currency other than reporting currency. These are forming part of trade payables.



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Sensitivity to foreign currency risk

The following table demonstrates the sensitivity in the US\$, United Arab Emirates Dirham ("AED"), Saudi Riyal ("SAR"), Canadian Dollar ("CAD"), Great Britain Pound ("GBP"), Australian Dollar ("AUD"), Singapore Dollar ("SGD"), European Union ("EUR"), New Zealand Dollar ("NZD"), Kenyan Shilling ("KES") and other currencies with all other variables held constant. The below impact on the Group's profit or loss before tax and Group's equity is based on changes in the fair value of unhedged foreign currency monetary assets and liabilities as at consolidated balance sheet date:

₹ in Crores

| Particulars | Impact on equity | | Impact on profit or loss for the year ended | |
|-------------------------|------------------|---------------|---|---------------|
| | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
| US\$ sensitivity | | | | |
| INR / US\$ | | | | |
| Increase by 5% | 0.30 | (0.06) | (0.30) | 0.06 |
| Decrease by 5% | (0.30) | 0.06 | 0.30 | (0.06) |
| AED sensitivity | | | | |
| INR / AED | | | | |
| Increase by 5% | (0.85) | (0.20) | 0.85 | 0.20 |
| Decrease by 5% | 0.85 | 0.20 | (0.85) | (0.20) |
| SAR sensitivity | | | | |
| INR / SAR | | | | |
| Increase by 5% | (0.01) | (0.00) | 0.01 | 0.00 |
| Decrease by 5% | 0.01 | 0.00 | (0.01) | (0.00) |
| CAD sensitivity | | | | |
| INR / CAD | | | | |
| Increase by 5% | 0.01 | (0.00) | (0.01) | 0.00 |
| Decrease by 5% | (0.01) | 0.00 | 0.01 | (0.00) |
| GBP sensitivity | | | | |
| INR / GBP | | | | |
| Increase by 5% | (0.09) | (0.52) | 0.09 | 0.52 |
| Decrease by 5% | 0.09 | 0.52 | (0.09) | (0.52) |
| AUD sensitivity | | | | |
| INR / AUD | | | | |
| Increase by 5% | (0.13) | - | 0.13 | - |
| Decrease by 5% | 0.13 | - | (0.13) | - |
| SGD sensitivity | | | | |
| INR / SGD | | | | |
| Increase by 5% | (0.04) | (0.00) | 0.04 | 0.00 |
| Decrease by 5% | 0.04 | 0.00 | (0.04) | (0.00) |
| EUR sensitivity | | | | |
| INR / EUR | | | | |
| Increase by 5% | (0.33) | 0.42 | 0.33 | (0.42) |
| Decrease by 5% | 0.33 | (0.42) | (0.33) | 0.42 |

Summary of Material Accounting Policies and other Explanatory Information

as at and for the year ended 31 March 2024

| Particulars | ₹ in Crores | | | |
|--------------------------|------------------|---------------|---|---------------|
| | Impact on equity | | Impact on profit or loss for the year ended | |
| | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
| NZD sensitivity | | | | |
| INR / NZD | | | | |
| Increase by 5% | 0.05 | 0.00 | (0.05) | (0.00) |
| Decrease by 5% | (0.05) | (0.00) | 0.05 | 0.00 |
| KES sensitivity | | | | |
| INR / KES | | | | |
| Increase by 5% | 0.02 | - | (0.02) | - |
| Decrease by 5% | (0.02) | - | 0.02 | - |
| Other sensitivity | | | | |
| INR / Other | | | | |
| Increase by 5% | (0.02) | (0.35) | 0.02 | 0.35 |
| Decrease by 5% | 0.02 | 0.35 | (0.02) | (0.35) |

41 Capital Management

The Group's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

Gearing Ratio:

| Particulars | ₹ in Crores | |
|--|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Borrowings | 397.30 | 351.97 |
| Less: Cash and cash equivalents and bank balances other than cash and cash equivalents | 222.65 | 209.53 |
| Net debt # | 174.65 | 142.44 |
| Total equity | 480.92 | 296.02 |
| Total capital | 480.92 | 296.02 |
| Gearing ratio (in %) | 36.32% | 48.12% |

Net debt for the above purpose includes borrowings, interest accrued on borrowings net of cash and cash equivalents and bank balances other than cash and cash equivalents.

There are no externally imposed capital requirements on the Group.



Summary of Material Accounting Policies and other Explanatory Information

as at and for the year ended 31 March 2024

42 Leases

Company as lessee

- a) The Group's ROU assets primarily consists of leases for office premises, furniture, computer and servers having different lease terms. There are several lease agreements with extension and termination options, for which management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised. Since it is reasonably certain to exercise extension option and not to exercise termination option, the Group has opted to include such extended term and ignore termination option in determination of lease term. Further, the Group is not exposed to any variable lease payments or residual value guarantee.

₹ in Crores

| b) Particulars | 31 March 2024 | 31 March 2023 |
|--|---------------|---------------|
| Depreciation of ROU assets (refer note 4) | 65.88 | 72.25 |
| Interest expense on lease liabilities | 24.83 | 21.56 |
| Expense relating to short term leases | 15.03 | 23.97 |
| Total cash outflow for leases (including interest) | 84.17 | 89.31 |
| Additions to ROU assets | 94.48 | 133.02 |

c) Amounts recognised in consolidated balance sheet:

₹ in Crores

| Particulars | 31 March 2024 | 31 March 2023 |
|--------------------------------------|---------------|---------------|
| Carrying amount of ROU assets | | |
| Buildings | 238.28 | 218.87 |
| Furniture | 3.10 | 3.52 |
| Computers and servers | 8.42 | 2.68 |
| Plant and equipment | 0.17 | 1.73 |
| Office equipment | 2.85 | 2.03 |
| Vehicles | 38.52 | 30.23 |
| Lease liabilities | | |
| Non-current | 266.58 | 221.63 |
| Current | 48.37 | 54.45 |

The incremental borrowing rate applied to lease liabilities ranges from 5.50% to 17.00% p.a. (31 March 2023 : 5.50% to 17.00% p.a.)

d) The details regarding the contractual maturities of lease liabilities as at reporting date on an undiscounted basis are as follows:

₹ in Crores

| | 31 March 2024 | 31 March 2023 |
|-------------------|---------------|---------------|
| Within 3 months | 19.41 | 22.76 |
| 3-6 months | 18.65 | 18.93 |
| 6-12 months | 36.73 | 31.78 |
| 1-3 years | 125.71 | 97.92 |
| 3-5 years | 88.48 | 72.05 |
| More than 5 years | 105.47 | 96.18 |

Additional information:

- The Group has not earned gain or incurred loss from sale and lease back transaction.
- There are no significant restrictions or covenants imposed on leases.

Summary of Material Accounting Policies and other Explanatory Information

as at and for the year ended 31 March 2024

43 Revenue from contracts with customers

The outstanding balance of net trade receivables and contract assets is presented in below table:

| Particulars | ₹ in Crores | |
|-------------------------|------------------------|------------------------|
| | As at 31 March 2024 | As at 31 March 2023 |
| Trade receivables (net) | 386.33 | 421.05 |
| Contract assets (net) | 246.20 | 113.65 |

a) Performance obligations:

The performance obligation of Group is satisfied at a point in time or period of time depending on the nature of products and services provided. For significant payment terms, refer note 13. There are no significant financing component and variable consideration.

- 1) Revenue from sale of products:** It includes IT infrastructure, speciality networking, multimedia, KVM Switching, unified and voice communication solutions, IP Phones, data products, video conferencing products and cyber security solutions. Revenue is recognised at a point in time, which is generally on the delivery of product (performance obligation is satisfied).
- 2) Revenue from implementation contracts:** It includes implementation services on products (including installation and commissioning). Revenue is recognised in the accounting period in which services are rendered, as the performance obligations are met.
- 3) Revenue from maintenance contracts:** Revenue from fixed maintenance contracts is recognised based on time elapsed and revenue is straight lined over the period of the performance or on the performance of services as specified in the contract.

b) Changes in contract liabilities are as follows:

| | ₹ in Crores | |
|--|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Balance at the beginning of the year | 559.86 | 522.66 |
| Net revenue recognised that was included in the balance at the beginning of the year | (505.04) | (471.68) |
| Net invoicing during the year, excluding amounts recognised as revenue during the year | 500.05 | 508.88 |
| Balance at the end of the year | 554.87 | 559.86 |

For movement in advance from customers, refer note 21



Summary of Material Accounting Policies and other Explanatory Information

as at and for the year ended 31 March 2024

c) Changes in contract assets are as follows:

| | ₹ in Crores | |
|--|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Balance at the beginning of the year | 113.65 | 44.46 |
| Invoices raised that were included in the contract assets balance at the beginning of the year | (113.65) | (44.46) |
| Increase due to revenue recognised during the year, excluding amounts billed during the year | 246.34 | 113.65 |
| Allowance for expected credit loss | (0.14) | - |
| Balance at the end of the year | 246.20 | 113.65 |

d) Timing of revenue recognition:

| | ₹ in Crores | |
|--------------------------------|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Transferred at a point in time | 5,341.09 | 5,273.09 |
| Transferred over time | 927.21 | 1,004.61 |

e) Remaining performance obligation

As at 31 March 2024, the aggregate amount of transaction price allocated to remaining performance obligations is ₹ 554.87 Crores (31 March 2023: ₹ 559.86 Crores) of which approximately 90.32% (31 March 2023 : 90.21%) is expected to be recognised as revenue within one year.

- f) The Group does not have any significant obligations for returns and refunds. For type of warranties, refer note 19(a).
- g) Contracts do not have a significant financing component and contracts do not have an element of variable consideration.

44 Business combinations

For the year ended 31 March 2024:

Global Speech Networks Pty Ltd (“GSN”)

Black Box Technologies Australia Pty Ltd, step-down subsidiary of the Holding Company, had entered into a share purchase agreement dated 17 May 2023 to acquire 100% equity stake of Global Speech Networks Pty Ltd, incorporated in Australia, and its wholly owned subsidiary, Global Speech Networks Limited, incorporated in New Zealand for a total consideration (pre-adjustment) of AUD 2.50 million (equivalent to ₹ 13.72 Crores). The acquisition was completed on 16 June 2023 at a purchase consideration (post-adjustment) of AUD 0.55 million (equivalent to ₹ 3.00 Crores).

All the identified assets and liabilities are recorded at acquisition-date fair values. Further, the fair values assigned to current assets, current liabilities and intangible assets are currently provisional and Group has exercised the option of using the exemption available under Ind AS 103 “Business Combinations” which provides the Group a period of one year from the acquisition date for completing the purchase price allocation.

Summary of Material Accounting Policies and other Explanatory Information

as at and for the year ended 31 March 2024

The details of financial information are as provided below:

| Particulars | ₹ in Crores | |
|--|----------------|-----|
| | 31 March 2024 | GSN |
| Assets | | |
| Property, plant and equipment | 0.26 | |
| Other intangible assets | 3.04 | |
| Trade receivable * | 3.70 | |
| Inventories | - | |
| Cash and cash equivalents | 5.68 | |
| Other assets (including financial assets) | 7.00 | |
| Total assets | 19.68 | |
| Liabilities | | |
| Borrowings | - | |
| Trade payables | 6.61 | |
| Other payables (including financial liabilities and provisions) | 12.34 | |
| Contract Liability | 7.90 | |
| Provisions | 1.68 | |
| Tax liabilities | 2.46 | |
| Total liabilities | 30.99 | |
| Fair value of net assets acquired | (11.31) | |
| Purchase consideration | 5.52 | |
| Goodwill on acquisition | 16.83 | |
| Contingent liability | - | |
| Goodwill expected to be deductible for tax purpose | - | |
| Amount of revenue of the acquiree since the acquisition date included in the consolidated statement of profit and loss | 26.68 | |
| Amount of profit / (loss) of the acquiree since the acquisition date included in the consolidated statement of profit and loss | 4.36 | |
| Projected revenue of the Group had the acquisition occurred as of the beginning of the year | 6,308.27 | |
| Projected profit / (loss) after tax of the Group had the acquisition occurred as of the beginning of the year | 139.84 | |

*Represents fair value of receivables and gross contractual amounts receivable. All amounts are expected to be collected.

45 As per the transfer pricing rules, the Group has examined international transactions and documentation in respect thereof to ensure compliance with the said rules. The management does not anticipate any material adjustments with regard to the transactions involved, other than those already adjusted in the consolidated financial statements, if any.

46 The Holding company has complied with section 186 of the Act. Transactions and balances falling under section 186 of the Act in the standalone financial statements of the Holding Company, gets eliminated in consolidated financial statements and therefore, transactions and balances have not been reported in consolidated financial statements. Subsidiary companies covered under the Act do not have any transaction to be reported under section 186 of the Act.



Summary of Material Accounting Policies and other Explanatory Information

as at and for the year ended 31 March 2024

47 Trade receivables securitisation

On 27 December 2019, BBX had entered into a non-recourse accounts receivable securitisation program for the sale of both billed and unbilled receivables originated by BBX's subsidiaries in the United States of America and the United Kingdom to an unaffiliated third party. The securitisation program allows availability up to US\$ 90 million (equivalent to ₹ 680.28 Crores) to BBX. Additionally, BBX entered into US\$ 15 million (equivalent to ₹ 113.38 Crores) term loan facility that is secured by one of the tranches in the securitisation program. The proceeds from the sale of receivables and term loan were used to pay off all outstanding loans from the former lenders. During the previous year, BBX amended the securitisation program. The amendment increased the availability up to US\$ 105 million (equivalent to ₹ 862.72 Crores). The amended securitisation program expires on 31 December 2025.

48 The outstanding balance (before eliminating inter-company balances) of trade payables, other current liabilities, trade receivables, other financial assets and other current assets as at 31 March 2024 includes amount payable and advances received aggregating to ₹ 22.84 Crores and ₹ 0.07 Crores, respectively, and amount receivable and advances paid aggregating to ₹ 11.12 Crores, ₹ 13.06 Crores and ₹ 0.01 Crores, respectively, to/ from the companies situated outside India. These balances are pending for settlement and have resulted in delay in remittance/ collection beyond the timeline stipulated under the Foreign Exchange Management Act, 1999. The Holding Company and its subsidiary companies, incorporated in India, have filed necessary application with AD Category – I bank ('AD Bank') for extension of time limit on payables aggregating to ₹ 16.24 Crores during the current period and on payables aggregating to ₹ 1.10 Crores subsequent to 31 March 2024. Similarly, the Holding Company and its subsidiary companies, incorporated in India, have filed application with AD Bank for extension of time limit for the aforementioned receivables aggregating to ₹ 17.14 Crores during the current period and on receivables aggregating to ₹ 6.82 Crores subsequent to 31 March 2024. For all these relevant cases, approval is pending from AD Bank. Further, for the remaining payables/ advances and receivables/ advances amounting to ₹ 5.57 Crores and ₹ 0.23 Crores, respectively, where extension has not been filed, management is planning to approach AD Bank or RBI with write off request.

Pending conclusion of the aforesaid matter, the amount of penalty, if any, that may be levied, is not ascertainable but not expected to be material and accordingly, the consolidated financial statement does not include any adjustments that may arise due to such delays.

49 The paid-up share capital of the Holding Company stands increased from ₹ 33.58 Crores (167,904,610 equity shares of ₹ 2 each) to ₹ 33.61 Crores (168,025,590 equity shares of ₹ 2 each) on issue and allotment of 120,980 equity shares of ₹ 2 each pursuant to ESOP Scheme, 2015 during the year ended 31 March 2024.

50 During the year ended 31 March 2022, Black Box Technologies Pte. Limited (formerly known as AGC Networks Pte. Limited) (Dubai branch), step-down subsidiary of the Holding Company, had assigned certain trade receivables to Peregrine Opportunities Growth Fund Limited (the 'buyer') amounting to ₹ 37.56 Crores (equivalent to US\$ 5.05 million) for purchase consideration of ₹ 15.12 Crores (equivalent to US\$ 2.00 million). The aforesaid consideration was receivable in four instalments of ₹ 1.51 Crores (equivalent to US\$ 0.20 million), ₹ 3.02 Crores (equivalent to US\$ 0.40 million), ₹ 6.05 Crores (equivalent to US\$ 0.80 million), and ₹ 4.54 Crores (equivalent to US\$ 0.60 million) on 31 October 2021,

Summary of Material Accounting Policies and other Explanatory Information

as at and for the year ended 31 March 2024

31 March 2022, 31 December 2022 and 31 March 2023, respectively. Accordingly, the Group had reversed the entire allowance for expected credit loss of ₹ 37.56 Crores towards the aforementioned trade receivables and derecognised trade receivables of ₹ 37.56 Crores and recognised receivables from the buyer towards aforementioned purchase consideration at present value of ₹14.21 Crores on the initial recognition date. The difference between the consideration receivable and the carrying value of trade receivables was recognised in the consolidated statement of profit and loss during the year ended 31 March 2022. Further, the unwinding of discount on the above receivable will be recognised in the consolidated statement of profit and loss over the period of agreement and will be classified as interest income. During the previous year, the Group considered the balance receivable amounting to ₹ 4.35 Crores (equivalent to US\$ 0.53 million) as doubtful and hence provision was created against these receivables.

51 The financial information of the associate - Black Box DMCC having place of business at Dubai

| Particulars | ₹ in Crores | |
|--------------------------------------|---------------|----------------|
| | 31 March 2024 | 31 March 2023 |
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 0.17 | 0.26 |
| Intangible assets | 13.31 | 13.12 |
| Total non-current assets | 13.48 | 13.38 |
| Current assets | | |
| Trade and other receivables | 11.17 | 4.97 |
| Other current assets | 1.56 | 6.54 |
| Cash and cash equivalents | 1.45 | 0.13 |
| Total current assets | 14.18 | 11.64 |
| TOTAL ASSETS | 27.66 | 25.02 |
| EQUITY AND LIABILITIES | | |
| Equity | | |
| Equity share capital | 0.38 | 0.38 |
| Other equity | 5.38 | (32.37) |
| Total equity | 5.76 | (31.99) |
| Liabilities | | |
| Non-current liabilities | | |
| Provisions | 0.32 | 0.49 |
| Total non-current liabilities | 0.32 | 0.49 |
| Current liabilities | | |
| Trade and other payables | 21.58 | 56.52 |
| Total current liabilities | 21.58 | 56.52 |
| Total liabilities | 21.90 | 57.01 |
| TOTAL EQUITY AND LIABILITIES | 27.66 | 25.02 |



Summary of Material Accounting Policies and other Explanatory Information

as at and for the year ended 31 March 2024

52 Borrowing secured against current assets

The Holding Company has sanctioned borrowings/facilities from banks on the basis of security of current assets. The quarterly returns or statements of trade receivable and inventories are filed by the Holding Company with banks regularly and the required reconciliation is presented below. The Group (other than Holding Company) is not required to submit the quarterly returns or statements of other current assets which are pledged.

For the year ended 31 March 2024

₹ in Crores

| Quarter ended | Particulars | Amount as per books of account of the Holding Company | Amount as reported in the quarterly return / statement | Amount of difference | Reason for material discrepancies |
|-------------------|---------------------|---|--|----------------------|---|
| 31 March 2024 | Trade receivables * | 89.74 | 89.74 | - | Difference is majorly on account of recording of inventory at customer site pending installation during finalisation of accounts. |
| | Inventory | 13.58 | 10.55 | 3.03 | |
| 31 December 2023 | Trade receivables * | 78.33 | 78.33 | - | No material discrepancy |
| | Inventory | 9.98 | 10.01 | (0.03) | |
| 30 September 2023 | Trade receivables * | 73.45 | 73.45 | - | No material discrepancy |
| | Inventory | 13.76 | 13.80 | (0.04) | |
| 30 June 2023 | Trade receivables * | 85.32 | 85.32 | - | No material discrepancy |
| | Inventory | 12.95 | 13.21 | (0.26) | |

For the year ended 31 March 2023

₹ in Crores

| Quarter ended | Particulars | Amount as per books of account of the Holding Company | Amount as reported in the quarterly return / statement | Amount of difference | Reason for material discrepancies |
|-------------------|---------------------|---|--|----------------------|--|
| 31 March 2023 | Trade receivables * | 104.81 | 101.60 | 3.21 | Difference is on account of adjustment and reclassification entries during finalisation of accounts. |
| | Inventory | 11.49 | 11.49 | - | |
| 31 December 2022 | Trade receivables * | 116.68 | 112.20 | 4.48 | Difference is on account of adjustment and reclassification entries during finalisation of accounts. |
| | Inventory | 19.46 | 19.46 | - | |
| 30 September 2022 | Trade receivables * | 91.77 | 93.00 | (1.23) | Difference is on account of adjustment and reclassification entries during finalisation of accounts. |
| | Inventory | 11.95 | 13.20 | (1.25) | |
| 30 June 2022 | Trade receivables * | 116.64 | 116.80 | (0.16) | No material discrepancy |
| | Inventory | 6.73 | 6.73 | - | |

* Includes trade receivables which are outstanding up to 180 days and non-trade receivables from group companies. The above disclosure is given before inter-company elimination adjustments.

None of the subsidiaries of the Holding Company has sanctioned borrowings / facilities from banks on the basis of security of current assets.

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as at and for the year ended 31 March 2024

53 Additional regulatory information required by schedule III

a) Details of benami property held

The Group and its associates companies are not holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder as at 31 March 2024 and 31 March 2023. Further, no proceedings have been initiated or pending against the Holding Company and subsidiaries companies covered under the act for holding any benami property under the act and rules mentioned above for the years ended 31 March 2024 and 31 March 2023.

b) Wilful defaulter

The Group and its associates has not been declared wilful defaulter by any bank or financial institution or any other lender for the years ended 31 March 2024 and 31 March 2023.

c) Relationship with struck off companies

The disclosure of relationship and transaction with struck off companies under section 248 of the Act is as follows:

As at and for the year ended 31 March 2024

₹ in Crores

| Name of struck off company | Nature of transactions with struck off company | Balance outstanding as at year-end | Relationship with struck off company |
|---|--|------------------------------------|--------------------------------------|
| Axis Marketing | Receivable | 0.01 | Buyer-seller relationship |
| Columbia Asia Hospitals | Receivable | 0.00 | Buyer-seller relationship |
| Communication Network Centre | Receivable | 0.04 | Buyer-seller relationship |
| Future Electronics Pte. Limited | Receivable | 0.01 | Buyer-seller relationship |
| Quantum Market Research Private Limited | Receivable | 0.00 | Buyer-seller relationship |
| Jubilant Retail Total Mall | Receivable | 0.04 | Buyer-seller relationship |

There is no transaction and year-end balance as at 31 March 2023 with struck off companies.

d) Compliance with number of layers of companies

The Holding Company and subsidiary companies covered under the act has complied with the number of layers prescribed under section 2(87) of the Act for the years ended 31 March 2024 and 31 March 2023.

e) Compliance with approved scheme of arrangements

The Holding Company and its subsidiary companies has not entered into any scheme of arrangement in terms of section 230 to 237 of the Act for the years ended 31 March 2024 and 31 March 2023. Also, refer note 55.



Summary of Material Accounting Policies and other Explanatory Information

as at and for the year ended 31 March 2024

f) Utilisation of borrowed funds and share premium (for the year ended 31 March 2024 and 31 March 2023)

The Group has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) to any other person or entity, including foreign entity ("Intermediaries") with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or
- b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

The Group has not received any fund from any person or entity, including foreign entity ("Funding Party") with the understanding (whether recorded in writing or otherwise) that the Group shall:

- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or
- b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

g) Undisclosed income

No income has been surrendered or disclosed as income during the current and previous year by the Group.

h) Details of crypto currency or virtual currency

The Group has not traded or invested in crypto currency or virtual currency during the current and previous year.

i) Revaluation

The Group has not revalued its PPE, ROU assets and intangible assets during the current and previous year.

j) Loans or advances to specified persons

The Group has not granted any loan or advance in the nature of loan, during the current and previous year, to promoters, directors, KMPs or other related parties, either severally or jointly with any other person, that is repayable on demand or without specifying any terms or period of repayment. Also, no such loan or advance in nature of loan is outstanding as at 31 March 2024 and 31 March 2023.

54 The Holding Company has not given any loan or advance in the nature of loan to its subsidiary or other entity during the year ended 31 March 2024 and 31 March 2023. Therefore, disclosure under Regulation 53(1)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable.

55 In the board meeting held on 11 November 2022, the Board of Directors of the Holding Company had approved setting off of accumulated losses under retained earnings with credit balance in securities premium account and capital reserve account. The Holding Company had received requisite approval from National Stock Exchange of India Limited and BSE Limited (collectively referred to as "stock exchanges") vide their letters dated 15 June 2023 and approval from members of the Holding Company by way of special resolution in Extra Ordinary General meeting held on 25 July 2023. The Holding Company had filed application with National Company Law Tribunal (NCLT) on 29 September 2023 for its approval. Pursuant to NCLT's hearing order issued in December 2023, the Holding Company has served notices to all the creditors of the Holding Company and to statutory authorities seeking their representations, if any. Final hearing is scheduled in June 2024.

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The shareholder of Black Box Technologies Pte. Ltd, wholly owned subsidiary of the Holding Company vide Sole Member's Resolution in Writing dated 27 March 2023, had approved setting off of accumulated losses under retained earnings with share capital which was subject to approval of Accounting & Corporate Regulatory Authority, Singapore ('ACRA'). ACRA had approved the scheme on 16 May 2023.

56 The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules, 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

During the current year, the Holding Company and its one subsidiary have used accounting software SAP S/4 Hana and SAP ECC6 which have a feature of recording audit trail (edit log) facility. The audit log facility was operated at the application level throughout the year. However, the audit trail (edit logs) feature for any direct changes made at the database level was not enabled for such accounting software used for maintenance of all accounting records by the Holding Company and its one subsidiary company

57 Additional information, as required under Schedule III to the Act

For the period 31 March 2024

| Particulars | Net Assets i.e. total assets minus total liabilities | | Share in profit or (loss) | | Share in OCI | | Share in Total Comprehensive Income / (Loss) | |
|--|--|-------------|---------------------------------------|-------------|--------------------------|-------------|--|-------------|
| | As % of consolidated net assets | ₹ in Crores | As % of consolidated profit or (loss) | ₹ in Crores | As % of consolidated OCI | ₹ in Crores | As % of Total Comprehensive Income / (Loss) | ₹ in Crores |
| Parent | | | | | | | | |
| Black Box Limited | 65.39 % | 314.46 | (10.88)% | (14.98) | (0.67)% | (0.31) | (8.29)% | (15.29) |
| Subsidiaries | | | | | | | | |
| Indian | | | | | | | | |
| Black Box Network | 5.64 % | 27.11 | 0.43 % | 0.59 | 0.32 % | 0.15 | 0.40 % | 0.74 |
| Services India Private Limited | | | | | | | | |
| COPC India Private Limited | (0.41)% | (1.99) | (0.17)% | (0.24) | 0.00 % | - | (0.13)% | (0.24) |
| Foreign | | | | | | | | |
| Black Box Technologies Pte. Limited | 50.33 % | 242.04 | 5.22 % | 7.19 | 7.28 % | 3.40 | 5.74 % | 10.59 |
| AGC Networks Philippines, Inc. | 0.35 % | 1.70 | (0.15)% | (0.21) | (0.11)% | (0.05) | (0.14)% | (0.26) |
| AGC Networks & Cyber Solutions Limited | (0.15)% | (0.72) | 0.84 % | 1.15 | (0.09)% | (0.04) | 0.60 % | 1.11 |
| AGC Networks LLC. Dubai | 24.91 % | 119.79 | (1.69)% | (2.33) | 3.79 % | 1.77 | (0.30)% | (0.56) |
| AGC Networks LLC. Abu Dhabi | 0.00 % | - | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| BBX Main Inc. | (21.57)% | (103.73) | (8.90)% | (12.25) | (10.18)% | (4.75) | (9.22)% | (17.00) |
| Cybalt LLC | (8.46)% | (40.70) | (4.51)% | (6.21) | (0.96)% | (0.45) | (3.61)% | (6.66) |



Summary of Material Accounting Policies and other Explanatory Information

as at and for the year ended 31 March 2024

| Particulars | Net Assets i.e. total assets minus total liabilities | | Share in profit or (loss) | | Share in OCI | | Share in Total Comprehensive Income / (Loss) | |
|---|--|-------------|---------------------------------------|-------------|--------------------------|-------------|--|-------------|
| | As % of consolidated net assets | ₹ in Crores | As % of consolidated profit or (loss) | ₹ in Crores | As % of consolidated OCI | ₹ in Crores | As % of Total Comprehensive Income / (Loss) | ₹ in Crores |
| Black Box Bangladesh Technologies Private Limited | 0.00 % | - | (0.60)% | (0.82) | (0.04)% | (0.02) | (0.46)% | (0.84) |
| Black Box Products FZE | 6.34 % | 30.50 | 22.59 % | 31.10 | 0.51 % | 0.24 | 17.00 % | 31.34 |
| Black Box Technologies Group B.V. | (0.59)% | (2.86) | 0.00 % | - | (0.09)% | (0.04) | (0.02)% | (0.04) |
| Black Box Corporation | 44.34 % | 213.23 | (257.35)% | (354.29) | 97.92 % | 45.71 | (167.39)% | (308.58) |
| ACS Dataline, LP | 0.00 % | - | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| ACS Investors, LLC | 0.00 % | - | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| BB Technologies LLC | (30.23)% | (145.36) | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| BBOX Holdings Mexico LLC | 0.00 % | - | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| BBOX Holdings Puebla LLC | 0.00 % | - | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| Black Box A/S | 4.24 % | 20.41 | 7.53 % | 10.36 | 0.00 % | - | 5.62 % | 10.36 |
| Black Box Canada Corporation | 10.55 % | 50.72 | 6.22 % | 8.56 | 0.00 % | - | 4.64 % | 8.56 |
| Black Box Chile S.A. | 7.93 % | 38.15 | 4.04 % | 5.57 | 0.00 % | - | 3.02 % | 5.57 |
| Black Box Comunicaciones, S.A. | 7.78 % | 37.41 | (0.84)% | (1.16) | 0.00 % | - | (0.63)% | (1.16) |
| Black Box Corporation of Pennsylvania | 537.16 % | 2,583.26 | (38.09)% | (52.43) | 0.00 % | - | (28.44)% | (52.43) |
| Black Box de Mexico, S. de R.L. de C.V. | (0.02)% | (0.08) | (0.05)% | (0.07) | 0.00 % | - | (0.04)% | (0.07) |
| Black Box Deutschland GmbH | 8.12 % | 39.04 | (1.57)% | (2.16) | 0.00 % | - | (1.17)% | (2.16) |
| Black Box do Brasil Industria e Comercio Ltda. | (1.43)% | (6.90) | 2.93 % | 4.04 | 0.00 % | - | 2.19 % | 4.04 |
| Black Box E-Commerce (Shanghai) Co., Limited | (1.64)% | (7.87) | (1.16)% | (1.60) | 0.00 % | - | (0.87)% | (1.60) |
| Black Box Finland OY | 10.17 % | 48.89 | (1.98)% | (2.72) | 0.00 % | - | (1.48)% | (2.72) |
| Black Box France | 16.29 % | 78.34 | (2.77)% | (3.81) | 0.00 % | - | (2.07)% | (3.81) |
| Black Box GmbH | 0.19 % | 0.90 | 0.14 % | 0.19 | 0.00 % | - | 0.10 % | 0.19 |
| Black Box Holdings Limited | 6.67 % | 32.07 | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| Black Box International B.V. | 38.92 % | 187.18 | 27.63 % | 38.04 | 0.00 % | - | 20.63 % | 38.04 |
| Black Box International Holdings B.V. | 19.81 % | 95.26 | (0.08)% | (0.11) | 0.00 % | - | (0.06)% | (0.11) |
| Black Box Network Services (Dublin) Limited | 0.00 % | - | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| Black Box Network Services (UK) Limited | (19.78)% | (95.10) | (19.30)% | (26.57) | 0.00 % | - | (14.41)% | (26.57) |
| Black Box Network Services AB | 11.68 % | 56.15 | (4.08)% | (5.61) | 0.00 % | - | (3.04)% | (5.61) |
| Black Box Network Services AG | (1.36)% | (6.53) | (0.50)% | (0.69) | 0.00 % | - | (0.38)% | (0.69) |
| Black Box Network Services Australia Pty Limited | 0.00 % | - | 0.00 % | - | 0.00 % | - | 0.00 % | - |

Summary of Material Accounting Policies and other Explanatory Information

as at and for the year ended 31 March 2024

| Particulars | Net Assets i.e. total assets minus total liabilities | | Share in profit or (loss) | | Share in OCI | | Share in Total Comprehensive Income / (Loss) | |
|--|--|-------------|---------------------------------------|-------------|--------------------------|-------------|--|-------------|
| | As % of consolidated net assets | ₹ in Crores | As % of consolidated profit or (loss) | ₹ in Crores | As % of consolidated OCI | ₹ in Crores | As % of Total Comprehensive Income / (Loss) | ₹ in Crores |
| Black Box Network Services Co., Limited | 15.13 % | 72.75 | 4.38 % | 6.03 | 0.00 % | - | 3.27 % | 6.03 |
| Black Box Network Services Corporation | (0.07)% | (0.34) | 1.74 % | 2.40 | 0.00 % | - | 1.30 % | 2.40 |
| Black Box Network Services, Inc.– Government Solutions | 0.00 % | - | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| Black Box Network Services Korea Limited | 1.14 % | 5.46 | 5.06 % | 6.96 | 0.00 % | - | 3.78 % | 6.96 |
| Black Box Network Services New Zealand Limited | 0.89 % | 4.29 | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| Black Box Network Services NV | (11.44)% | (55.04) | (7.92)% | (10.90) | 0.00 % | - | (5.91)% | (10.90) |
| Black Box Network Services S.r.l. | (14.58)% | (70.12) | (0.87)% | (1.20) | 0.00 % | - | (0.65)% | (1.20) |
| Black Box Network Services SDN. BHD. | 1.57 % | 7.54 | 0.12 % | 0.16 | 0.00 % | - | 0.09 % | 0.16 |
| Black Box Network Services Singapore Pte. Limited | (2.14)% | (10.30) | (14.50)% | (19.97) | 0.00 % | - | (10.83)% | (19.97) |
| Black Box Norge AS | 14.68 % | 70.59 | 0.57 % | 0.79 | 0.00 % | - | 0.43 % | 0.79 |
| Black Box P.R. Corp. | 2.18 % | 10.49 | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| Black Box Services LLC | (708.34)% | (3,406.47) | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| Black Box Software Development Services Limited | (28.88)% | (138.89) | (25.02)% | (34.45) | 0.00 % | - | (18.69)% | (34.45) |
| Delaney Telecom, Inc. | 0.00 % | - | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| Norstan Canada, Limited / Norstan Canada, Ltée | 35.90 % | 172.63 | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| Norstan Communications, Inc. | 120.44 % | 579.20 | 432.96 % | 596.07 | 2.30 % | 1.07 | 323.91 % | 597.14 |
| BBX Inc. | 50.48 % | 242.75 | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| Black Box Technologies Australia Pty Limited | 2.04 % | 9.81 | (10.35)% | (14.25) | 0.00 % | - | (7.73)% | (14.25) |
| AGC Networks LLC | 0.00 % | - | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| AGCN Solutions Pte. Limited | 0.00 % | - | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| Black Box Technologies LLC | (3.38)% | (16.26) | (12.26)% | (16.88) | 0.00 % | - | (9.16)% | (16.88) |
| Black Box Network Services Philippines, Inc. | (0.56)% | (2.71) | (1.64)% | (2.26) | 0.00 % | - | (1.22)% | (2.26) |
| COPC Holdings Inc. | 7.70 % | 37.05 | 0.48 % | 0.65 | 0.00 % | - | 0.35 % | 0.65 |
| COPC Inc. | 1.18 % | 5.66 | 2.83 % | 3.89 | 0.00 % | - | 2.11 % | 3.89 |



Summary of Material Accounting Policies and other Explanatory Information

as at and for the year ended 31 March 2024

| Particulars | Net Assets i.e. total assets minus total liabilities | | Share in profit or (loss) | | Share in OCI | | Share in Total Comprehensive Income / (Loss) | |
|---|--|-----------------|---------------------------------------|---------------|--------------------------|--------------|--|---------------|
| | As % of consolidated net assets | ₹ in Crores | As % of consolidated profit or (loss) | ₹ in Crores | As % of consolidated OCI | ₹ in Crores | As % of Total Comprehensive Income / (Loss) | ₹ in Crores |
| COPC Consultants (Beijing) Co. Limited | (0.71)% | (3.40) | (2.45)% | (3.38) | 0.00 % | - | (1.83)% | (3.38) |
| COPC International Holdings LLC | 0.00 % | - | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| COPC International Inc. | 1.46 % | 7.01 | 5.06 % | 6.96 | 0.00 % | - | 3.78 % | 6.96 |
| COPC Asia Pacific Inc. | 0.03 % | 0.15 | 0.11 % | 0.15 | 0.00 % | - | 0.08 % | 0.15 |
| Black Box Technologies LLC, Abu Dhabi | 0.00 % | - | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| Fujisoft Security Solutions LLC | 0.00 % | - | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| Black Box Technologies New Zealand Limited | (0.31)% | (1.51) | (1.09)% | (1.50) | 0.00 % | - | (0.81)% | (1.50) |
| Dragonfly Technologies Pty Ltd | 9.46 % | 45.48 | (6.37)% | (8.77) | 0.00 % | - | (4.76)% | (8.77) |
| Black Box Network Services Hong Kong Limited | 0.43 % | 2.06 | 1.65 % | 2.27 | 0.00 % | - | 1.23 % | 2.27 |
| Servicios Black Box S.A. de C.V. | 0.00 % | - | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| Black Box Costa Rica S.R.L. | (0.01)% | (0.03) | (0.02)% | (0.03) | 0.00 % | - | (0.02)% | (0.03) |
| Black Box Network Services Colombia S.A.S. | 0.05 % | 0.22 | 0.16 % | 0.22 | 0.00 % | - | 0.12 % | 0.22 |
| Global Speech Networks Pty Limited | 0.86 % | 4.12 | 2.97 % | 4.09 | 0.00 % | - | 2.22 % | 4.09 |
| Global Speech Networks Limited | 0.09 % | 0.41 | 0.30 % | 0.41 | 0.00 % | - | 0.22 % | 0.41 |
| Sub Total | 286.41% | 1,377.40 | 95.52% | 136.01 | 100.00% | 46.68 | 96.66% | 182.69 |
| Add / (Less) : Effect of inter company elimination / adjustment | (186.76)% | (898.15) | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| Associate | | | | | | | | |
| Black Box DMCC | 0.35 % | 1.67 | 1.21 % | 1.67 | 0.00 % | - | 0.90 % | 1.67 |
| Total | 100.00% | 480.91 | 96.73% | 137.67 | 100.00% | 46.68 | 96.66% | 184.35 |

Summary of Material Accounting Policies and other Explanatory Information

as at and for the year ended 31 March 2024

For the period 31 March 2023

| Particulars | Net Assets i.e. total assets minus total liabilities | | Share in profit or (loss) | | Share in OCI | | Share in Total Comprehensive Income / (Loss) | |
|---|--|-------------|---------------------------------------|-------------|--------------------------|-------------|--|-------------|
| | As % of consolidated net assets | ₹ in Crores | As % of consolidated profit or (loss) | ₹ in Crores | As % of consolidated OCI | ₹ in Crores | As % of Total Comprehensive Income / (Loss) | ₹ in Crores |
| Parent | | | | | | | | |
| Black Box Limited | 111.21 % | 329.20 | 24.65 % | 5.84 | (0.54)% | 0.14 | (254.70)% | 5.98 |
| Subsidiaries | | | | | | | | |
| Indian | | | | | | | | |
| Black Box Network Services India Private Limited | 9.24 % | 27.35 | 5.32 % | 1.26 | (0.65)% | 0.17 | (60.87)% | 1.43 |
| COPC India Private Limited | (1.61)% | (4.77) | 2.41 % | 0.57 | 0.00 % | - | (24.30)% | 0.57 |
| Foreign | | | | | | | | |
| Black Box Technologies Pte. Limited | 78.18 % | 231.44 | (96.10)% | (22.78) | (70.33)% | 18.32 | 189.83 % | (4.46) |
| AGC Networks Philippines, Inc. | 0.66 % | 1.96 | (1.31)% | (0.31) | (0.42)% | 0.11 | 8.51 % | (0.20) |
| AGC Networks & Cyber Solutions Limited | (0.62)% | (1.84) | 51.34 % | 12.17 | 4.53 % | (1.18) | (467.77)% | 10.99 |
| AGC Networks LLC. Dubai | 40.65 % | 120.34 | 136.22 % | 32.29 | (30.29)% | 7.89 | (1,710.18)% | 40.18 |
| AGC Networks LLC. Abu Dhabi | 0.00 % | - | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| BBX Main Inc. | (29.30)% | (86.74) | (46.91)% | (11.12) | 93.56 % | (24.37) | 1,510.56 % | (35.49) |
| Cyalt, Inc. | (11.50)% | (34.04) | (110.99)% | (26.31) | 4.22 % | (1.10) | 1,166.65 % | (27.41) |
| Black Box Bangladesh Technologies Private Limited | 0.28 % | 0.84 | 2.40 % | 0.57 | 0.35 % | (0.09) | (20.35)% | 0.48 |
| Black Box Products FZE | (0.27)% | (0.81) | (3.37)% | (0.80) | 0.00 % | - | 34.05 % | (0.80) |
| Black Box Technologies Group B.V. | (0.95)% | (2.82) | (11.90)% | (2.82) | 0.00 % | - | 120.03 % | (2.82) |
| Black Box Corporation | 174.47 % | 516.47 | (139.38)% | (33.04) | 26.21 % | (6.83) | 1,696.73 % | (39.86) |
| ACS Dataline, LP | 0.00 % | - | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| ACS Investors, LLC | 0.00 % | - | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| BB Technologies, Inc. | (48.40)% | (143.29) | (2.04)% | (0.48) | 0.00 % | - | 20.53 % | (0.48) |
| BBOX Holdings Mexico LLC | 0.00 % | - | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| BBOX Holdings Puebla LLC | 0.00 % | - | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| Black Box A/S | 3.32 % | 9.83 | 0.37 % | 0.09 | 0.86 % | (0.23) | 5.82 % | (0.14) |
| Black Box Canada Corporation | 14.02 % | 41.49 | (1.93)% | (0.46) | 9.29 % | (2.42) | 122.51 % | (2.88) |
| Black Box Chile S.A. | 10.84 % | 32.08 | 4.31 % | 1.02 | 0.12 % | (0.03) | (42.09)% | 0.99 |
| Black Box Comunicaciones, S.A. | 12.85 % | 38.03 | (11.30)% | (2.68) | 2.25 % | (0.59) | 138.94 % | (3.26) |
| Black Box Corporation of Pennsylvania | 894.64 % | 2,648.30 | 66.32 % | 15.72 | (40.13)% | 10.45 | (1,113.94)% | 26.17 |
| Black Box de Mexico, S. de R.L. de C.V. | (27.06)% | (80.09) | (2.07)% | (0.49) | 0.00 % | - | 20.88 % | (0.49) |
| Black Box Deutschland GmbH | 13.72 % | 40.62 | (29.37)% | (6.96) | 2.87 % | (0.75) | 328.19 % | (7.71) |



Summary of Material Accounting Policies and other Explanatory Information

as at and for the year ended 31 March 2024

| Particulars | Net Assets i.e. total assets minus total liabilities | | Share in profit or (loss) | | Share in OCI | | Share in Total Comprehensive Income / (Loss) | |
|--|--|-------------|---------------------------------------|-------------|--------------------------|-------------|--|-------------|
| | As % of consolidated net assets | ₹ in Crores | As % of consolidated profit or (loss) | ₹ in Crores | As % of consolidated OCI | ₹ in Crores | As % of Total Comprehensive Income / (Loss) | ₹ in Crores |
| Black Box do Brasil Industria e Comercio Ltda. | (3.65)% | (10.81) | 2.14 % | 0.51 | 0.00 % | - | (21.56)% | 0.51 |
| Black Box E-Commerce (Shanghai) Co., Limited | (2.08)% | (6.17) | (3.09)% | (0.73) | (1.76)% | 0.46 | 11.64 % | (0.27) |
| Black Box Finland OY | 17.19 % | 50.90 | 6.89 % | 1.63 | 1.61 % | (0.42) | (51.68)% | 1.21 |
| Black Box France | 27.36 % | 81.00 | (3.05)% | (0.72) | 4.29 % | (1.12) | 78.37 % | (1.84) |
| Black Box GmbH | 0.24 % | 0.70 | 0.58 % | 0.14 | 0.22 % | (0.06) | (3.42)% | 0.08 |
| Black Box Holdings Limited | 10.27 % | 30.40 | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| Black Box International B.V. | 49.58 % | 146.75 | 13.84 % | 3.28 | 7.66 % | (1.99) | (54.76)% | 1.29 |
| Black Box International Holdings B.V. | 31.76 % | 94.01 | 2.68 % | 0.64 | 3.89 % | (1.01) | 16.08 % | (0.38) |
| Black Box Network Services (Dublin) Limited | 0.00 % | - | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| Black Box Network Services (UK) Limited | (22.76)% | (67.38) | (44.71)% | (10.60) | 20.31 % | (5.29) | 676.23 % | (15.89) |
| Black Box Network Services AB | 20.58 % | 60.91 | (35.14)% | (8.33) | 21.85 % | (5.69) | 596.83 % | (14.02) |
| Black Box Network Services AG | (1.94)% | (5.74) | 10.65 % | 2.52 | (0.56)% | 0.14 | (113.62)% | 2.67 |
| Black Box Network Services Australia Pty Limited | 0.00 % | - | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| Black Box Network Services Co., Limited | 22.20 % | 65.72 | 7.39 % | 1.75 | 24.88 % | (6.48) | 201.23 % | (4.73) |
| Black Box Network Services Corporation | (0.92)% | (2.72) | 2.20 % | 0.52 | 1.11 % | (0.29) | (9.92)% | 0.23 |
| Black Box Network Services, Inc.– Government Solutions | 0.00 % | - | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| Black Box Network Services Korea Limited | (0.51)% | (1.52) | 0.17 % | 0.04 | 0.62 % | (0.16) | 5.13 % | (0.12) |
| Black Box Network Services New Zealand Limited | 1.43 % | 4.23 | (8.79)% | (2.08) | 1.51 % | (0.39) | 105.40 % | (2.48) |
| Black Box Network Services NV | (14.67)% | (43.43) | (3.46)% | (0.82) | 1.82 % | (0.47) | 55.10 % | (1.29) |
| Black Box Network Services S.r.l. | (22.95)% | (67.93) | 8.31 % | 1.97 | 1.14 % | (0.30) | (71.18)% | 1.67 |
| Black Box Network Services SDN. BHD. | 2.46 % | 7.27 | (0.78)% | (0.18) | 1.14 % | (0.30) | 20.53 % | (0.48) |
| Black Box Network Services Singapore Pte. Limited | 3.27 % | 9.67 | (95.59)% | (22.66) | 2.25 % | (0.59) | 989.36 % | (23.24) |

Summary of Material Accounting Policies and other Explanatory Information

as at and for the year ended 31 March 2024

| Particulars | Net Assets i.e. total assets minus total liabilities | | Share in profit or (loss) | | Share in OCI | | Share in Total Comprehensive Income / (Loss) | |
|---|--|-------------|---------------------------------------|-------------|--------------------------|-------------|--|-------------|
| | As % of consolidated net assets | ₹ in Crores | As % of consolidated profit or (loss) | ₹ in Crores | As % of consolidated OCI | ₹ in Crores | As % of Total Comprehensive Income / (Loss) | ₹ in Crores |
| Black Box Norge AS | 23.24 % | 68.80 | (15.33)% | (3.63) | 21.61 % | (5.63) | 394.24 % | (9.26) |
| Black Box P.R. Corp. | 3.49 % | 10.34 | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| Black Box Services Company | (1,134.33)% | (3,357.84) | (46.74)% | (11.08) | 0.00 % | - | 471.58 % | (11.08) |
| Black Box Software Development Services Limited | (34.70)% | (102.72) | 48.06 % | 11.39 | 0.09 % | (0.02) | (483.90)% | 11.37 |
| Delaney Telecom, Inc. | 0.00 % | - | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| Norstan Canada, Limited / Norstan Canada, Ltée | 57.48 % | 170.16 | 11.70 % | 2.77 | 45.59 % | (11.88) | 387.39 % | (9.10) |
| Norstan Communications, Inc. | 142.73 % | 422.50 | 522.22 % | 123.79 | (47.62)% | 12.40 | (5,796.48)% | 136.19 |
| Nu-Vision Technologies, LLC | 0.00 % | - | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| BBX Inc. | 80.83 % | 239.29 | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| Black Box Technologies Australia Pty Limited | 8.04 % | 23.81 | (63.70)% | (15.10) | (8.49)% | 2.21 | 548.58 % | (12.89) |
| AGC Networks LLC | 0.00 % | - | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| AGCN Solutions Pte. Limited | 0.00 % | - | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| Black Box Technologies LLC | 0.00 % | - | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| Black Box Network Services Philippines, Inc. | (0.14)% | (0.43) | 1.02 % | 0.24 | (0.34)% | 0.09 | (14.03)% | 0.33 |
| COPC Holdings Inc. | 15.81 % | 46.79 | 1.12 % | 0.27 | 0.00 % | - | (11.29)% | 0.27 |
| COPC Inc. | 4.45 % | 13.19 | (1.56)% | (0.37) | 0.00 % | - | 15.74 % | (0.37) |
| COPC Consultants (Beijing) Co. Limited | 7.07 % | 20.93 | 13.36 % | 3.17 | 0.00 % | - | (134.83)% | 3.17 |
| COPC International Holdings LLC | 0.00 % | - | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| COPC International Inc. | 35.10 % | 103.90 | 42.43 % | 10.06 | 0.00 % | - | (428.12)% | 10.06 |
| COPC Asia Pacific Inc. | 10.92 % | 32.32 | 1.63 % | 0.39 | 0.00 % | - | (16.43)% | 0.39 |
| Service Journey Strategies Inc. | 0.06 % | 0.17 | (8.85)% | (2.10) | 0.00 % | - | 89.32 % | (2.10) |
| Fuji Soft Technology LLC | 0.00 % | - | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| Fujisoft Security Solutions LLC | 0.24 % | 0.72 | (95.59)% | (22.66) | (11.73)% | 3.06 | 834.33 % | (19.60) |
| Black Box Technologies New Zealand Limited | 0.00 % | - | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| Pyrios Pty Limited | 0.00 % | - | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| Dragonfly Technologies Pty Ltd | 18.09 % | 53.54 | (5.73)% | (1.36) | 6.91 % | (1.80) | 134.49 % | (3.16) |
| Black Box Network Services Hong Kong Limited | (0.08)% | (0.23) | (0.95)% | (0.23) | 0.09 % | (0.02) | 10.61 % | (0.25) |



Summary of Material Accounting Policies and other Explanatory Information

as at and for the year ended 31 March 2024

| Particulars | Net Assets i.e. total assets minus total liabilities | | Share in profit or (loss) | | Share in OCI | | Share in Total Comprehensive Income / (Loss) | |
|---|--|-----------------|---------------------------------------|--------------|--------------------------|----------------|--|---------------|
| | As % of consolidated net assets | ₹ in Crores | As % of consolidated profit or (loss) | ₹ in Crores | As % of consolidated OCI | ₹ in Crores | As % of Total Comprehensive Income / (Loss) | ₹ in Crores |
| Servicios Black Box S.A. de C.V. | 0.00 % | - | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| Black Box Costa Rica S.R.L. | 0.00 % | - | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| Black Box Network Services Colombia S.A.S. | 0.00 % | - | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| Sub Total | 599.51% | 1,774.68 | 100.00% | 23.70 | 100.00% | (26.05) | 100.00% | (2.35) |
| Add / (Less) : Effect of inter company elimination / adjustment | (499.51)% | (1,478.66) | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| Associate | | | | | | | | |
| Black Box DMCC | 0.00% | - | 0.00% | - | 0.00% | - | 0.00% | - |
| Total | 100.00% | 296.02 | 100.00% | 23.70 | 100.00% | (26.05) | 100.00% | (2.35) |

58 There are no subsequent events which warrants adjustment or disclosure in the consolidated financial statements.

59 Authorisation of consolidated financial statements

The consolidated financial statements as at and for the year ended 31 March 2024 were approved by the Board of Directors on 30 May 2024.

60 Previous year figures have been regrouped, reclassified and rearranged wherever necessary, to conform to this year's presentation, and these are not material to the consolidated financial statements.

These are the material accounting policies and other explanatory information referred to in our report of even date

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm Registration No. : 001076N / N500013

BHARAT SHETTY
Partner
Membership No. 106815

Place : Mumbai
Date : 30 May 2024

For and on behalf of the Board of Directors of
Black Box Limited

SANJEEV VERMA
Whole-time Director
DIN - 06871685
Place: Dallas, Texas, USA

ADITYA GOSWAMI
Company Secretary

Place : Navi Mumbai
Date : 30 May 2024

ANSHUMAN RUIA
Executive Director
DIN - 00008501
Place : Mumbai

DEEPAK KUMAR BANSAL
Chief Financial Officer and
Executive Director
DIN - 07495199

Place : Ajmer

Salient Features of Financial Statements of Subsidiaries and Associates

Statement pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of the Companies (Accounts) Rules, 2014 in form AOC-1 related to Subsidiaries and Associate Companies

Part (A) : Information on Subsidiaries

₹ in Crores

| Sr. no. | Name of Subsidiary Company | Reporting Period | Reporting currency | Exchange Rate | Share capital | Reserves and surplus | Total assets | Total liabilities | Investments (excluding investment in subsidiaries) | Turnover | Profit / (loss) before taxation | Provision for taxation | Profit / (loss) after taxation | Proposed Dividend | % of share- Country holding |
|---------|---|--------------------|--------------------|---------------|---------------|----------------------|--------------|-------------------|--|----------|---------------------------------|------------------------|--------------------------------|-------------------|-----------------------------|
| 1 | Black Box Technologies Pte. Limited | April - March | US\$ | 83.35 | 234.09 | 7.94 | 328.40 | 86.36 | - | 62.43 | 7.19 | - | 7.19 | - | 100% Singapore |
| 2 | AGC Networks Philippines, Inc. | April - March | PHP | 1.48 | 1.26 | 0.44 | 3.45 | 1.75 | - | 0.10 | (0.11) | 0.10 | (0.21) | - | 100% Philippines |
| 3 | AGC Networks & Cyber Solutions Limited | April - March | US\$ | 83.35 | 0.01 | (0.74) | 4.40 | 5.12 | - | 7.83 | 1.15 | - | 1.15 | - | 100% Kenya |
| 4 | AGC Networks LLC | April - March | US\$ | 83.35 | 0.26 | 119.54 | 133.27 | 13.48 | - | 5.00 | (2.33) | - | (2.33) | - | 49% Dubai |
| 5 | AGC Networks LLC | April - March | US\$ | 83.35 | - | - | - | - | - | - | - | - | - | - | 0% Abu Dhabi |
| 6 | BBX Main Inc. | April - March | US\$ | 83.35 | - | (103.73) | 235.16 | 338.89 | - | - | (12.25) | - | (12.25) | - | 100% USA |
| 7 | Cyballt LLC | April - March | US\$ | 83.35 | - | (40.70) | - | 4.070 | - | 0.12 | (6.21) | - | (6.21) | - | 100% USA |
| 8 | Black Box Bangladesh Technologies Private Limited | April - March | TAKA | 0.76 | 0.37 | (0.36) | 0.27 | 0.27 | - | - | (0.75) | 0.07 | (0.82) | - | 100% Bangladesh |
| 9 | Black Box Products FZE | April - March | US\$ | 83.35 | - | 30.54 | 67.07 | 36.57 | - | 72.62 | 31.10 | - | 31.10 | - | 100% Dubai |
| 10 | Black Box Technologies Group B.V. | April - March | US\$ | 83.35 | - | (2.86) | 45.57 | 48.43 | - | - | - | - | - | - | 100% Netherlands |
| 11 | Black Box Corporation | April - March | US\$ | 83.35 | 145.49 | 6774 | 1,331.60 | 1,118.36 | - | 3.44 | (351.81) | 2.48 | (354.29) | - | 100% USA |
| 12 | ACS Dataline, LP | April - March | US\$ | 83.35 | - | - | - | - | - | - | - | - | - | - | 100% USA |
| 13 | ACS Investors, LLC | April - March | US\$ | 83.35 | - | - | - | - | - | - | - | - | - | - | 100% USA |
| 14 | BB Technologies LLC | April - March | US\$ | 83.35 | - | (145.36) | 94.45 | 239.81 | - | - | - | - | - | - | 100% USA |
| 15 | BBOX Holdings Mexico LLC | January - December | MXN | 5.03 | - | - | - | - | - | - | - | - | - | - | 100% Mexico |
| 16 | BBOX Holdings Puebla LLC | April - March | US\$ | 83.35 | - | - | - | - | - | - | - | - | - | - | 100% USA |
| 17 | Black Box A/S | April - March | DKK | 12.06 | 8.43 | 11.97 | 27.52 | 7.11 | - | 17.72 | 10.39 | 0.03 | 10.36 | - | 100% Denmark |
| 18 | Black Box Canada Corporation | April - March | CAD | 61.52 | 20.74 | 29.97 | 14,930 | 98.58 | - | 95.31 | 11.75 | 3.18 | 8.56 | - | 100% Canada |
| 19 | Black Box Chile S.A. | January - December | CLP | 0.09 | 20.01 | 18.14 | 38.15 | - | - | 1.07 | 5.57 | - | 5.57 | - | 100% Chile |
| 20 | Black Box Comunicaciones S.A. | April - March | EUR | 89.92 | 22.83 | 14.59 | 39.52 | 2.10 | - | 32.12 | (117) | (0.01) | (116) | - | 100% Spain |
| 21 | Black Box Corporation of Pennsylvania | April - March | US\$ | 83.35 | - | 2,583.26 | 3,544.30 | 961.04 | - | 328.07 | (52.43) | - | (52.43) | - | 100% USA |
| 22 | Black Box de Mexico, S. de R.L. de C.V. | January - December | MXN | 5.03 | - | (0.08) | 9.54 | 9.62 | - | 16.86 | (0.20) | (0.12) | (0.07) | - | 100% Mexico |
| 23 | Black Box Deutschland GmbH | April - March | EUR | 89.92 | 24.21 | 14.83 | 75.70 | 36.66 | - | 35.02 | (2.21) | (0.05) | (2.16) | - | 100% Germany |
| 24 | Black Box do Brasil Industria e Comercio Ltda. | January - December | BRL | 16.61 | 0.37 | (7.27) | 52.80 | 59.70 | - | 91.60 | 5.61 | 1.57 | 4.04 | - | 100% Brazil |



| Sr. no. | Name of Subsidiary Company | Reporting Period | Reporting currency | Exchange Rate | Share capital | Reserves and surplus | Total assets | Total liabilities | Investments (excluding investment in subsidiaries) | Turnover | Profit / (loss) before taxation | Provision for taxation | Profit / (loss) after taxation | Proposed Dividend | % of shareholding | Country |
|---------|--|--------------------|--------------------|---------------|---------------|----------------------|--------------|-------------------|--|----------|---------------------------------|------------------------|--------------------------------|-------------------|-------------------|----------------|
| | | | | | | | | | | | | | | | | |
| 25 | Black Box E-Commerce (Shanghai) Co., Limited | January - December | CNY | 11.53 | - | (7.87) | 2.63 | 10.51 | - | 2.34 | (1.61) | (0.01) | (1.60) | - | 100% | China |
| 26 | Black Box Finland OY | April - March | EUR | 89.92 | 17.71 | 31.19 | 48.89 | - | - | 15.76 | (2.75) | (0.03) | (2.72) | - | 100% | Finland |
| 27 | Black Box France | April - March | EUR | 89.92 | 57.39 | 20.95 | 78.34 | - | - | 28.38 | (3.87) | (0.06) | (3.81) | - | 100% | France |
| 28 | Black Box GmbH | April - March | EUR | 89.92 | 2.88 | (1.98) | 6.22 | 5.32 | - | 2.68 | 0.20 | 0.01 | 0.19 | - | 100% | Austria |
| 29 | Black Box Holdings Limited | April - March | US\$ | 83.35 | 25.59 | 6.48 | - | - | 32.07 | - | - | - | - | - | 100% | Cayman Islands |
| 30 | Black Box International B.V. | April - March | EUR | 89.92 | 39.25 | 147.93 | 344.04 | 156.86 | - | 265.81 | 38.33 | 0.29 | 38.04 | - | 100% | Netherlands |
| 31 | Black Box International Holdings B.V. | April - March | EUR | 89.92 | 87.95 | 7.31 | 427.47 | 332.21 | - | - | 1.21 | 1.32 | (0.11) | - | 100% | Netherlands |
| 32 | Black Box Network Services (Dublin) Limited | April - March | EUR | 89.92 | - | - | - | - | - | - | - | - | - | - | 100% | Ireland |
| 33 | Black Box Network Services (UK) Limited | April - March | GBP | 105.24 | 69.31 | (164.41) | 224.25 | 319.35 | - | 103.03 | (26.60) | (0.03) | (26.57) | - | 100% | England |
| 34 | Black Box Network Services AB | April - March | SEK | 7.82 | 48.29 | 7.85 | 75.08 | 18.93 | - | 69.27 | (7.37) | (1.76) | (5.61) | - | 100% | Sweden |
| 35 | Black Box Network Services AG | April - March | CHF | 92.36 | 8.91 | (15.44) | 25.18 | 31.70 | - | 19.03 | (0.71) | (0.02) | (0.69) | - | 100% | Switzerland |
| 36 | Black Box Network Services Australia Pty Limited | April - March | AUD | 54.30 | - | - | - | - | - | - | - | - | - | - | 100% | Australia |
| 37 | Black Box Network Services Co., Limited | April - March | JPY | 0.55 | 25.35 | 47.40 | 72.75 | - | - | 54.50 | 9.87 | 3.84 | 6.03 | - | 100% | Japan |
| 38 | Black Box Network Services Corporation | April - March | TWD | 2.61 | 1.36 | (1.70) | 7.96 | 8.30 | - | 24.00 | 2.39 | (0.01) | 2.40 | - | 100% | Taiwan |
| 39 | Black Box Network Services, Inc.- Government Solutions | April - March | US\$ | 83.35 | - | - | - | - | - | - | - | - | - | - | 100% | USA |
| 40 | Black Box Network Services India Private Limited | April - March | INR | 1.00 | 0.75 | 26.36 | 101.44 | 74.33 | - | 133.38 | 1.92 | 1.33 | 0.59 | - | 100% | India |
| 41 | Black Box Network Services Korea Limited | April - March | KRW | 0.06 | 1.62 | 3.84 | 5.46 | - | - | 3.82 | 6.96 | (0.00) | 6.96 | - | 100% | Korea |
| 42 | Black Box Network Services New Zealand Limited | April - March | NZD | 49.82 | 5.56 | (1.27) | 4.29 | - | - | - | - | - | - | - | 100% | New Zealand |
| 43 | Black Box Network Services NV | April - March | EUR | 89.92 | 9.65 | (64.68) | 18.62 | 73.65 | - | 21.33 | (10.93) | (0.03) | (10.90) | - | 100% | Belgium |
| 44 | Black Box Network Services S.r.l. | April - March | EUR | 89.92 | 10.36 | (80.48) | 21.93 | 92.05 | - | 43.59 | (1.50) | (0.31) | (1.20) | - | 100% | Italy |
| 45 | Black Box Network Services SDN. BHD. | April - March | MYR | 17.63 | 4.04 | 3.50 | 7.54 | - | - | 0.80 | 0.22 | 0.06 | 0.16 | - | 100% | Malaysia |
| 46 | Black Box Network Services Singapore Pte. Limited | April - March | SGD | 61.79 | 22.99 | (33.29) | 13.95 | 24.25 | - | 30.77 | (19.98) | (0.01) | (19.97) | - | 100% | Singapore |
| 47 | Black Box Norge AS | April - March | NOK | 7.67 | 24.61 | 45.99 | 70.59 | - | - | 42.83 | 1.15 | 0.36 | 0.79 | - | 100% | Norway |
| 48 | Black Box P.R. Corp. | April - March | US\$ | 83.35 | - | 10.49 | 10.49 | - | - | - | - | - | - | - | 100% | Puerto Rico |
| 49 | Black Box Services LLC | April - March | US\$ | 83.35 | - | (3,406.47) | 1,798.64 | 5,205.11 | - | - | - | - | - | - | 100% | USA |
| 50 | Black Box Software Development Services Limited | April - March | EUR | 89.92 | - | (138.89) | 26.47 | 165.36 | - | - | (38.88) | (4.44) | (34.45) | - | 100% | Ireland |
| 51 | Delaney Telecom, Inc. | April - March | US\$ | 83.35 | - | - | - | - | - | - | - | - | - | - | 100% | USA |
| 52 | Norstan Canada, Limited / Norstan Canada, Ltée | April - March | CAD | 61.52 | 87.46 | 85.17 | 172.63 | - | - | - | - | - | - | - | 100% | Canada |
| 53 | Norstan Communications, Inc. | April - March | US\$ | 83.35 | - | 579.20 | 10,753.82 | 10,174.61 | - | 3,951.93 | 590.73 | (5.34) | 596.07 | - | 100% | USA |
| 54 | BBX Inc. | April - March | US\$ | 83.35 | 235.13 | 7.62 | 280.72 | 37.97 | - | - | - | - | - | - | 100% | USA |

| Sr. no. | Name of Subsidiary Company | Reporting Period | Reporting currency | Exchange Rate | Share capital | Reserves and surplus | Total assets | Total liabilities | Investments (excluding investment in subsidiaries) | Turnover | Profit / (loss) before taxation | Provision for taxation | Profit / (loss) after taxation | Proposed Dividend | % of shareholding | Country | | | | | | | | |
|---------|--|--------------------|--------------------|---------------|---------------|----------------------|--------------|-------------------|--|----------|---------------------------------|------------------------|--------------------------------|-------------------|-------------------|------------------|------------------|--------------|-----------------|---------------|-------------|---------------|----------|--|
| | | | | | | | | | | | | | | | | | | | | | | | | |
| 55 | Black Box Technologies Australia Pty Limited | April - March | AUD | 54.30 | 15.56 | (5.75) | 204.93 | 195.12 | - | 51.88 | (14.12) | 0.13 | (14.25) | - | 100% | Australia | | | | | | | | |
| 56 | AGC Networks LLC | April - March | US\$ | 83.35 | - | - | - | - | - | - | - | - | - | - | 100% | USA | | | | | | | | |
| 57 | AGCN Solutions Pte. Limited | April - March | SGD | 61.79 | - | - | - | - | - | - | - | - | - | - | 100% | Singapore | | | | | | | | |
| 58 | Black Box Technologies LLC | April - March | AED | 22.69 | 23.77 | (40.04) | 69.35 | 85.61 | - | 82.35 | (16.88) | - | (16.88) | - | 49% | Dubai | | | | | | | | |
| 59 | Black Box Network Services Philippines, Inc. | April - March | PHP | 1.48 | 1.42 | (4.12) | 12.83 | 15.54 | - | 12.40 | (2.26) | - | (2.26) | - | 100% | Philippines | | | | | | | | |
| 60 | COPC Holdings Inc. | April - March | US\$ | 83.35 | 18.67 | 18.38 | 57.50 | 20.45 | - | - | 0.83 | 0.17 | 0.65 | - | 100% | USA | | | | | | | | |
| 61 | COPC Inc. | April - March | US\$ | 83.35 | - | 5.66 | 138.42 | 132.76 | - | 32.31 | 3.90 | 0.01 | 3.89 | - | 100% | USA | | | | | | | | |
| 62 | COPC Consultants (Beijing) Co. Limited | April - March | CNY | 11.53 | - | (3.40) | 24.40 | 27.80 | - | 11.31 | (2.59) | 0.79 | (3.38) | - | 100% | China | | | | | | | | |
| 63 | COPC India Private Limited | April - March | INR | 1.00 | - | (1.99) | 2.01 | 4.00 | - | 5.00 | (0.24) | - | (0.24) | - | 100% | India | | | | | | | | |
| 64 | COPC International Holdings LLC | April - March | US\$ | 83.35 | - | - | - | - | - | - | - | - | - | - | 100% | USA | | | | | | | | |
| 65 | COPC International Inc. | April - March | US\$ | 83.35 | - | 7.01 | 173.10 | 166.09 | - | 44.88 | 8.24 | 1.28 | 6.96 | - | 100% | USA | | | | | | | | |
| 66 | COPC Asia Pacific Inc. | April - March | US\$ | 83.35 | - | 0.15 | 38.58 | 38.43 | - | 12.06 | 0.19 | 0.04 | 0.15 | - | 100% | USA | | | | | | | | |
| 67 | Black Box Technologies LLC, Abu Dhabi | April - March | AED | 22.69 | - | - | - | - | - | - | - | - | - | - | 49% | Abu Dhabi | | | | | | | | |
| 68 | Fujisoft Security Solutions LLC | April - March | AED | 22.69 | - | - | - | - | - | - | - | - | - | - | 49% | Dubai | | | | | | | | |
| 69 | Black Box Technologies New Zealand Limited | April - March | NZD | 49.82 | - | (1.51) | 43.29 | 44.80 | - | 55.44 | (1.50) | 0.00 | (1.50) | - | 100% | New Zealand | | | | | | | | |
| 70 | Dragonfly Technologies Pty Ltd | April - March | AUD | 54.30 | 40.62 | 4.86 | 58.90 | 13.42 | - | 23.85 | (8.77) | - | (8.77) | - | 100% | Australia | | | | | | | | |
| 71 | Black Box Network Services Hong Kong Limited | April - March | HKD | 10.65 | - | 2.06 | 2.44 | 0.39 | - | 7.04 | 2.27 | - | 2.27 | - | 100% | Hong kong | | | | | | | | |
| 72 | Servicios Black Box S.A. de C.V. | January - December | MXN | 5.03 | - | - | - | - | - | - | - | - | - | - | 100% | Mexico | | | | | | | | |
| 73 | Black Box Costa Rica S.R.L. | January - December | CRC | 0.16 | - | (0.03) | 0.12 | 0.15 | - | - | (0.03) | - | (0.03) | - | 100% | Costa Rica | | | | | | | | |
| 74 | Black Box Network Services Colombia S.A.S. | January - December | COP | 0.02 | - | 0.22 | 0.22 | - | - | - | 0.22 | - | 0.22 | - | 100% | Colombia | | | | | | | | |
| 75 | Global Speech Networks Pty Limited | July - June | AUD | 54.30 | - | 4.12 | 6.83 | 2.71 | - | 26.00 | 4.09 | - | 4.09 | - | 100% | Australia | | | | | | | | |
| 76 | Global Speech Networks Limited | April - March | NZD | 49.82 | - | 0.41 | 0.57 | 0.16 | - | 1.08 | 0.41 | - | 0.41 | - | 100% | New Zealand | | | | | | | | |
| | | | | | | | | | | | | | | 1,364.27 | (301.30) | 21,613.34 | 20,582.48 | 32.07 | 5,948.17 | 155.84 | 4.85 | 150.99 | - | |



| Sr. no. | Name of Associate | Latest audited Balance Sheet Date | Shares of Associate held by the company on the year end | | Description of how there is significant influence | Reason why the associate is not consolidated | Networth attributable to Shareholding as per latest audited Balance Sheet (adjusted till 31 March 2024) | ₹ in Crores | |
|---------|-------------------|-----------------------------------|---|-----------------------------------|---|--|---|---------------------|------------------------------|
| | | | No. | Amount of Investment in Associate | | | | Extend of Holding % | Profit / (loss) for the year |
| 1 | Black Box DMCC | 31 December 2023 | 68 | 32.07 | 39.50% | - | 1.67 | 1.67 | - |

Note:

The Indian rupee equivalents of the figures given in the foreign currencies in the accounts of the subsidiary companies, have been given based on the exchange rate as on 31 March 2024.

For and on behalf of the Board of Directors of Black Box Limited

SANJEEV VERMA

Whole-time Director
DIN - 06871685
Place: Dallas, Texas, USA

ANSHUMAN RUIA

Executive Director
DIN - 00008501
Place : Mumbai

ADITYA GOSWAMI

Company Secretary

Place : Navi Mumbai
Date : 30 May 2024

DEEPAK KUMAR BANSAL

Chief Financial Officer and Executive Director
DIN - 07495199

Place: Ajmer


Financial Highlights - Consolidated


| | ₹ in Crores | | | | | | | | | |
|--|--------------|--------------|--------------|--------------|----------------|-------------|-------------|---------------|--------------|----------------|
| | 2023-24 | 2022-23 | 2021-22 | 2020-21 | 2019-20 | 2018-19 | 2017-18 | 2016-17 | 2015-16 | 2014-15 |
| Fixed assets and investment | 548.9 | 567.8 | 538.2 | 476.6 | 441.2 | 113.6 | 110.9 | 108.8 | 89.7 | 119.8 |
| Net assets (excluding fixed assets, investment and borrowings) | 351.1 | 89.9 | 4.3 | (25.5) | (154.9) | 114.7 | 132.1 | 113.2 | 156.2 | 189.7 |
| Total capital employed | 480.9 | 296.0 | 260.4 | 206.7 | (176.1) | 90.1 | 69.9 | 61.5 | 101.6 | 74.0 |
| Shareholders' funds | | | | | | | | | | |
| I. Equity share capital | 33.6 | 33.6 | 32.8 | 32.5 | 29.8 | 28.5 | 28.5 | 28.5 | 43.5 | 28.5 |
| II. Other equity | 447.3 | 262.4 | 227.6 | 174.2 | (205.9) | 61.6 | 41.4 | 33.0 | 58.2 | 45.5 |
| Total | 480.9 | 296.0 | 260.4 | 206.7 | (176.1) | 90.1 | 69.9 | 61.5 | 101.7 | 74.0 |
| Revenue from operations | 6,281.6 | 6,287.6 | 5,370.2 | 4,674.0 | 4,993.9 | 733.5 | 780.2 | 882.8 | 892.0 | 775.8 |
| Other income | 19.2 | 21.6 | 6.4 | 11.1 | 7.4 | 4.9 | 3.6 | 5.5 | 6.3 | 19.6 |
| Profit / (loss) before tax | 156.4 | 29.5 | 86.0 | 96.0 | (73.0) | 19.1 | 12.7 | (22.4) | 17.7 | (274.1) |
| Tax expense / (credit) | | | | | | | | | | |
| I. Current tax | 9.1 | 6.7 | 11.3 | 16.3 | (2.6) | 5.2 | 3.1 | 4.7 | 3.5 | 0.3 |
| II. Deferred tax | (4.3) | (1.0) | 2.0 | 1.7 | 9.6 | (1.1) | (0.8) | 7.6 | (0.6) | (2.7) |
| III. Tax adjustment relating to earlier years | 13.9 | - | - | - | - | - | - | - | - | - |
| Net profit / (loss) for the year | 137.7 | 23.7 | 72.7 | 78.1 | (80.0) | 14.9 | 10.3 | (34.6) | 14.8 | (271.6) |
| Total Comprehensive Income / (loss) for the year | 184.4 | (2.3) | 51.4 | 193.6 | (186.7) | 14.7 | 8.3 | - | - | - |
| Dividend (%) | - | - | - | - | - | - | - | - | - | - |
| Debt Equity ratio | 0.8 | 1.2 | 1.0 | 0.9 | (2.6) | 1.5 | 2.5 | 2.4 | 1.4 | 3.2 |
| Earning per share (₹) | 8.2 | 1.4 | 4.5 | 5.2 | (26.9) | 5.2 | 2.9 | (12.2) | 5.2 | (95.4) |
| Cash earning per share (₹) | 15.0 | 7.8 | 10.4 | 53.4 | 3.9 | 8.1 | 5.9 | (9.0) | 11.7 | (81.2) |
| Book value per share (₹) | 28.6 | 17.6 | 15.9 | 63.5 | (59.2) | 31.6 | 24.5 | 24.0 | 35.7 | 48.5 |

BLACK BOX

Registered & Corporate Office
Black Box Limited

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Airoli Knowledge Park, MIDC Industrial Area,
Airoli, Navi Mumbai-400708

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